



CITY OF
**PALO
ALTO**

City of Palo Alto

Prohousing Designation Application Materials for Public Review

Posted on May 18, 2026

***Online:** PaloAlto.gov/ProhousingApplication*

***In-Person:** Palo Alto Development Center at 285 Hamilton Ave.*

Program Information, Application Overview & Guidelines for Public Review and Comments

About the Prohousing Designation Program

The Prohousing Designation Program (PDP) is a State program administered by the California Department of Housing and Community Development (HCD). The Prohousing Designation Program (PDP) seeks to acknowledge and support jurisdictions that go above-and-beyond state housing law to help accelerate housing production.

Jurisdictions are required to complete an application that documents that the jurisdiction meets the programs requirements, and specifically that it has housing policies in place that meet scoring criteria across four key categories. These categories are:

- **Category 1: Favorable Zoning and Land Use**
- **Category 2: Acceleration of Housing Production Timeframes**
- **Category 3: Reduction of Construction and Development Costs**
- **Category 4: Providing Financial Subsidies**

HCD has allocated 1 to 3 points for various types of policies and programs in each of these categories. Jurisdictions may also earn additional points for certain Enhancement Factors. Jurisdictions must earn at least **30 points** to receive the Designation. For scoring criteria and enhancement factor details please see pages 8-15 in this document or see pages 7-13 in the following document: <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/prohousing-designation-program-application.docx>

A jurisdiction with a Prohousing Designation may receive priority processing or funding points when applying for several funding programs, including Affordable Housing and Sustainable Communities (AHSC), Infill Infrastructure Grant (IIG), Transformative Climate Communities (TCC), Solutions for Congested Corridors (SCCP), Local Partnership Program (LPP), Transit and Intercity Rail Capital Program (TIRCP), and Sustainable Transportation Planning Grant Program (STPG). Receiving a Prohousing Designation also allows jurisdictions to apply to the Prohousing Incentive Program. PIP is designed to reward local governments with additional funding to accelerate affordable housing production and preservation.

Learn more about the program at <https://www.hcd.ca.gov/planning-and-research/prohousing>.

Application Overview

The Prohousing Designation application consists of 7 appendices. **City staff recommend that public review and comments focus on Appendices 2, 3, 5 and 7.** These appendices contain the majority of the City's unique application information. Information that will be added later has been noted by Staff in red/yellow.

- Appendix 1: Formal Resolution for the Prohousing Designation Program
- Appendix 2: Proposed Policy Completion Schedule
- Appendix 3: Self-Scoring Sheet
- Appendix 4: Examples of Prohousing Policies with Enhancement Factors
- Appendix 5: Homeless Encampment Response
- Appendix 6: Diligent Public Participation Checklist
- Appendix 7: Additional Information and Supporting Documentation

Appendix 1 will be completed using HCD's resolution template. This may be viewed here: <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/prohousing-designation-program-formal-resolution.pdf>. City Council is expected to consider this resolution, which authorizes the City Manager to finalize and submit the City's application materials, in June 2026.

Appendices 2 and 3 provide details on the City's prohousing policies, both enacted and proposed, to support HCD in their evaluation on Palo Alto's eligibility for the program. City staff has removed the sample scoring sheet included in HCD's application materials from this public review draft to avoid potential confusion.

Appendix 4 is a reference document for applicant use and does not require public review. For those interested in viewing this appendix, please see pages 22-23 in the following document: <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/prohousing-designation-program-application.docx>

Appendix 5 is a structured template that applicants are required to complete in order to confirm that the treatment of homeless encampments within the jurisdiction is consistent with USICH's "7 Principles for Addressing Encampments."

Appendix 6 provides a checklist to confirm that a Diligent Public Participation Process was conducted. City staff will complete this following the conclusion of the public review and comment period. For those interested in viewing this appendix, please see page 26 in the following document: <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/prohousing-designation-program-application.docx>

Appendix 7 includes additional information and supporting documentation for the application, particularly for appendices 2 and 3.

In addition to the above appendices, staff will also complete and include the following forms as part of the required application materials:

- Application Checklist
- Application Information
- Certificate and Acknowledgement
- Legislative Information
- Threshold Requirements Checklist

Drafts of these forms are included in this document for public review and comment.

Guidelines for Public Review and Comment

The draft application materials included in this document should be reviewed within 30 days of Monday May 18, 2026. If substantial edits are made to the application materials on or before June 17, 2026, the comment period will be extended by 7-days.

Community members are encourage to provide written comments on these materials using the **online comment form** at PaloAlto.gov/ProhousingApplication.

Community members are also encouraged to provide oral comments at one of the following public meetings, both located at Palo Alto City Hall (250 Hamilton Avenue):

- **Community Info and Listening Session**
Wednesday May 20, 2026 in the Community Meeting Room from 4:00 to 5:00 PM
- **Planning and Transportation Commission Study Session**
Wednesday May 27, 2026 in Council Chambers starting at 6:00 PM

Oral or written comments related to the Appendix 1 resolution may be provided in writing in advance of the June 15, 2026 City Council meeting or during the public comment period for this meeting which will begin at 5:30 PM in Council Chambers at City Hall. Written comments may be sent via email to City.Council@PaloAlto.gov or mailed to the following address: *Office of the City Clerk: City Hall, 7th Floor, 250 Hamilton Avenue, Palo Alto, CA 94301.*

Thank you for your interest in the City's application materials. Draft application materials and key reference information begin on the next page of this document!

Application Checklist

| | Yes | No |
|---|-------------------------------------|--------------------------|
| Application Information | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Certification and Acknowledgement <i>(to be completed by City Manager before submission)</i> | <input type="checkbox"/> | <input type="checkbox"/> |
| The Legislative Information form is completed. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The Threshold Requirements Checklist is completed. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| A duly adopted and certified Formal Resolution for the Prohousing Designation Program is included in the application package. (See Appendix 1 for the Formal Resolution for the Prohousing Designation Program form.) <i>(to be added after June 15 Council meeting)</i> | <input type="checkbox"/> | <input type="checkbox"/> |
| If applicable, the Proposed Policy Completion Schedule is completed. (See Appendix 2 .) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The Self-Scoring Sheet is completed. (See Appendix 3 for the Self-Scoring Sheet and the Sample Self-Scoring Sheet.) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| One-page summary describing consistency with the 7 Principles for Addressing Encampments is completed. (See Appendix 5 for a template to assist.) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The checklist confirming that a Diligent Public Participation process was conducted. (See Appendix 6 for the template.) <i>(to be checked off once process has been completed)</i> | <input type="checkbox"/> | <input type="checkbox"/> |
| Additional information and supporting documentation (Applicant to provide as Appendix 7 .) | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Application Information

| | |
|--|--|
| Applicant (Jurisdiction): | City of Palo Alto |
| Applicant Mailing Address: | 250 Hamilton Ave |
| City: | Palo Alto |
| ZIP Code: | 94301 |
| Website: | PaloAlto.gov |
| Authorized Representative Name | Jonathan Lait |
| Authorized Representative Title: | Planning and Development Services Director |
| Phone: | (650) 329-2679 |
| Email: | jonathan.lait@paloalto.gov |
| Contact Person Name: | Julia Knight |
| Contact Person Title: | Senior Program Manager |
| Phone: | (650) 838-2839 |
| Email: | Julia.Knight@PaloAlto.gov |
| Total Self-Score (Based on Appendix 3): | 41 |

CERTIFICATION AND ACKNOWLEDGMENT

As authorized by the Formal Resolution for the Prohousing Designation Program (Resolution No. _____), which is attached hereto and incorporated by reference as if set forth in full, I hereby submit this full and complete application on behalf of the applicant.

I certify that all information and representations set forth in this application are true and correct.

I further certify that any proposed Prohousing Policy identified herein will be enacted within two (2) years of the date of this application submittal.

I acknowledge that this application constitutes a public record under the California Public Records Act (Gov. Code, § 6250 et seq.) and is therefore subject to public disclosure by the Department.

Signature: _____

(to be completed by City Manager before submission)

Name and Title: _____

(to be completed by City Manager before submission)

Date: _____

(to be completed by City Manager before submission)

Legislative Information

| District | Number | Legislators Name(s) |
|-------------------------------|--------|--------------------------------|
| State Assembly District | 23 | Assemblymember Marc Berman-DEM |
| State Senate District | 13 | Senator Josh Becker-DEM |

Threshold Requirements Checklist

The applicant meets the following threshold requirements in accordance with Section 6604 of the Regulations:

| | Yes | No |
|--|-------------------------------------|--------------------------|
| The applicant is a Jurisdiction. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The applicant has adopted a Compliant Housing Element. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The applicant has submitted or will submit a legally sufficient Annual Progress Report prior to designation. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The applicant has completed or agrees to complete, on or before the relevant statutory deadlines, any rezone program or zoning that is necessary to remain in compliance with Government Code sections 65583, subdivision (c)(1), and 65584.09, subdivision (a), and with California Coastal Commission certification where appropriate. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The applicant is in compliance, at the time of the application, with applicable state housing law, including, but not limited to those included in Government Code section 65585, subdivision (j); laws relating to the imposition of school facilities fees or other requirements (Gov. Code, § 65995 et seq.); Least Cost Zoning Law (Gov. Code, § 65913.1); Permit Streamlining Act (Gov. Code, § 65920 et seq.); and provisions relating to timeliness of CEQA processing by local governments in Public Resources Code sections 21080.1, 21080.2, and 21151.5(a). | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The applicant further acknowledges and confirms that its treatment of homeless encampments on public property complies with and will continue to comply with the constitutional rights of persons experiencing homelessness and that it has submitted a one-page summary to the Department demonstrating how the applicant has enacted best practices in their jurisdiction related to the treatment of unhoused individuals camping on public property, consistent with United States Interagency Council on Homelessness' "7 Principles for Addressing Encampments," (June 17, 2022 update), hereby incorporated by reference. | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| The applicant has duly adopted and certified, by the applicant's governing body, a Formal Resolution for the Prohousing Designation Program, which is hereby incorporated by reference. (A true and correct copy of the resolution is included in this application package.) (to be completed after June 15 Council meeting) | <input type="checkbox"/> | <input type="checkbox"/> |

Scoring Criteria

Category 1: Favorable Zoning and Land Use

| Category | Prohousing Policy Description | Points |
|----------|---|--------|
| 1A | Sufficient sites, including rezoning, to accommodate 150 percent or greater of the current or draft RHNA, whichever is greater, by total and income category. These additional sites must be identified in the Jurisdiction's housing element adequate sites inventory, consistent with Government Code section 65583, subdivisions (a)(3) and (c)(1). | 3 |
| 1B | Permitting missing middle housing uses (e.g., duplexes, triplexes, and fourplexes) by right in existing low-density, single-family residential zones in a manner that exceeds the requirements of SB 9 (Chapter 162, Statutes of 2021, Gov. Code, §§ 65852.21, 66411.7). | 3 |
| 1C | Sufficient sites, including rezoning, to accommodate 125 to 149 percent of the current or draft RHNA, whichever is greater, by total and income category. These points shall not be awarded if the applicant earns three points pursuant to Category (1)(A) above. These additional sites must be identified in the Jurisdiction's housing element adequate sites inventory, consistent with Government Code section 65583, subdivisions (a)(3) and (c)(1). | 2 |
| 1D | Density bonus programs that allow additional density for additional affordability beyond minimum statutory requirements (Gov. Code, § 65915 et seq.). | 2 |
| 1E | Increasing allowable density in low-density, single-family residential areas beyond the requirements of state Accessory Dwelling Unit Law, (Gov. Code, §§ 65852.2, 65852.22) (e.g., permitting more than one converted ADU; one detached, new construction ADU; and one JADU per single-family lot), and in a manner that exceeds the requirements of SB 9 (Chapter 192, Statutes of 2021, Gov. Code, §§ 65852.21, 66411.7). These policies shall be separate from any qualifying policies under Category (1)(B). | 2 |
| 1F | Eliminating minimum parking requirements for residential development as authorized by Government Code section 65852.2; adopting vehicular parking ratios that are less than the relevant ratio thresholds at subparagraphs (A), (B), and (C) of Gov. Code section 65915, subdivision (p)(1); or adopting maximum parking requirements at or less than ratios pursuant to Gov. Code section 65915, subdivision (p). | 2 |
| 1G | Zoning or incentives that are designed to increase affordable housing development in a range of types, including, but not limited to, large family units, Supportive Housing, housing for transition age foster youth, and deep affordability targeted for Extremely Low-Income Households in all parts of the Jurisdiction, with at least some of the zoning, other land use designation methods, or incentives being designed to increase | 2 |

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| | affordable housing development in higher resource areas shown in the TCAC/HCD Opportunity Map, and with the Jurisdiction having confirmed that it considered and addressed potential environmental justice issues in adopting and implementing this policy, especially in areas with existing industrial and polluting uses. | |
| 1H | Zoning or other land use designation methods to allow for residential or mixed uses in one or more non-residential zones (e.g., commercial, light industrial). Qualifying non-residential zones do not include open space or substantially similar zones. | 1 |
| 1I | Modification of development standards and other applicable zoning provisions or land use designation methods to promote greater development intensity. Potential areas of focus include floor area ratio, height limits, minimum lot or unit sizes, setbacks, and allowable dwelling units per acre. These policies must be separate from any qualifying policies under Category (1)(B) above. | 1 |
| 1J | Establishment of a Workforce Housing Opportunity Zone, as defined in Government Code section 65620, or a Housing Sustainability District, as defined in Government Code section 66200. | 1 |
| 1K | Establishment of an inclusionary housing program requiring new developments to include housing affordable to and reserved for low- and very low-income households, consistent with the requirements of AB 1505 (Chapter 376, Statutes of 2017, Gov. Code, § 65850.01). | 1 |
| 1L | Other zoning and land use actions not described in Categories (A)-(K) of this section that measurably support the Acceleration of Housing Production. | 1 |

Scoring Criteria

Category 2: Acceleration of Housing Production Timeframes

| Category | Prohousing Policy Description | Points |
|----------|--|--------|
| 2A | Establishment of ministerial approval processes for multiple housing types, including, for example, single-family, multifamily and mixed-use housing. | 3 |
| 2B | Acceleration of Housing Production through the establishment of streamlined, program-level CEQA analysis and certification of general plans, community plans, specific plans with accompanying Environmental Impact Reports (EIR), and related documents. | 2 |
| 2C | Documented practice of streamlining housing development at the project level, such as by enabling a by-right approval process or by utilizing statutory and categorical exemptions as authorized by applicable law, (e.g., Pub. Resources Code, §§ 21155.1, 21155.4, 21159.24, 21159.25; Gov. Code, § 65457; Cal Code Regs., tit. 14, §§ 15303, 15332; Pub. Resources Code, §§ 21094.5, 21099, 21155.2, 21159.28). | 2 |
| 2D | Establishment of permitting processes that take less than four months to complete. Policies under this category must address all approvals necessary to issue building permits. | 2 |
| 2E | Absence or elimination of public hearings for projects consistent with zoning and the general plan. | 2 |
| 2F | Priority permit processing or reduced plan check times for homes affordable to Lower-Income Households. | 2 |
| 2G | Establishment of consolidated or streamlined permit processes that minimize the levels of review and approval required for projects, and that are consistent with zoning regulations and the general plan. | 1 |
| 2H | Absence, elimination, or replacement of subjective development and design standards with objective development and design standards that simplify zoning clearance and improve approval certainty and timing. | 1 |
| 2I | Establishment of one-stop-shop permitting processes or a single point of contact where entitlements are coordinated across city approval functions (e.g., planning, public works, building) from entitlement application to certificate of occupancy. | 1 |
| 2J | Priority permit processing or reduced plan check times for ADUs/JADUs or multifamily housing. | 1 |
| 2K | Establishment of a standardized application form for all entitlement applications. | 1 |
| 2L | Documented practice of publicly posting status updates on project permit approvals on the internet. | 1 |

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| 2M | Limitation on the total number of hearings for any project to three or fewer. Applicants that accrue points pursuant to category (2)(E) are not eligible for points under this category. | 1 |
| 2N | Other policies not described in Categories (2)(A)-(M) of this section that quantifiably decrease production timeframes or promote the streamlining of approval processes. | 1 |

Scoring Criteria

Category 3: Reduction of Construction and Development Costs

| Category | Prohousing Policy Description | Points |
|----------|--|--------|
| 3A | Waiver or significant reduction of development impact fees for residential development with units affordable to Lower-Income Households. This provision does not include fees associated with the provision of housing affordable to Lower-Income Households (e.g., inclusionary in lieu fees, affordable housing impact fees, and commercial linkage fees). | 3 |
| 3B | Adoption of policies that result in less restrictive requirements than Government Code sections 65852.2 and 65852.22 to reduce barriers for property owners to create ADUs/JADUs. Examples of qualifying policies include, but are not limited to, development standards improvements, permit processing improvements, dedicated ADU/JADU staff, technical assistance programs, and pre-approved ADU/JADU design packages. | 2 |
| 3C | Adoption of other fee reduction strategies separate from Category (3)(A), including fee deferrals and reduced fees for housing for persons with special needs. This provision does not include fees associated with the provision of housing affordable to Lower-Income Households (e.g., inclusionary in lieu fees, affordable impact fees and commercial linkage fees). | 1 |
| 3D | Accelerating innovative housing production through innovative housing types (e.g., manufactured homes, recreational vehicles, park models, community ownership, and other forms of social housing) that reduce development costs. | 1 |
| 3E | Measures that reduce costs for transportation-related infrastructure or programs that encourage active modes of transportation or other alternatives to automobiles. Qualifying policies include, but are not limited to, publicly funded programs to expand sidewalks or protect bike/micro-mobility lanes, creation of on-street parking for bikes, transit-related improvements, or establishment of carshare programs. | 1 |

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| 3F | Adoption of universal design ordinances pursuant to Health and Safety Code section 17959. | 1 |
| 3G | Establishment of pre-approved or prototype plans for missing middle housing types (e.g., duplexes, triplexes, and fourplexes) in low-density, single-family residential areas. | 1 |
| 3H | Adoption of ordinances that reduce barriers, beyond existing law, for the development of housing affordable to Lower-Income Households. | 1 |
| 3I | Other policies not described in Categories (3)(A)-(H) of this section that quantifiably reduce construction or development costs. | 1 |

Scoring Criteria

Category 4: Providing Financial Subsidies

| Category | Prohousing Policy Description | Points |
|----------|--|--------|
| 4A | Establishment of a housing fund or contribution of funds towards affordable housing through proceeds from approved ballot measures. | 2 |
| 4B | Establishment of local housing trust funds or collaboration on a regional housing trust fund, which include the Jurisdiction's own funding contributions. The Jurisdiction must contribute to the local or regional housing trust fund regularly and significantly. For the purposes of this Category, "regularly" shall be defined as at least annually, and "significant" contributions shall be determined based on the impact the contributions have in accelerating the production of affordable housing. | 2 |
| 4C | Demonstration of regular use or planned regular use of funding (e.g., federal, state, or local) for preserving assisted units at-risk of conversion to market rate uses and conversion of market rate uses to units with affordability restrictions (e.g., acquisition/rehabilitation). For the purposes of this category, "regular use" can be demonstrated through the number of units preserved annually by utilizing this funding source. | 2 |
| 4D | Provide grants or low-interest loans for ADU/JADU construction affordable to Lower- and Moderate-Income Households. | 2 |
| 4E | A comprehensive program that complies with the Surplus Land Act (Gov. Code, § 54220 et seq.) and that makes publicly owned land available for affordable housing, or for multifamily housing projects with the highest feasible percentage of units affordable to Lower Income Households. A qualifying program may utilize mechanisms such as land donations, land sales with significant write-downs, or below-market land leases. | 2 |
| 4F | Establishment of an Enhanced Infrastructure Financing District or similar local financing tool that, to the extent feasible, directly supports housing developments in an area where at least 20 percent of the residences will be affordable to Lower-Income Households. | 2 |
| 4G | Prioritization of local general funds to accelerate the production of housing affordable to Lower-Income Households. | 2 |
| 4H | Directed residual redevelopment funds to accelerate the production of affordable housing. | 1 |

| | | |
|----|---|---|
| 4I | Development and regular (at least biennial) use of a housing subsidy pool, local or regional trust fund, or other similar funding source sufficient to facilitate and support the development of housing affordable to Lower-Income Households. | 1 |
| 4J | Prioritization of local general funds for affordable housing. This point shall not be awarded if the applicant earns two points pursuant to Category (4)(G). | 1 |
| 4K | Providing operating subsidies for permanent Supportive Housing. | 1 |
| 4L | Providing subsidies for housing affordable to Extremely Low-Income Households. | 1 |
| 4M | Other policies not described in Categories (4)(A)-(L) of this section that quantifiably promote, develop, or leverage financial resources for housing affordable to Lower-Income Households. | 1 |

Scoring Criteria: Enhancement Factors

The Department shall utilize enhancement factors to increase the point scores of Prohousing Policies. An individual Prohousing Policy may not use more than one enhancement factor. Each Prohousing Policy will receive extra points for enhancement factors in accordance with the chart below.

| Category | Prohousing Policy Description | Points |
|----------|---|--------|
| 1 | The policy represents one element of a unified, multi-faceted strategy to promote multiple planning objectives, such as efficient land use, access to public transportation, housing affordable to Lower-Income Households, climate change solutions, and/or hazard mitigation. | 2 |
| 2 | Policies that promote development consistent with the state planning priorities pursuant to Government Code section 65041.1. | 1 |
| 3 | Policies that diversify planning and target community and economic development investments (housing and non-housing) toward place-based strategies for community revitalization and equitable quality of life in lower opportunity areas. Such areas include, but are not limited to, Low Resource and High Segregation & Poverty areas designated in the most recently updated TCAC/HCD Opportunity Maps, and disadvantaged communities pursuant to Health and Safety Code sections 39711 and 39715 (California Senate Bill 535 (2012)). | 1 |
| 4 | Policies that go beyond state law requirements in reducing displacement of Lower-Income Households and conserving existing housing stock that is affordable to Lower-Income Households. | 1 |
| 5 | Rezoning and other policies that support intensification of residential development in Location Efficient Communities. | 1 |
| 6 | Rezoning and other policies that result in a net gain of housing capacity while concurrently mitigating development impacts on or from Environmentally Sensitive or Hazardous Areas. | 1 |
| 7 | Zoning policies, including inclusionary housing policies, that increase housing choices and affordability, particularly for Lower-Income Households, in High Resource and Highest Resource areas, as designated in the most recently updated TCAC/HCD Opportunity Maps. | 1 |
| 8 | Other policies that involve meaningful actions towards Affirmatively Furthering Fair Housing outside of those required pursuant to Government Code sections 65583, subdivision (c)(10), and 8899.50, including, but not limited to, outreach campaigns, updated zoning codes, and expanded access to financing support. | 1 |

Appendix 2: Proposed Policy Completion Schedule

City of Palo Alto Proposed Policy Completion Schedule

| <u>Category Number</u> | <u>Concise Written Description of Proposed Policy</u> | <u>Key Milestones and Milestone Dates</u> | <u>Anticipated Completion Date</u> | <u>Notes</u> |
|------------------------|---|---|------------------------------------|--------------|
| 1B | The City proposes increasing FAR from 0.45 to 1.75, reducing setbacks, and relaxing daylight plane requirements for several R-1 neighborhoods near transit starting July 1, 2026. These standards are most likely to yield smaller housing projects of 4-6 units to serve as missing middle housing. | City Council will discuss this item on June 1, 2026 and is likely to move forward with an ordinance to upzone these low-density residential areas at that time. | July 2026 | N/A |
| 1G | In order to implement Housing Element Program 6.5 B related to innovative housing solutions, staff, based on the direction from the Planning and Transportation Commission, has begun evaluation of micro-housing and senior housing. These housing types differ in physical form, operational characteristics, and target populations, but share common policy goals related to affordability, efficient land use, and housing diversity. | Staff intends to bring a draft ordinance to Council for consideration by the end of 2026. | December 2026 | N/A |
| 1L | The City is undertaking a major area plan effort for the 275.3-acre San Antonio Road Corridor that measurably supports the acceleration of housing in Palo Alto. | This project was approved by City Council on March 10, 2025 and is anticipated to be completed by June 2028. | June 2028 | N/A |
| 2H | City Council has adopted a 2026 priority to develop and adopt objective development standards for the South of Forest Area Coordinated Area Plan (SOFA CAP), an approximately 50-acre area near the downtown. The Council priority also includes presenting plan amendment options to replace existing subjective standards with these new objective standards. This priority is consistent with Housing Element Program 3.7 which seeks to develop objective standards for the SOFA. | The City is targeting City Council consideration of SOFA CAP and/or municipal code amendments by the end of 2026. | December 2026 | N/A |

Appendix 3: Self-Scoring Sheet

City of Palo Alto Self-Scoring Sheet

| <u>Category Number & Policy Description</u> | <u>Concise Written Description of Prohousing Policy</u> | <u>Enacted or Proposed</u> | <u>Documentation Type (e.g., resolution, zoning code)</u> | <u>Insert Web Links to Documents</u> | <u>Points</u> | <u>Enhancement Category Number & Description</u> | <u>Enhancement Points</u> | <u>Total Points</u> |
|---|---|----------------------------|---|---|---------------|--|---------------------------|---------------------|
| <p>1B</p> <p><i>Permitting missing middle housing uses (e.g., duplexes, triplexes, and fourplexes) by right in existing low-density, single-family residential zones in a manner that exceeds the requirements of SB 9 (Chapter 162, Statutes of 2021, Gov. Code, §§ 65852.21, 66411.7).</i></p> | <p>The City proposes increasing FAR from 0.45 to 1.75, reducing setbacks, and relaxing daylight plane requirements for several R-1 neighborhoods near transit starting July 1, 2026. These standards are most likely to yield smaller housing projects of 4-6 units to serve as missing middle housing. City Council will discuss this item on June 1, 2026 and is likely to move forward with an ordinance to upzone these low-density residential areas at that time.</p> <p>This policy focuses on upzoning in neighborhoods with existing transit, parks, office spaces, neighborhood services, retail and dining options, promoting residential development in Location Efficient Communities. This policy therefore meets Enhancement Factor 5.</p> | Proposed | Staff Report | May 4, 2026 Staff Report | 3 | 5 <i>Rezoning and other policies that support intensification of residential development in Location Efficient Communities.</i> | 1 | 4 |
| <p>1D</p> <p><i>Density bonus programs that allow additional density for additional affordability beyond minimum statutory requirements (Gov. Code, § 65915 et seq.).</i></p> | <p>Palo Alto has local alternatives to the State Density Bonus program that offer increases in density far exceeding what is achievable with State Density Bonus. Palo Alto Municipal Code Section 18.14.020 establishes an El Camino Real Housing Focus Area with enhanced development standards. Palo Alto Municipal Code Section 18.14.040 establishes the City’s Affordable Housing Incentive Program, or AHIP.</p> <p>The El Camino Real Housing Focus Area designates a stretch of El Camino Real for particularly high density. A residential FAR of 4.0 is permitted, representing a more than 500% density bonus over the base commercial service (CS) zoning for many sites. In exchange for this generous allowance, developers must provide 20% of total units at rates affordable to lower income households.</p> <p>The AHIP extends similar benefits to numerous zoning districts and locations citywide, including the Downtown</p> | Enacted | Zoning Code | 18.14.040 Affordable Housing Incentive Program 18.14.020 Housing Element Opportunity Sites and Focus Areas | 2 | 7 <i>Zoning policies, including inclusionary housing policies, that increase housing choices and affordability, particularly for Lower-Income Households, in High Resource and Highest Resource areas, as</i> | 1 | 3 |

| <u>Category Number & Policy Description</u> | <u>Concise Written Description of Prohousing Policy</u> | <u>Enacted or Proposed</u> | <u>Documentation Type (e.g., resolution, zoning code)</u> | <u>Insert Web Links to Documents</u> | <u>Points</u> | <u>Enhancement Category Number & Description</u> | <u>Enhancement Points</u> | <u>Total Points</u> |
|---|---|----------------------------|--|---|---------------|--|---------------------------|---------------------|
| | <p>CD(C) zone, the North Ventura NV zones, the California Avenue CC(2) zone, the CN and CS zones along El Camino Real, various residential RM zones, the CS zone along San Antonio Road and in the GM/ROLM Focus Area in West Bayshore. AHIP also applies to all Housing Element Opportunity Sites and to properties (other than shopping centers) zoned CD, CN, CS and CC within a ½ mile of a ¼ mile of a high-quality transit corridor. The AHIP increases the maximum FAR for 100% affordable projects to 2.4 FAR. This represents 140% increase for higher density zones like the RM-40 and Downtown Commercial (CD-C) districts and a 380% increase for lower density RM-20 and Neighborhood Commercial (CN) districts.</p> <p>These incentives are already being utilized by housing developers. For example, the City approved a housing project with 368 units at 3150 El Camino Real in July 2025. This project utilized the Focus Area zoning incentives and benefits to achieve a 4.0 FAR. The base zoning for this site would have allowed a 0.6 FAR. The City anticipates receiving another application utilizing Focus Area zoning for 3400 El Camino Real in Summer 2026.</p> <p>The above policies qualify under Enhancement Factor 7 because they increase housing choices and affordability in high and highest resource areas. Palo Alto consists almost entirely of high or highest resource areas with only one census tract that is considered a moderate-resource area—Census Tract 5046.01. See attached opportunity map for details.</p> | | | | | <i>designated in the most recently updated TCAC/HCD Opportunity Maps.</i> | | |
| <p>1G <i>Zoning or incentives that are designed to increase affordable housing development in a range of types, including, but not limited to, large family units, Supportive Housing, housing for</i></p> | <p>Palo Alto has developed several policies enacted or proposed to increase affordable housing development in a range of types, including large family units, micro-housing and senior housing solutions.</p> <p>Housing Element Program 6.2A provided direction to staff to research and implement incentives to encourage larger units, such as FAR exemptions for three or more bedroom units, and creation of family-friendly design standards. Specifically, in March 2025, following staff</p> | Enacted and Proposed | Zoning Code; City Council Staff Report on PHZ Affordability Requirements; Staff reports for 44 Encina Avenue and 800 | See Footnote 1 in Table 6 of Palo Alto Municipal Code 18.14.030 : See Table 2 in PHZ staff report ; 800 | 2 | 7 <i>Zoning policies, including inclusionary housing policies, that increase housing choices and</i> | 1 | 3 |

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| <p><i>transition age foster youth, and deep affordability targeted for Extremely Low-Income Households in all parts of the Jurisdiction, with at least some of the zoning, other land use designation methods, or incentives being designed to increase affordable housing development in higher resource areas shown in the TCAC/HCD Opportunity Map, and with the Jurisdiction having confirmed that it considered and addressed potential environmental justice issues in adopting and implementing this policy, especially in areas with existing industrial and polluting uses.</i></p> | <p>analysis and Planning and Transportation Commission public hearing and feedback, the City Council approved modifications to the Housing Incentive Program (HIP) ordinance, including a provision incentivizing larger units that can accommodate families by allowing density/floor area ratio increases for "family-friendly units" consisting of three or more bedrooms. As a result, the Housing Incentive Program as codified in Palo Alto Municipal Code 18.14.030 offers a 0.5 FAR increase for projects which include at least 10% of units with three or more bedrooms. The HIP program is available in numerous zoning districts and locations citywide, including: Downtown – CD(C) zone, North Ventura - NV zones, California Avenue – CC(2) zone, El Camino Real – CN or CS zones, various residential areas – RM zones, San Antonio Road (Middlefield to East Charleston) – CS zone and the GM/ROLM Focus Area in West Bayshore. Many of the areas eligible for the HIP are high or highest resource areas.</p> <p>Additionally, the City's Planned Home Zone (PHZ) generally requires 20% of units to be affordable but offers weighted value calculations for units with deeper levels of affordability to incentivize the provision of very-low and low income units. PHZ projects may be proposed citywide, including in the City's many high and highest resource areas. Recent projects have utilized these incentives, such as 800 San Antonio Road which provided fewer overall affordable units but at more deeply affordable levels. 44 Encina Avenue has also proposed a 158 unit project, including 20% affordable units, through the PHZ process.</p> <p>In order to implement Housing Element Program 6.5 B related to innovative housing solutions, staff, based on the direction from the Planning and Transportation Commission has begun evaluation of micro-housing and senior housing. These housing types differ in physical form, operational characteristics, and target populations, but share common policy goals related to affordability, efficient land use, and housing diversity. Staff intends to</p> | | San Antonio Road | San Antonio Road staff report; 44 Encina Avenue staff report; Alternate Housing Solutions Staff Report; Ordinance 5650; Opportunity Map attached | | <p><i>affordability, particularly for Lower-Income Households, in High Resource and Highest Resource areas, as designated in the most recently updated TCAC/HCD Opportunity Maps.</i></p> | | |

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| | <p>bring a draft ordinance to Council for consideration by the end of 2026. The City is committed to considering and addressing potential environmental justice issues in adopting and implementing this policy.</p> <p>The above enacted and proposed citywide programs and policies qualify under Enhancement Factor 7 because they increase housing choices and affordability in high and highest resource areas. Palo Alto consists almost entirely of high or highest resource areas with only one census tract that is considered a moderate-resource area—Census Tract 5046.01. See attached opportunity map for details.</p> | | | | | | | |
| <p>1H <i>Zoning or other land use designation methods to allow for residential or mixed uses in one or more non-residential zones (e.g., commercial, light industrial). Qualifying non-residential zones do not include open space or substantially similar zones.</i></p> | <p>Housing Element Program 3.4A-D committed the City to extending the Housing Incentive Program to additional zoning districts to facilitate housing production. In March 2025, City Council adopted Ordinance 5650 to meet this specific objective.</p> <p>Today, all of the City’s commercial zones allow mixed-use housing at minimum and allow exclusively residential in many cases, such as on housing inventory sites or in housing focus areas. The GM/ROLM zone districts in areas of planned growth have also been rezoned to encourage housing by providing additional residential density and improved development standards.</p> <p>There are numerous examples of the City working with housing developers to deliver housing in non-residential zones. In 2026, the City approved a fully residential development with 145 units in the ROLM district at 2100 Geng Road. In 2025, the City approved a 368 unit multi-family apartment at 3150El Camino Real in the Commercial Service (CS) zoning district. In April 2026 City approved a 335-unit project at 3606 El Camino that would be delivered across 7 parcels with spanning multiple zoning areas, including CS (Service Commercial), CN (Neighborhood Commercial), RM-30 & RM-40 (Multifamily Residential) zoning. In 2025, the City approved a 55-unit, 100% deed-restricted housing</p> | Enacted | Zoning Code | Palo Alto Municipal Code 18.14.030; Ordinance 5650 | 1 | | | 1 |

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| | project at 3265 El Camino Real as a PHZ on a site that had been zoned CS. | | | | | | | |
| 1I <i>Modification of development standards and other applicable zoning provisions or land use designation methods to promote greater development intensity. Potential areas of focus include floor area ratio, height limits, minimum lot or unit sizes, setbacks, and allowable dwelling units per acre. These policies must be separate from any qualifying policies under Category (1)(B) above.</i> | <p>Palo Alto has modified development standards and other applicable zoning provisions to promote greater development intensity through several different housing policies.</p> <p>The Housing Incentive Program upzones numerous residential and mixed use/commercial areas throughout the city, with significant increases in FAR up to 3.5, far in excess of what is available under State Density Bonus. These standards are found in PAMC section 18.14.030. The El Camino Real Focus Area and GM/ROLM Focus Area provide additional upzoning options for housing along key growth corridors for the City.</p> <p>The planned community rezoning process also allows for increased density and relaxed development standards in exchange for public benefits, such as more BMR and/or reduced income levels (deeper affordability). Specifically, On February 3, 2020, Council unanimously endorsed using Planned Housing Zoning (PHZ) for housing and mixed-use housing projects to help spur housing production. In exchange for deviation from certain standards as allowed under the rezoning, if approved by Council, the project must include at least 20% of the housing units as deed restricted for lower income households.</p> <p>Additionally, Palo Alto's SB 9 implementation, enacted through Ordinance 5645, exceeds state law by eliminating the per-unit floor area maximum that would otherwise constrain SB 9 projects. Housing Element Program 6.3 committed the City to raising the per-unit floor area cap from 800 to 1,200 square feet for SB 9 projects yielding three or more detached units on a single-family lot. Council exceeded that commitment by deleting the per unit square footage maximum altogether (former PAMC 18.42.180(e)(6)). Unit size limitations are one of the most significant practical barriers to SB 9 feasibility because they make it difficult</p> | Enacted | Zoning Code; Action Minutes; ordinances | Palo Alto Municipal Code 18.14.030 ; Palo Alto Municipal Code 18.14.020 ; Palo Alto Municipal Code 18.38.060 ; February 3 2020 Action Minutes ; Ordinance 5645 | 1 | | | 1 |

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| | to develop family-sized homes or units that pencil financially. Removing the cap entirely directly promotes increased development intensity and makes SB 9 projects more financially feasible and attractive to homeowners. Program 6.3 further commits the City to refining objective design and development standards based on real-world application experience. | | | | | | | |
| 1L <i>Other zoning and land use actions not described in Categories (A)-(K) of this section that measurably support the Acceleration of Housing Production.</i> | <p>The City is undertaking a major area plan effort for the 275.3-acre San Antonio Road Corridor that measurably supports the acceleration of housing in Palo Alto. Initiated by City Council on March 10, 2025 and anticipated to be completed by June 2028, the San Antonio Road Area Plan will establish an integrated land use and transportation strategy to guide development in the corridor.</p> <p>Key objectives include expanding housing, improving mobility, providing open space, strengthening commercial nodes, upgrading infrastructure, and advancing sustainability. The plan will set policies, standards, and guidelines implementing the City's Comprehensive Plan and Housing Element, building on related efforts including the Sustainability and Climate Action Plan, Safe Streets for All Action Plan, and Bicycle and Pedestrian Plan.</p> <p>The plan area includes 53 Housing Element Opportunity Sites with capacity for 1,559 units, including 614 designated for lower-income households. Staff is also studying broader land use scenarios that could significantly exceed this baseline — as of March 2026, the area plan policies and associated zoning changes are estimated to support between 3,800 and 7,400 units at full buildout.</p> <p>This category meets the Enhancement Factor 5 requirements by supporting residential land use intensification through rezoning in a location efficient community with a diverse mix of land uses and in close</p> | Proposed | Project Website, Staff Reports and Memos | October 2025 Project Update Staff Report; March 2026 Plan Alternatives Memo; Project Webpage | 1 | 5 <i>Rezoning and other policies that support intensification of residential development in Location Efficient Communities.</i> | 1 | 2 |

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| | proximity to public transit, parks, employment centers and more. | | | | | | | |
| 2B <i>Acceleration of Housing Production through the establishment of streamlined, program-level CEQA analysis and certification of general plans, community plans, specific plans with accompanying Environmental Impact Reports (EIR), and related documents.</i> | <p>Palo Alto supports accelerated housing production through stream-lined, program-level CEQA analyses and comprehensive (general) plan and specific plan certifications.</p> <p>In compliance with the California Environmental Quality Act (CEQA), a Supplemental Environmental Impact Report (EIR) was prepared for the North Ventura Coordinated Area Plan, supplementing the 2030 Comprehensive Plan EIR. When new projects in the plan area undergo discretionary review by the City, the Supplemental EIR may be used for their environmental analysis.</p> <p>The San Antonio Area Plan is currently under development and is expected to have a similar programmatic EIR that future projects may tier off of. The Draft Environmental Impact Report is expected to be developed during Phase 4, which is expected to run from November 2026 to June of 2027. The final environmental impact report is expected to be adopted in January of 2028.</p> <p>The City also currently has a programmatic EIR for the San Antonio Housing Incentive Program area that covers 18 parcels. A mixed-use project with 167 housing units that spans two of these parcels (788 and 796 San Antonio Road) is currently under review and may tier off this programmatic EIR. A 197-unit project proposed at 762 San Antonio also falls within the programmatic EIR area. The City is preparing an addendum to the 788 San Antonio Mixed Use Project and Housing Incentive Program EIR to evaluate this proposed project's potential impacts. The City is also reviewing a third housing project (175 units) within this programmatic EIR area at 800-808 San Antonio Road. The CEQA status for this project is pending but it may utilize the programmatic EIR.</p> <p>The City also regularly utilizes the City's adopted Comprehensive Plan and associated Housing Element Addendum to support streamlining under CEQA Guidelines Section 15183. A recent example of this is the 368-unit project proposed at 3150 El Camino Real. Prior</p> | Enacted | Housing Element | North Ventura Coordinated Area Plan; Housing Incentive Program Expansion EIR | 2 | | 2 | |

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| | to the enactment of AB 130, the City was relying on its Housing Element addendum to streamline many other housing projects including 3606 and 3781 El Camino Real. | | | | | | | |
| <p>2C <i>Documented practice of streamlining housing development at the project level, such as by enabling a by-right approval process or by utilizing statutory and categorical exemptions as authorized by applicable law, (e.g., Pub. Resources Code, §§ 21155.1, 21155.4, 21159.24, 21159.25; Gov. Code, § 65457; Cal Code Regs., tit. 14, §§ 15303, 15332; Pub. Resources Code, §§ 21094.5, 21099, 21155.2, 21159.28).</i></p> | <p>The City utilizes categorical and statutory exemptions to streamline housing development. Recent examples include the following: 4345 El Camino Real (Class 32 Categorical Exemption); 2850 West Bayshore (Class 32 Categorical Exemption); 420 Acacia (Class 32 Categorical Exemption); 3150 El Camino Real (Section 15183 Exemption); 3980 El Camino Real (Class 32 Categorical Exemption), 3781 El Camino Real (AB 130 Exemption); 3606 El Camino Real (AB 130 Exemption).</p> | Enacted | Categorical Exemption Reports; Zoning Code | 4335-4345 El Camino Real Categorical Exemption Report ; 2850 W. Bayshore Road Residential Project Class 32 Categorical Exemption Report; 420 Acacia Avenue Residential Project Class 32 Categorical Exemption Report ; 3150 El Camino Real CEQA Checklist; 3980 El Camino Real Categorical Exemption Qualification Memorandum | 2 | | | 2 |

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| <p>2H</p> <p><i>Absence, elimination, or replacement of subjective development and design standards with objective development and design standards that simplify zoning clearance and improve approval certainty and timing.</i></p> | <p>On June 1, 2022, the City Council adopted a new Chapter 18.24 of the Palo Alto Municipal Code establishing Contextual Design Criteria and Objective Design Standards, replacing prior subjective design standards. This was a locally-initiated policy choice — not required by state law — rooted in years of analysis dating back to the 2018 Housing Work Plan, with the goal of reducing application processing times and development costs. The new standards work in tandem with the City's streamlined housing review processes under Chapter 18.77: projects that meet them benefit from more efficient and focused reviews, and those that cannot meet a given standard may utilize available waivers. Additionally, City Council has adopted a 2026 priority to develop and adopt objective development standards for the South of Forest Area Coordinated Area Plan (SOFA CAP), an approximately 50 acre area near the downtown. The Council priority also includes presenting plan amendment options to replace existing subjective standards with these new objective standards. This priority is consistent with Housing Element Program 3.7 which seeks to develop objective standards for the SOFA. The City is targeting City Council consideration of SOFA CAP and/or municipal code amendments by the end of 2026.</p> | Enacted / Proposed | Zoning Code | Palo Alto Municipal Code 18.24 ; Palo Alto Municipal Code 18.77.073 ; See line 10 in 2026 Council Priorities for details | 1 | | | 1 |
| <p>2I</p> <p><i>Establishment of one-stop-shop permitting processes or a single point of contact where entitlements are coordinated across city approval functions (e.g., planning, public works, building) from entitlement application to certificate of occupancy.</i></p> | <p>The City coordinates entitlements across all approval functions through a single point of contact and a unified permitting system from application through certificate of occupancy.</p> <p>The Development Center serves as the City's one-stop-shop, staffed by representatives from Planning, Building, Fire, Urban Forestry, and Utilities (Monday through Thursday in person, with virtual appointments available daily, typically within two business days).</p> <p>Single points of contact span the full project lifecycle:</p> <ul style="list-style-type: none"> Entitlements: The Current Planning team coordinates cross-department review and convenes Development Review Committee | Enacted | | Development Center Homepage and Hours ; Appointment Booking System ; Accela Citizen Portal | 1 | | | 1 |

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| | <p>meetings so applicants can address questions with all departments in one setting.</p> <ul style="list-style-type: none"> Building permit through certificate of occupancy: A Building project coordinator manages cross-department coordination. <p>All permits are processed in Accela, a single central permitting system integrated with Digeplan for electronic plan review. Reviewers from every department comment directly in the system, and the public portal lets applicants track status, view plans, pay fees, and schedule inspections.</p> | | | | | | | |
| <p>2J <i>Priority permit processing or reduced plan check times for ADUs/JADUs or multifamily housing.</i></p> | <p>Palo Alto prioritizes standalone J/ADU applications with a shortened initial review period of 14 days for standalone projects instead of the standard 30 day review period. Additionally, any resubmittals have a one week review until they are approved. When an ADU/JADU is combined with a project for a new home, the initial review is 30 days for both, then 14 days for resubmittals until they are approved.</p> <p>Palo Alto also offers a Master ADU permit program which serves to expedite future project reviews for homeowners that select a pre-approved ADU plan. The City approved its first master permit for a 434 square foot ADU with loft in April 2026 and is actively soliciting additional master permit applications from local architecture and design firms.</p> | Enacted | Master Permit Checklist and Online Dashboard | Master ADU Permit Checklist; Housing Dashboard | 1 | | | 1 |
| <p>2K <i>Establishment of a standardized application form for all entitlement applications.</i></p> | <p>All entitlement applications use the same form completed and submitted via an online portal.</p> | Enacted | Online Application Instructions and Link | Application Instructions | 1 | | | 1 |
| <p>2L <i>Documented practice of publicly posting status updates on project permit approvals on the internet.</i></p> | <p>Palo Alto has a documented practice of publicly posting status updates on project permit approvals online. Palo Alto Permit View is a web application that makes looking up and researching permit activity within the City of Palo Alto simple. All public users can search building,</p> | Enacted | Online Portal | Permit View | 1 | | | 1 |

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| | planning, and code enforcement activity by property address, date, or application type. | | | | | | | |
| <p>3A <i>Waiver or significant reduction of development impact fees for residential development with units affordable to Lower-Income Households. This provision does not include fees associated with the provision of housing affordable to Lower-Income Households (e.g., inclusionary in lieu fees, affordable housing impact fees, and commercial linkage fees).</i></p> | <p>While not required by state law, Palo Alto has proactively codified development impact fee exemptions for 100% affordable housing projects in Palo Alto Municipal Code Section 16.58.030. Several recent 100% affordable housing projects have benefited from this exemption, including: 3001 El Camino Real (130 units), 3265 El Camino Real (55 units) and 525 East Charleston (50 units).</p> <p>Ordinance 5645 was passed in January 2025 to realign development impact fees for ADUs larger than 750 sq. ft. to utilize a per-square-foot methodology with the goal of reducing the fee applied to larger ADUs. ADUs and JADUs represent a critical form of naturally occurring affordable housing in our community due to their compact size (570 square feet on average as of 2025). ADU fee adjustments and waivers incentivize their continued production (currently over 100 units per year).</p> <p>The Palo Alto Municipal Fee Schedule also enables a Planning Application Fee Waiver for 100% Affordable Housing Projects. While the current language in the fee schedule suggests some level of discretion, this waiver is granted to all 100% affordable housing projects in practice. The City is updating the language in the fee schedule that will be published in August 2026 to make this clearer.</p> <p>This policy is consistent with Housing Element Program 3.1A: “Amend the City’s municipal fee schedule to waive City staff costs associated with the processing of an affordable housing planning application, except for directly related consultant supported costs.” As noted in the certified Housing Element, this policy reduces application processing costs by approximately \$20,000 per affordable housing application.</p> <p>This is a relatively new policy but it has been used. Most recently, the City Manager approved a planning fee</p> | Enacted | Zoning code and municipal fee schedule, ordinances | Palo Alto Municipal Code 16.58.030 ; 2025 ADU Report ; Ordinance 5645 ; 2026 Municipal Fee Schedule (see page 77); Palo Alto Municipal Code 18.14.020 ; Certified Housing Element | 3 | | | 3 |

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| | <p>waiver of \$27,250 for Alta Housing’s proposed 72-unit project on Lot T in April 2026.</p> <p>Additionally, for projects that utilize the El Camino Housing Focus Area standards, the City offers waiver of development impact fees for all Below Market Rate (BMR) units. 3150 El Camino Real (368 units total) recently benefited from this waiver for its BMR units, resulting in an approximately 20% reduction in overall development impact fees.</p> | | | | | | | |
| <p>3B</p> <p><i>Adoption of policies that result in less restrictive requirements than Government Code sections 65852.2 and 65852.22 to reduce barriers for property owners to create ADUs/JADUs. Examples of qualifying policies include, but are not limited to, development standards improvements, permit processing improvements, dedicated ADU/JADU staff, technical assistance programs, and pre-approved ADU/JADU design packages.</i></p> | <p>Palo Alto has been on the leading edge of ADU reform since 2018 and has consistently authorized greater floor area incentives. Currently, the City provides a bonus square footage allowance for ADU/JADUs that provides greater flexibility than the state in how these structure can be built in conjunction with additions to homes. The City allows for the bonus square footage to be shared between the two ADUs and JADU that is built on site, incentivizing multiple units without limiting the primary home’s development potential. The City also provides reduced front and street-side setbacks for the primary home when building an ADU at greater setbacks than what state law provides. The City allows non-conforming structures converted into an ADU/JADU to expand further into the setback than is permitted by state law. The City allows new homes to not provide covered parking to satisfy the primary home parking requirements if they build an ADU/JADU at the same time. The City provides bonus square footage to the primary home when building a JADU.</p> <p>The City also works hard to reduce barriers for property owners to creating ADUs by providing planning resources and priority permit reviews. Specifically, the City published an ADU handbook to assist homeowners in the design and planning process for ADUs in 2024 and updated it in 2025. Staff have prioritized standalone ADU permit reviews by reducing the review time on the initial review to 14 days and cutting that subsequent review time in half (at best reviewing a resubmittal the same/next day) until the project is approved.</p> | Enacted | Zoning Code; ADU handbook | ADU Handbook Palo Alto ; Palo Alto Municipal Code Chapter 18.09 | 2 | | | 2 |

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| <p>3D <i>Accelerating innovative housing production through innovative housing types (e.g., manufactured homes, recreational vehicles, park models, community ownership, and other forms of social housing) that reduce development costs.</i></p> | <p>The City of Palo Alto has proactively invested in alternative housing types that reduce development costs and broaden access to shelter and stable housing for all residents. Here are three examples:</p> <p>1. Homekey Palo Alto (Modular Interim Housing Shelter): Homekey Palo Alto is a first-of-its-kind modular interim housing shelter co-developed by the City of Palo Alto and LifeMoves, located at 1237 San Antonio Road. Entirely self-initiated by the City and not required by state law, the project demonstrates Palo Alto's commitment to deploying innovative construction methods to deliver shelter capacity quickly and cost-effectively. The facility features 88 modular rooms with ensuite bathrooms, on-site services, and spaces for counseling and vocational training. With a total project cost of approximately \$37.2 million leveraged from state, county, local and philanthropic sources, Homekey Palo Alto is expected to serve 200 to 300 individuals annually, with LifeMoves providing intensive case management and housing search services on-site.</p> <p>2. Safe Parking Program (Vehicle-Based Interim Housing): Palo Alto operates one of the most robust safe parking programs in the region. This initiative - also self-initiated and not required by state law - recognizes recreational vehicles and passenger vehicles as a legitimate form of interim housing. The program provides unhoused individuals with safe, legal places to park while connecting them with services and a pathway to permanent housing. The City supports a County-operated RV site at City-owned property at 2000 Geng Road and four congregation-based overnight sites for passenger vehicles. In January 2024, City Council adopted a Permanent Safe Parking Ordinance (ORD 5609), making the program a lasting part of the City's housing infrastructure with non-expiring permits and the ability to scale site capacity over time. On March 10, 2025, the Council approve a revenue agreement with Santa Clara County through September 2026 for expanded operations from 12 to 22 spaces at the 2000</p> | Enacted | Project documents, zoning code | HomeKey Project Overview;; Safe Parking Program Information; March 2025 City Council Staff Report ; Palo Alto Municipal Code 18.14.060 | 1 | 4 | 1 | 2 |

| <u>Category Number & Policy Description</u> | <u>Concise Written Description of Prohousing Policy</u> | <u>Enacted or Proposed</u> | <u>Documentation Type (e.g., resolution, zoning code)</u> | <u>Insert Web Links to Documents</u> | <u>Points</u> | <u>Enhancement Category Number & Description</u> | <u>Enhancement Points</u> | <u>Total Points</u> |
|---|--|----------------------------|--|---|---------------|---|---------------------------|---------------------|
| | <p>Geng Road site; the City funds the additional spaces at approximately \$266,162 annually. The Geng Road site serves an estimated 25 to 30 households each year.</p> <p>3. Group Homes in All Residential Zones (Social Housing and Community Infrastructure): Palo Alto has amended its zoning code to allow group homes in all residential zones citywide. Group homes represent an important form of social housing. Group homes offer a cost-effective housing model where shared common areas, communal kitchens, and reduced per occupant space requirements meaningfully lower per-bed construction and development costs relative to conventional housing units. Eliminating parking minimums and reducing the land area required per occupant further compresses costs. By permitting group homes throughout all residential zones, the City ensures this lower-cost model is available across all neighborhoods, expanding access to affordable housing for seniors, individuals with disabilities, and those in recovery without relying on conventional development economics.</p> <p>The City's Safe Parking Program qualifies for Enhancement Factor 4 by providing a direct, community-driven solution that helps low-income households bridge the gap between housing instability and permanent housing. The City's Safe Parking Program is locally initiated and was not developed in response to a particular State mandate.</p> | | | | | | | |
| <p>3E <i>Measures that reduce costs for transportation-related infrastructure or programs that encourage active modes of transportation or other alternatives to automobiles. Qualifying</i></p> | <p>The City of Palo Alto's 2026 Bicycle and Pedestrian Transportation Plan (BPTP), currently in its final adoption phase, is a comprehensive active transportation policy that directly supports the City's housing goals by reducing transportation infrastructure costs and providing viable non-automobile alternatives for residents of new and existing housing.</p> <p>The 2026 BPTP explicitly incorporates land use changes from Palo Alto's 2023–2031 Housing Element into its demand analysis, planning bicycle and pedestrian improvements around anticipated housing growth</p> | Enacted and Proposed | Zoning Code; Transportation Program Details; Draft Bicycle and Pedestrian Transportation Plan; Sustainability and Climate Action Plan; 2024 Annual | Palo Alto Municipal Code 18.52.045 Palo Alto Municipal Code 18.52.40 ; Final Draft of Bicycle and | 1 | 1 <i>The policy represents one element of a unified, multi-faceted strategy to promote multiple planning objectives,</i> | 2 | 3 |

| <u>Category Number & Policy Description</u> | <u>Concise Written Description of Prohousing Policy</u> | <u>Enacted or Proposed</u> | <u>Documentation Type (e.g., resolution, zoning code)</u> | <u>Insert Web Links to Documents</u> | <u>Points</u> | <u>Enhancement Category Number & Description</u> | <u>Enhancement Points</u> | <u>Total Points</u> |
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| <p><i>policies include, but are not limited to, publicly funded programs to expand sidewalks or protect bike/micro-mobility lanes, creation of on-street parking for bikes, transit-related improvements, or establishment of carshare programs.</i></p> | <p>corridors. For example, the Plan identifies the San Antonio Road corridor—where the City is planning thousands of new housing units—as a priority area, calling for separated bikeways and sidewalk widening to serve future residents. Similarly, near-term projects include improvements to the University Avenue/Palo Alto Transit Center intersection specifically to enhance bicycle and pedestrian access to transit for new and existing downtown residents.</p> <p>A total of 25 bicycle projects (covering approximately 19 miles of the recommend bicycle network) and 24 intersection and crossing projects have been identified to initiate in the near-term (within 10 years). This includes separated bike lanes, bicycle boulevards, expanded on-street bike parking, enhanced crossings, and sidewalk & crossing improvements. These investments reduce future residents' dependence on automobiles, lowering household transportation costs and reducing the need for costly automobile infrastructure such as parking structures. By making walking, cycling, and transit connections safe and comfortable, the 2026 BPTP enables the City to support higher-density housing without proportional increases in automobile traffic or parking demand.</p> <p>The City also engages community members in the expansion of bicycle infrastructure through a public facing request system. Residents and businesses submit bicycle parking requests via the City's 311 program, directing installations to areas of demonstrated need. This approach increases on-street bicycle parking in commercial and residential areas citywide, improving active transportation infrastructure while supporting the City's sustainability and climate action goals</p> <p>Additionally, Palo Alto requires a 1:1 ratio of bike parking spaces to unit for residential developments of two or more units and allows existing parking facilities to replace up to 10% of automobile parking spaces with bike parking under certain circumstances. The City also partners with transit providers and others in the Palo Alto Transportation Management Association (PATMA) to encourage active modes of transportation, especially</p> | | <p>Report for PATMA (see attached electronic document)</p> | <p>Pedestrian Transportation Plan; 2022 Sustainability and Climate Action Plan</p> | | <p><i>such as efficient land use, access to public transportation, housing affordable to Lower-Income Households, climate change solutions, and/or hazard mitigation.</i></p> | | |

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|--|---|----------------------------|---|---|---------------|---|---------------------------|---------------------|
| | <p>among those with financial need. PATMA offers free transit passes, pays solo car commuters to switch to more sustainable forms of transit and is currently piloting a program that gives free bikes/scooters to commuters who switch from solo car commutes to more sustainable forms of transportation. As of December 2024, the transit pass program served 300 commuters.</p> <p>These policies achieve Enhancement Factor 1 as key components of larger City efforts to promote compact, walkable, sustainable and transit-oriented communities. Together with the policies and programs in the City's Sustainability and Climate Action Plan, these policies aim to make smart, sustainable transportation choices easy, accessible and affordable for all residents.</p> | | | | | | | |
| <p>4E <i>A comprehensive program that complies with the Surplus Land Act (Gov. Code, § 54220 et seq.) and that makes publicly owned land available for affordable housing, or for multifamily housing projects with the highest feasible percentage of units affordable to Lower Income Households. A qualifying program may utilize mechanisms such as land donations, land sales with significant write-downs, or below-market land leases.</i></p> | <p>The City has a comprehensive program that complies with the Surplus Land Act (SLA) and makes publicly owned land available for affordable housing development. The City owns several surface parking lots (mostly in the downtown area) that can be redeveloped to replace and add parking while creating new housing opportunities, including affordable housing. Housing Element Program 1.4 commits the City to redeveloping these parking lots to provide approximately 290 units of affordable or workforce housing, using a phased approach.</p> <p>The first phase of this work began with a Request for Interest in 2023 and result in the City entering into an exclusive negotiating agreement with Alta Housing to develop affordable housing on City owned parking Lot T in the downtown area in June 2025. The Council also passed a resolution declaring Lot T Exempt Surplus Land in June 2025. Under Government Code Section 54221(f)(1), an Exempt Surplus designation is itself a Surplus Land Act compliance pathway when, as here, the use of the land is restricted to affordable housing development. By designating Lot T as Exempt Surplus for the express purpose of developing deed-restricted affordable units with Alta Housing, the City satisfied its SLA obligations while ensuring the land remains committed to affordable housing. City Council provided</p> | Enacted | | See page 5-9 in Certified Housing Element for Program details; Resolution No. 10238; June 2025 Staff Report ; October 2025 staff report | 2 | 5 <i>Rezoning and other policies that support intensification of residential development in Location Efficient Communities.</i> | 1 | 3 |

| <u>Category Number & Policy Description</u> | <u>Concise Written Description of Prohousing Policy</u> | <u>Enacted or Proposed</u> | <u>Documentation Type (e.g., resolution, zoning code)</u> | <u>Insert Web Links to Documents</u> | <u>Points</u> | <u>Enhancement Category Number & Description</u> | <u>Enhancement Points</u> | <u>Total Points</u> |
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| | <p>feedback to Alta on project design options in October 2025 during a public Study Session and Alta submitted a planning application for the project in January 2026. The design is scheduled for review by the Architectural Review Board in May 2026. The City expects to entitle approximately 72 affordable units on this site by August 2026.</p> <p>Lot T is intended to serve as a “proof of concept” project for similar future projects. The City plans to issue a Request For Proposals for additional affordable housing (up to 218 units) on one or more City-owned sites before the end of 2026 to advance the next phase of this comprehensive Housing Element program.</p> <p>This program qualifies under Enhancement Factor 5 by supporting high-density residential development in a Location Efficient Community. Lot T, like several of the other parking lots being considered for redevelopment, is situated within one-half mile of the Palo Alto Caltrain station, placing future residents within walking distance of one of the Peninsula's most active commuter rail stops and at the heart of a vibrant downtown that integrates housing, employment, retail, and neighborhood services. The surrounding area also offers convenient pedestrian and bicycle access to parks, schools, and cultural destinations. Palo Alto has invested significantly in active transportation infrastructure — including an extensive network of bike lanes, off-street paths, and pedestrian improvements — making it one of the most walkable and bikeable cities in the Bay Area.</p> | | | | | | | |
| <p>4I <i>Development and regular (at least biennial) use of a housing subsidy pool, local or regional trust fund, or other similar funding source sufficient to facilitate and support the development of housing</i></p> | <p>The City periodically issues Notices of Funding Availability (NOFAs) to deploy the funds in the Affordable Housing Fund. The most recent NOFA was issued in fall 2024 and resulted in a \$5M award to the Charities Housing Project (approx. 130 affordable units) in January 2025. Budgets and fund balances were updated to reflect this award in November 2025. As of December 2025, the project was entitled and as of April 2026 the project had broken ground and was under construction.</p> | <p>Enacted</p> | <p>Notice of Funding Availability, Action Minutes</p> | <p>Sept. 2024 Notice of Funding Availability, January 21, 2025 Action Minutes, November 3, 2025 Action Minutes</p> | <p>1</p> | | | <p>1</p> |

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|--|--|----------------------------|---|---|---------------|--|---------------------------|---------------------|
| <i>affordable to Lower-Income Households.</i> | | | | | | | | |
| 4J <i>Prioritization of local general funds for affordable housing. This point shall not be awarded if the applicant earns two points pursuant to Category (4)(G).</i> | <p>Palo Alto prioritizes general funds and similar funds to advance affordable housing solutions. In FY 2025, the City committed \$4,944,710 in General Funds and Capital Improvement Funds to support the Homekey Project, an innovative interim housing project that is expected to open in 2026. The Capital Improvement Fund is equivalent to the General Fund Operating Budget, however, it is focused on capital investments, in particular general capital investments in Palo Alto that are not funded through enterprise or internal service fund activities.</p> <p>Homekey Palo Alto will be operated by LifeMoves who will provide intensive, customized case management for clients including counseling, employment and housing search services with the goal of paving a dignified path to self-sufficiency. The shelter is expected to serve over 200 individuals annually. Such interim housing solutions often provide critical support and stability to unhoused individuals and households as they search for permanent affordable housing solutions.</p> <p>Palo Alto and LifeMoves are proud to have received a \$26.6M award from the State to support the delivery of this meaningful housing project.</p> | Enacted | FY Budget Book | See pages 132-133 in the FY 2025 Budget Book for details | 1 | | | 1 |
| 4K <i>Providing operating subsidies for permanent Supportive Housing.</i> | <p>Palo Alto consistently provides operating subsidies for permanent affordable housing and related support services through its local Community Development and Block Grant (CDBG) Program. This commitment is reflected in the CDBG Program's Annual Action Plans.</p> <p>Due to CDBG program requirements, the City is restricted to allocating no more than 15% of its total annual allocation to these types of services. In FY 25, the City allocated \$11,575 to Alta Housing for SRO resident support services for 131 residents, \$28,247 to LifeMoves for case management at the Opportunity Center for 32 homeless or very low-income individuals, and \$14,075 to the Silicon Valley Independent Living Center for case management for 21 very low income residents with disabilities. In FY 24, the City allocated \$14,000 to Alta</p> | Enacted | | See pages 34-36 in FY 25 Annual Action Plan for project summaries; See pages 24-26 in FY 24 Annual Action Plan for project summaries See pages 132-133 in the FY 2025 | 1 | | | 1 |

| <u>Category Number & Policy Description</u> | <u>Concise Written Description of Prohousing Policy</u> | <u>Enacted or Proposed</u> | <u>Documentation Type (e.g., resolution, zoning code)</u> | <u>Insert Web Links to Documents</u> | <u>Points</u> | <u>Enhancement Category Number & Description</u> | <u>Enhancement Points</u> | <u>Total Points</u> |
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| | <p>Housing for SRO Resident Supportive Services for 131 residents, \$23,636 to LifeMoves for case management for 350 homeless or very low-income individuals at the Opportunity Center and \$16,500 to Silicon Valley Independent Living Center for case management services for 115 individuals with disabilities. Palo Alto made similar allocation commitments to these organization in FY 23 and FY 22.</p> <p>The City has also committed to provide \$7,000,000 over 7 years in operating cost to support the Homekey project, an innovative interim housing project that is expected to serve over 200 individuals annually. This funding commitment will begin once the shelter opens, likely later this year. Operational funding is expected to support the provision of on-site case management, physical and behavioral healthcare, employment support, educational development, legal services, pet care and connections to permanent housing opportunities. This operational funding support is in addition to the \$4,944,710 in General Funds and Capital Improvement Funds the City has also committed to the Homekey Project.</p> | | | Budget Book for operating cost details | | | | |
| <p>4M <i>Other policies not described in Categories (4)(A)-(L) of this section that quantifiably promote, develop, or leverage financial resources for housing affordable to Lower-Income Households.</i></p> | <p>The City has regularly allocated local Community Development Block Grant (CDBG) funds to rehabilitate affordable housing over the years; therefore leveraging financial resources for housing affordable to lower-income households. In FY 22, FY 23 and FY 24, the City allocated \$65,340, \$73,135 and \$73,585 respectively to Rebuilding Together Peninsula to preserve affordable housing by transforming homes through critical repairs and accessibility modifications, at no cost to the service recipient. This funding provides support to approximately 5 households each year. The majority of the low-income homeowners served are elderly/seniors and/or people with disabilities, who are physically and financially unable to maintain safe living conditions for themselves and their families.</p> <p>In 2025, the City allocated \$404,800 in CDBG funds to rehabilitate 10 rental housing units at Alma Gardens, an affordable multi-family housing complex for very low and</p> | Enacted | | See page 29 in FY 24 Annual Action Plan ; See page 31 in FY 23 Annual Action Plan ; See page 33 in FY 22 Annual Action Plan | 1 | 4 <i>Policies that go beyond state law requirements in reducing displacement of Lower-Income Households and conserving existing housing stock that is affordable to Lower-Income Households.</i> | 1 | 2 |

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|---|---|----------------------------|---|--------------------------------------|---------------|--|---------------------------|---------------------|
| | <p>low-income households. The rehabilitation efforts funded focused on addressing existing health and safety concerns.</p> <p>This category qualifies for Enhancement Factor 4 in two ways. First, by allowing lower-income households to repair and remain in their homes within the City, therefore reducing the risk of displacement. Second, by rehabilitating affordable units to ensure they remain available housing resources for low-income households that might otherwise be displaced. The decision to allocate CDBG funds to these types of projects are city-driven. The City is not required by state law to spend CDBG funds on these types of projects.</p> | | | | | | | |
| Totals | | | | | 32 | | 9 | 41 |

Appendix 5: City of Palo Alto Homeless Encampment Response

Staff Note: HCD has advised staff that the 350 character limit does not apply.

The Program requires applicants to confirm that its treatment of encampments on public property complies with and will continue to comply with the constitutional rights of persons experiencing homelessness. An application must include a one-page summary demonstrating how the applicant has enacted best practices in their jurisdiction related to the treatment of unhoused individuals camping on public property, consistent with the United States Interagency Council on Homelessness' "7 Principles for Addressing Encampments (June 17, 2022). The following template and certification are included to help jurisdictions meet this threshold.

- **Principle 1: Establish a Cross-Agency, Multi-Sector Response to Encampments** – Describe how system partners (name partners) work together to prioritize health and safety both for residents and unsheltered individuals. (350 characters max)

Palo Alto and its partners, including Santa Clara County Office of Supportive Housing (Continuum of Care, contractual for safe parking and interim shelter operations), LifeMoves (contractual, outreach/case management), and other service providers, are committed to prioritizing the health and safety of both residents and unsheltered individuals. Palo Alto's homeless population is largely unsheltered, living in vehicles. Encampments are unusual. Per the 2025 Point in Time (PIT) Count, there were 399 unsheltered and 19 sheltered in Palo Alto, with 73 percent of the unsheltered living in vehicles. As a result, the City's homelessness support efforts focus on prevention and the creation of pathways to permanent housing. The City of Palo Alto's homelessness support staff work in partnership with the County's Office of Supportive Housing to try to make homelessness rare, brief, and non-recurring, as described in Palo Alto's recent [gap analysis of housing and services for the unhoused](#).

The City's commitment to this issue is longstanding. On August 9, 2021, the City Council adopted a resolution endorsing the 2020-2025 Community Plan to End Homelessness. The [2020-2025 Santa Clara County Community Plan to End Homelessness](#), was jointly developed by representatives of community-based service organizations, local government, philanthropy, business, healthcare, and people with lived experience.

The 2020–2025 Community Plan to End Homelessness serves as the roadmap for ending homelessness across Santa Clara County, including in Palo Alto, and is organized around three core strategies:

- *Strategy 1: Address the root causes of homelessness through system and policy change*
- *Strategy 2: Expand homelessness prevention and housing programs to meet the need*
- *Strategy 3: Improve quality of life for unsheltered individuals and create healthy neighborhoods for all.*

The City works continuously with its partners to address homelessness through these strategies. City staff meets monthly with the County Office of Supportive Housing, bimonthly with an Inter-City Unhoused Response Collaborative, and convenes a bimonthly homeless service providers group including Continuum of Care (CoC) representation. The City also

funds safe parking through a revenue agreement with the County, and holds grant agreements with Move Mountain View) Karat School. Project, Peninsula Healthcare Connection, and other providers serving unhoused Palo Altans. Additionally, the City funds a partnership for a County mental health clinician through the Psychiatric Emergency Response Team (PERT) to respond with City police officers to acute mental health calls to divert people to services instead of involuntary holds, when appropriate.

When the City has encountered people sleeping on public property, it has almost always been limited to a single individual or household and the City has worked quickly with its established non-profit service partners to provide the necessary support and services to these unsheltered households or individuals. In such cases, the City of Palo Alto coordinates its encampment response across multiple departments and regional partners. Outreach through contracted provider LifeMoves is activated prior to any abatement action. The City's Assistant to the City Manager for Housing and Services for the Unhoused leads any additional coordination needed, working with Police, Public Works, and Human Services staff. This structure ensures that health, safety, and service needs of unsheltered individuals are addressed through coordinated, multi-sector response rather than enforcement alone.

- **Principle 2: Engage Encampment Residents to Develop Solutions** – Describe street outreach efforts to engage with encampment residents to find alternative shelter, housing, and service options using the housing first approach before an existing encampment is closed. (350 characters max)

The County, City of Palo Alto, and the local CoC coordinate efforts with other public agencies, nonprofits, grassroots community organizations, and community stakeholders to connect unsheltered households, including those living in encampments, to interim and permanent housing. However, the vast majority of unsheltered Palo Altans (73% in the 2025 PIT count) are living in vehicles on public streets around the City, not in situations that meet the Department of Housing and Community Development's (HCD) definition of encampment. According to HCD, an encampment is any location where multiple individuals experiencing unsheltered homelessness have established a place of residence, and where the ongoing presence and conditions of the site result in sustained or significant impacts to health, safety, public access, or infrastructure.

On occasion, a small number of people are sheltering in tents, but these are often solo tents and very infrequently grouped in pairs. In practice, outreach is led by LifeMoves staff under contract with the City, using a trauma-informed, Housing First approach to proactively and regularly engage unsheltered individuals, assess their needs, and connect them to shelter, services, and housing pathways. Any future encampment closure would be preceded by sustained outreach engagement to ensure residents have been offered meaningful alternatives before abatement occurs. This effort and partnership are directly aligned with the Community Plan to End Homelessness to decrease the number of individuals living unsheltered in the region, through a coordinated effort to assess unsheltered individuals to determine their housing intervention, provide the offering of interim housing, and connecting people to pathways to permanent housing.

Santa Clara County Office of Supportive Housing has protocols in place to ensure providers meaningfully incorporate people with lived experience into the work. This approach means that even with the development of the new Community Plan to End Homelessness, the County has worked with cities, including Palo Alto, to ensure people with lived experience are on the Steering Committee and part of focus groups shaping the Plan, as well as employed by service providers operating within the CoC. In terms of outcomes associated with outreach and other related efforts, please see this report which includes relevant data:

<https://cityofpaloalto.primegov.com/meetings/ItemWithTemplateType?id=11044&meetingTemplateType=2&compiledMeetingDocumentId=19053>

- **Principle 3: Conduct Comprehensive and Coordinated Outreach – Describe multidisciplinary connection strategies and linkages to resources and permanent housing solutions that is customized to individual needs. If applicable, describe how the jurisdiction uses the coordinated entry system to connect individuals to resources and permanent housing. (350 characters max)**

The City, our CoC, and other partners use a multidisciplinary approach to outreach to and connect individuals and families experiencing homelessness to resources and housing solutions. They use the Coordinated Entry system for referrals as well as data entry and reporting, focusing on housing problem solving to help connect people to resources and stable housing.

Palo Alto uses a multidisciplinary, trauma-informed approach to connect unsheltered individuals and families to resources and permanent housing solutions tailored to individual needs. Key access points include outreach efforts by LifeMoves, Peninsula Healthcare Clinic, Karat School Project, and Move Mountain View, with both mobile/street outreach and at known locations where individuals can engage with services and begin the referral process. Outreach and engagement are grounded in trauma-informed care and motivational interviewing, with an emphasis on treating each person with dignity and respect, building trust over time, and supporting client choice and self-determination.

Through this approach, providers assess each household's needs and connect individuals to a range of services, including shelter, health care, food, hygiene services, benefits enrollment, case management, and housing problem-solving. The City and its partners also coordinate across multiple systems to address barriers to stability, including connections to Stanford University Medical Center for health-related needs, Social Security for income and benefits, and Second Harvest for food assistance, as needed.

Palo Alto and its partners use Santa Clara County's Coordinated Entry System as the primary pathway for assessment, referral, prioritization, and connection to interim and permanent housing opportunities. Through coordinated outreach, referrals, and case conferencing, providers help individuals and families access the services and housing resources most appropriate to their circumstances, with the goal of achieving stable, long-term housing outcomes.

- **Principle 4: Address Basic Needs and Provide Storage – Describe efforts to meet basic needs, health, safety, and access to storage (timeframes) for people experiencing unsheltered homelessness while creating clear pathways to permanent housing. (350 characters max)**

Through its contracted providers, Palo Alto uses a low-barrier, person-centered, and housing-focused approach to meet the basic needs, health, safety, and property access needs of people experiencing unsheltered homelessness while creating clear pathways to permanent housing. The City of Palo Alto supports the County and the local Continuum of Care (CoC) in helping to meet the basic needs of people experiencing homelessness, ensuring they meet the [Santa Clara Countywide Quality Assurance Standards for Homeless Housing & Service Programs \(QAS\)](#)

The City funds a [competitive grant program](#) of over \$900,000 per year for organizations that provide human services, and current grantees provide basic needs services including counseling, shelter, food assistance, case management, and community-based health services. The City also helps fund services at the Opportunity Services Center, located in Palo Alto, which serves as a key access point for showers, laundry, mail, case management, health services, and storage for personal belongings. These investments reduce immediate health and safety risks, support stabilization, and create regular opportunities for engagement and housing navigation.

The Opportunity Services Center and partner providers deliver coordinated, trauma-informed services that connect individuals to shelter, benefits, medical care, food assistance, case management, housing problem-solving, and permanent housing resources. This multidisciplinary approach supports individualized service planning and creates clear linkages to Santa Clara County's Coordinated Entry System for assessment, prioritization, referral, and connection to interim and permanent housing opportunities.

To support health, safety, and accessibility, unhoused individuals may store personal belongings in lockers at the Opportunity Services Center. Lockers are available to clients on a low-barrier basis, and clients are encouraged to participate in case management services as part of ongoing engagement and stabilization. Recent locker improvements were supported through the City's Emerging Needs Grant. Clients are assisted in obtaining a lock, locker access may be renewed every six months, and belongings may be retrieved during operating hours. Property is retained for 6 months to a year, and lower-level lockers are available for clients with ADA-related needs. Flyers and posted notices are used to communicate service access information and provide notice when cleanings occur.

Overall, Palo Alto's approach aligns immediate basic needs support with dignified, trauma-informed engagement and coordinated pathways to permanent housing.

- **Principle 5: Ensure Access to Shelter or Housing Options – Describe how low barrier resources to housing and supportive services are communicated to encampment residents. Include how strategies involve alternative measures to criminalization, focusing on service engagement and harm reduction. (350 characters max)**

Unhoused residents in Palo Alto have access to a variety of resources, including an overnight warming location; safe parking program, Opportunity Center support services and Homekey Palo Alto at 1237 San Antonio Road, an interim shelter for single adults and families. These local options are complemented by the broader Santa Clara County shelter network, operated in partnership with the County Office of Supportive Housing and accessible through the Here4You Hotline at (408) 385-2400.

Local shelters, interim housing, and/or permanent affordable and/or supportive housing options

include those in the table below, as well as comprehensive lists available in the City's [Housing Element](#). See Tables 2-21, 2-32, and 2-33, for lists of 12 affordable housing with senior units in Palo Alto and over 12 emergency shelters and 13 transitional housing facilities in Santa Clara County.

| Name | Type of Housing | Address | Target Population | Funding Source |
|---------------------------------|---|--|--|---|
| Hotel de Zink | Emergency Shelter <i>(recently sunset in coordination with 2026 Homekey opening)</i> | Various (rotates monthly at congregation-based sites throughout Palo Alto) | Single adults | Various (At different times funded by Santa Clara County, City of Palo Alto, and private funders) |
| Heart and Home Collaborative | Emergency/cold weather | Various (rotates throughout Palo Alto) | Single women | City of Palo Alto, private funders |
| Homekey Palo Alto (new in 2026) | Interim shelter | 1237 San Antonio Road, Palo Alto | Single Adults and Families | State Homekey grant, Santa Clara County, City of Palo Alto, Private Funders |
| Opportunity Center | Affordable housing | 33 Encina Ave, Palo Alto | Low and extremely low income residents | Various (Santa Clara County, City of Palo Alto, grants, loans, and private funders) |
| Alma Family Housing | Affordable housing | 801 Alma St, Palo Alto | Very low income families | Santa Clara County, City of Palo Alto, Community Working Group, Enterprise Community Investment, JP Morgan Chase, Federal Home Loan |

| | | | | |
|--|--|-------------------------------------|---|--|
| | | | | Bank, Housing Trust Silicon Valley, Opportunity Fund, Sobrato Foundation |
| Alma Garden Apartments | Affordable housing | 2507-2533 Alma St, Palo Alto | Very low income residents | Santa Clara County, City of Palo Alto, tax credits, Santa Clara County Housing Trust, Sobrato Foundation, private funders |
| El Camino Real Multifamily Project (pre-construction, coming soon) | Affordable housing and Rapid rehousing | 3001 El Camino Real, Palo Alto | Very low income residents and families | Santa Clara County, City of Palo Alto, various other funders |
| Mitchell Park Place | Affordable housing | 525 East Charleston Road, Palo Alto | Residents with intellectual or developmental disabilities | Santa Clara County, City of Palo Alto, tax credits |
| Educator Workforce Housing | Affordable housing | 231 Grant Avenue, Palo Alto | Teachers & classified staff from Santa Clara County and southern San Mateo County schools | Santa Clara County, Meta, City of Palo Alto, San Francisco Housing Accelerator Fund, Century Housing Corp, School Districts of Palo Alto, Los Altos, Mountain View and Foothill DeAnza Community College |

| | | | | |
|----------------|--------------------|--------------------------------|--|--|
| Wilton Court | Affordable housing | 3705 El Camino Real, Palo Alto | Adults with intellectual or developmental disabilities | Santa Clara County, City of Palo Alto, tax credits |
| Mayfield Place | Affordable housing | 2500 El Camino Real, Palo Alto | Low & moderate income residents | Stanford, City of Palo Alto |

Palo Alto communicates low-barrier housing and supportive service resources to unhoused neighbors through coordinated, field-based outreach, publicly available resource information, flyers, and direct referrals to community-based providers. The City maintains a public resource page at PaloAlto.gov/unhoused and connects individuals to hotline resources for mental health crisis response, domestic violence services, shelter referral, and food assistance. In addition, the City's homeless outreach team maintains a consistent presence in public spaces and areas where unsheltered residents are present, allowing for repeated engagement, trust-building, and direct communication about available services and housing pathways.

The City's outreach and communication strategy is designed to support low-barrier access to shelter and supportive services. Staff and partner providers share information through in-person engagement, printed materials, and referrals to trusted service providers. Where available, referrals prioritize low-barrier options that may accommodate partners, pets, and personal belongings. Residents are also connected to hygiene services, food assistance, health care, case management, housing problem-solving, and Santa Clara County's Coordinated Entry System for assessment, referral, and connection to interim and permanent housing opportunities.

Palo Alto's approach emphasizes alternative measures to criminalization by prioritizing trauma-informed outreach, voluntary service engagement, harm reduction, and connection to care over punitive responses. Outreach efforts focus on reducing immediate risks to health and safety, preserving dignity and self-determination, and creating practical, accessible pathways to shelter, supportive services, and permanent housing. This strategy helps ensure that encampment residents receive clear and repeated information about available resources and are offered meaningful opportunities to engage in services without unnecessary barriers.

- **Principle 6: Develop Pathways to Permanent Housing and Supports – Describe Housing First strategies emphasizing low barriers, a harm-reduction model, and services to support people obtaining permanent housing more efficiently. Identify efforts to align federal, state, and local funding/programs to provide clear pathways to permanent housing. (350 characters max)**

Palo Alto's homelessness response is grounded in a Housing First, low-barrier, and harm-reduction framework that prioritizes rapid connection to permanent housing with the fewest possible preconditions. Consistent with countywide standards, programs work to reduce barriers related to sobriety, income, credit, rental history, prior justice involvement, behavioral health conditions, and participation in services. Participation in supportive services is encouraged but is not generally required

as a condition of housing, and providers use ongoing engagement strategies to help people move from crisis to housing as quickly and safely as possible.

The City aligns local, county, state, and nonprofit resources to create clearer pathways to permanent housing. At the local level, Palo Alto supports outreach, supportive services, and interim housing resources that connect people to Santa Clara County's coordinated system of care. At the county level, coordinated entry, rapid rehousing, permanent supportive housing, homelessness prevention, and other housing interventions help ensure that individuals can move from outreach and crisis response into longer-term housing opportunities. At the state and regional level, capital and operating investments expand the housing inventory and service capacity needed to make Housing First pathways functional.

A strong example of this alignment is Homekey Palo Alto at 1237 San Antonio Road. This project is built on City land and funded by public, nonprofit and private partners. The City has also committed to providing \$1 million in operating cost support for seven years, starting this year. The project demonstrates how multiple funding streams can be braided to expand low-barrier housing options and improve access to services, stabilization, and housing navigation.

Measure A further strengthens these pathways by financing the development and preservation of affordable and supportive housing across Santa Clara County. This countywide housing production is a critical complement to local outreach, interim housing, safe parking, and service programs because it expands the permanent housing inventory needed for successful exits from homelessness. In this way, local engagement strategies and interim interventions are linked to a broader pipeline of permanent housing opportunities supported by county and state investments.

There are demonstrable outcomes associated with this approach. Countywide data show substantial housing placements under the Community Plan to End Homelessness, including strong rates of exit from rapid rehousing and emergency shelter to permanent housing destinations. These outcomes indicate that Housing First-aligned programs, when paired with coordinated funding and systemwide performance management, can produce measurable progress toward permanent housing. At the same time, ongoing demand for services and limited affordable housing supply underscore the need for continued investment to reduce time-to-housing and expand permanent housing opportunities.

- **Principle 7: Create a Plan for What Will Happen to Encampment Sites After Closure – Describe plans for former encampment spaces (long-term solutions to prevent encampments from reoccurring). Include efforts to emphasize safety, accessibility, and inclusivity that improve infrastructure. Example: Communities can include curb cuts to increase mobility access and enhanced lighting to encourage safety. (350 characters max)**

Although the City of Palo Alto does not currently have encampments as defined by HCD, the City is prepared to respond to any encampment situation in a manner that prioritizes health, safety, and dignified transition.

In the event of an encampment closure, the City would conduct a post-abatement site assessment to

identify appropriate improvements and prevent re-establishment. Depending on the location, this may include coordinated conversations between departments regarding recommended site safety improvements, restored landscaping and regular maintenance, and ensuring proactive outreach directing community members to available public services and resources. The City would coordinate across Public Works, Parks, and community service providers to monitor former sites and ensure continued public access and usability.

In general, the City strives to engage with neighbors to activate, share, and enjoy public spaces in a safe and inclusive manner that serves all community members.

The City's investment in permanent affordable housing, interim shelter, and preventive services — including the Homekey Palo Alto facility — reflects a long-term strategy to reduce unsheltered homelessness and minimize the conditions that give rise to encampments in the first place.

Certification and Authorization:

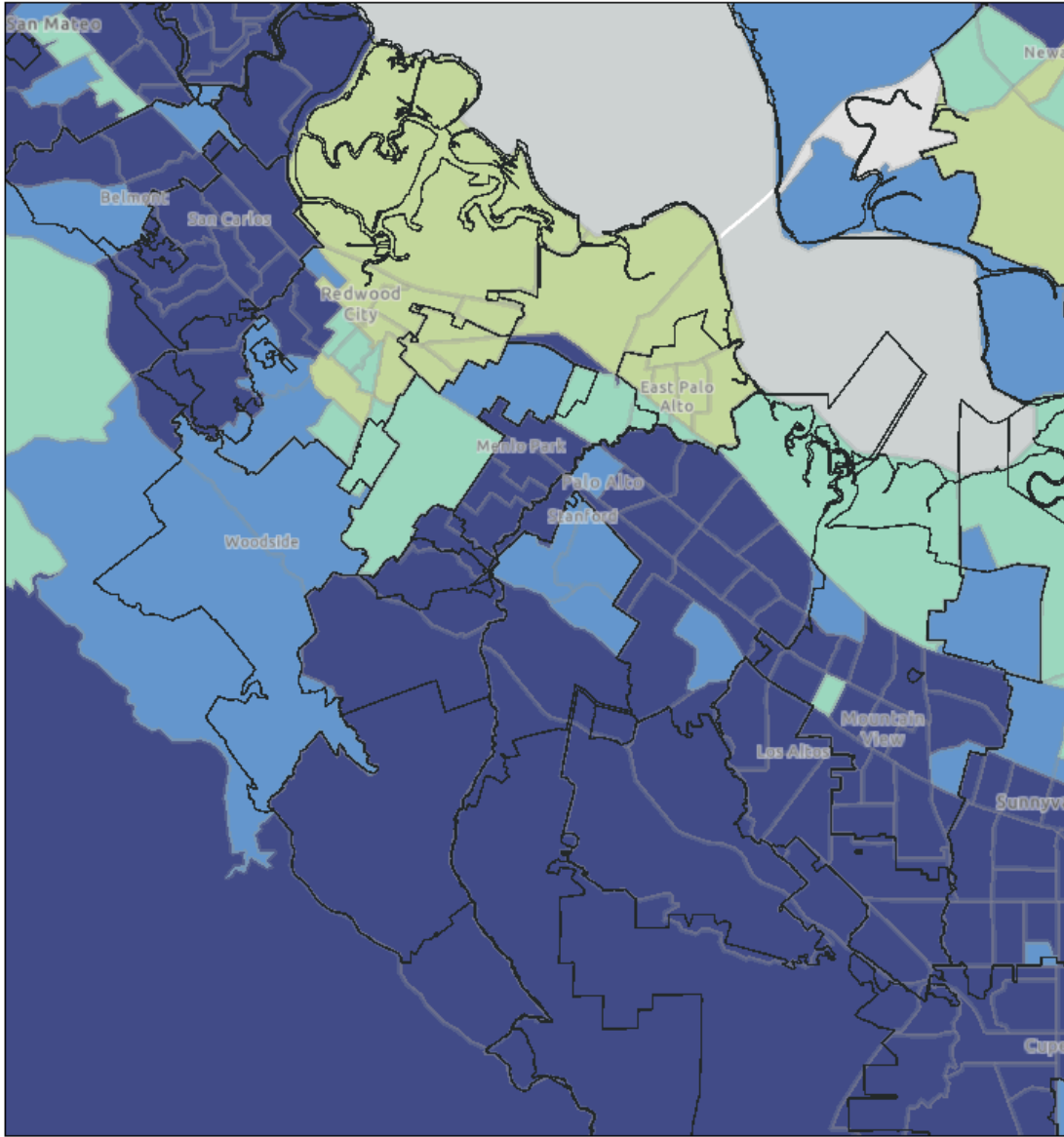
Signature of Authorized Representative Date

City manager to sign prior to application submittal.

Appendix 7: Additional Information and Supporting Documentation

Please see following pages for supporting documentation.

ArcGIS Web Map



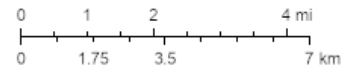
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City/Town Boundaries

COG Geography TCAC/HCD Opportunity Map - Composite Score (2025) - Final cog 2025

- Highest Resource
- High Resource
- Moderate Resource
- Low Resource
- Insufficient data



Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community



2024 Annual Report

Three-Year Strategic Plan (FY 2026 - FY 2028)

2024 Commute Survey

Submitted to the Palo Alto City Council and Finance Committee

March 4, 2025

Prepared by:

Palo Alto Transportation Management Association
855 El Camino Real #13A-200, Palo Alto, CA 94301
www.paloaltotma.org



2024 Annual Report

January 1, 2024 – December 31, 2024

Submitted to the Palo Alto City Council

Prepared by:

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March 2025

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Palo Alto Transportation Management Association

2024 Annual Report

Executive Summary

With leadership and financial support from the City of Palo Alto, as well as collaborative partnerships with regional transit agencies, local community-based organizations, and grantmaking organizations, in 2024, the Palo Alto Transportation Management Association (PATMA) delivered mode shift results efficiently and cost-effectively.

PATMA's sustainable transportation programs for workers – free train and bus passes, \$5/day Bike Love bicycle commute incentive rewards, free refurbished bicycles, after-hour Lyft rides, and a new e-bike e-scooter pilot – in 2024, resulted in a **reduction in demand for 312 parking spaces** around town, **1,542,441 fewer vehicle miles** traveled, and **603 fewer tons of greenhouse gas emissions**. With these accomplishments, PATMA supported three of the 2024 Palo Alto City Council's four priorities: economic development, climate change, and community health.

Highlights of PATMA's work in 2024 included:

- Increased funding
 - Stability - City of Palo Alto restored PATMA's budget which allowed expansion beyond University Ave Downtown and California Ave
 - Grant awards – PATMA won funding from VTA's Transit Oriented Communities program, City of Palo Alto Utilities, Palo Alto Community Foundation, and the Starbucks Neighborhood Grant program
 - Fair market value of transit passes – Securing free Caltrain GoPasses (worth \$4,200/year each) and reduced cost \$169/year VTA passes (worth \$1,080/year each) allowed PATMA to help more workers at a lower cost/user
- Expanded geographic reach
 - Performed outreach at the Stanford Mall, along El Camino Real, at Midtown, and in South Palo Alto
 - In these areas, PATMA offered sustainable transportation programs, conducted the annual commute survey, and presented an e-bike and e-scooter pilot program
- Small business support
 - Ahead of Caltrans' El Camino Real repaving project where bike lanes will be replacing 220 on-street parking spaces, PATMA offered train and bus passes and refurbished bikes to workers who park on El Camino
- Leveraged partnerships
- A dramatic reduction in cost/user/month from \$77 in Dec 2023 to \$51 in Dec 2024

These developments lay a strong foundation for PATMA's future mode shift work.

Introduction

The Palo Alto TMA is a non-profit working to reduce single-occupancy vehicle (SOV) trips, traffic congestion, demand for parking and greenhouse gas emissions by delivering targeted transportation solutions that serve Palo Alto's diverse range of employers, employees, visitors, and residents. Financial support for this work comes primarily from the City of Palo Alto's University Avenue and California Avenue parking fund, and, starting in 2024, from the City's General Fund. This funding allows PATMA to provide free transit passes, \$5/day Bike Love rewards, refurbished bicycles, and late-night Lyft rides chiefly to low wage service sector workers in the commercial districts of Palo Alto.

About PATMA

Staff

PATMA is a non-profit, staffed by ALTRANS TMA Inc., a firm specializing in transportation demand management (TDM). Staff providing on-going support for PATMA include:

- Justine Burt, Executive Director
- Sana Ahmed, Program Coordinator
- Stephen Blaylock, President, ALTRANS TMA Inc.
- Andrew Ridley, Chief Operating Officer, ALTRANS TMA Inc.

Board of Directors

In 2024, two long-serving board members (Philip Kamhi, the City's Chief Transportation Official, and Brad Ehikian) stepped down and one new member (Steven Lee) joined. The City's seat on the board will be filled by Interim Chief Transportation Official Lily Lim-Tsao until a permanent replacement is identified. A representative from the tech sector helped diversify our board whose members at the end of the year included:

- Cedric de la Beaujardiere, resident (Board Chair)
- Rob George, Philz Coffee (Treasurer and a founding board member)
- Shannon Rose McEntee, resident (Secretary)
- Lily Lim-Tsao, City of Palo Alto
- Sebastian Mafla, Sheraton
- Nathaniel Duncan, Patagonia
- Alejandra Mier, Coupa Café
- Steven Lee, Meta

The PATMA board meets monthly on the third Thursday at 9:00am and efficiently works through one hour of agenda items. Nearly all board members regularly attend. The public is encouraged to join these virtual meetings. Meeting details and zoom links can be found on our Meetings page at <https://www.paloaltotma.org/meetings-reports>.

New Mission and Core Values

In 2024, PATMA staff and Board members updated PATMA’s mission and core values to be more aspirational and memorable. The new mission statement reads “Better commutes for everyone.” PATMA’s core values describe how our non-profit improves life for the workers and residents of Palo Alto:

- Traffic and parking – reduce traffic congestion and demand for parking
- Climate change – transition to a zero-emission transportation system
- Equity – fair outcomes, treatment and opportunities for all
- Local businesses – help local businesses attract and retain employees
- Health – encourage community health

Incorporating City of Palo Alto Priorities

While the original motivation for the Palo Alto City Council to create PATMA was to alleviate traffic congestion and reduce demand for parking downtown, each year, PATMA overlays the City Council’s stated priorities to guide its work. In January 2024, the City Council announced its priorities for the year:

1. Climate Change & Natural Environment - Protection & Adaptation
2. Community Health, Safety, Wellness & Belonging
3. Economic Development & Transition
4. Housing for Social & Economic Balance

PATMA’s work supports three of these priorities: climate change, community health, and economic development. Regarding City Council’s priority of addressing climate change, PATMA helps reduce greenhouse gases from on-road transportation sources which are 51.7% of Palo Alto’s emissions, according to the City’s 2022 Greenhouse Gas Emissions inventory.

Supporting City of Palo Alto’s Sustainability/Climate Action Plan (S/CAP)

The City of Palo Alto set a goal to reduce greenhouse gas emissions 80% below 1990 levels by 2030 and to become carbon neutral by 2030. One S/CAP mobility goal relevant to PATMA regarding reducing greenhouse gas emissions is “increasing the mode share for active transportation (walking, biking) and transit from 19% to 40% of local work trips by 2030.”

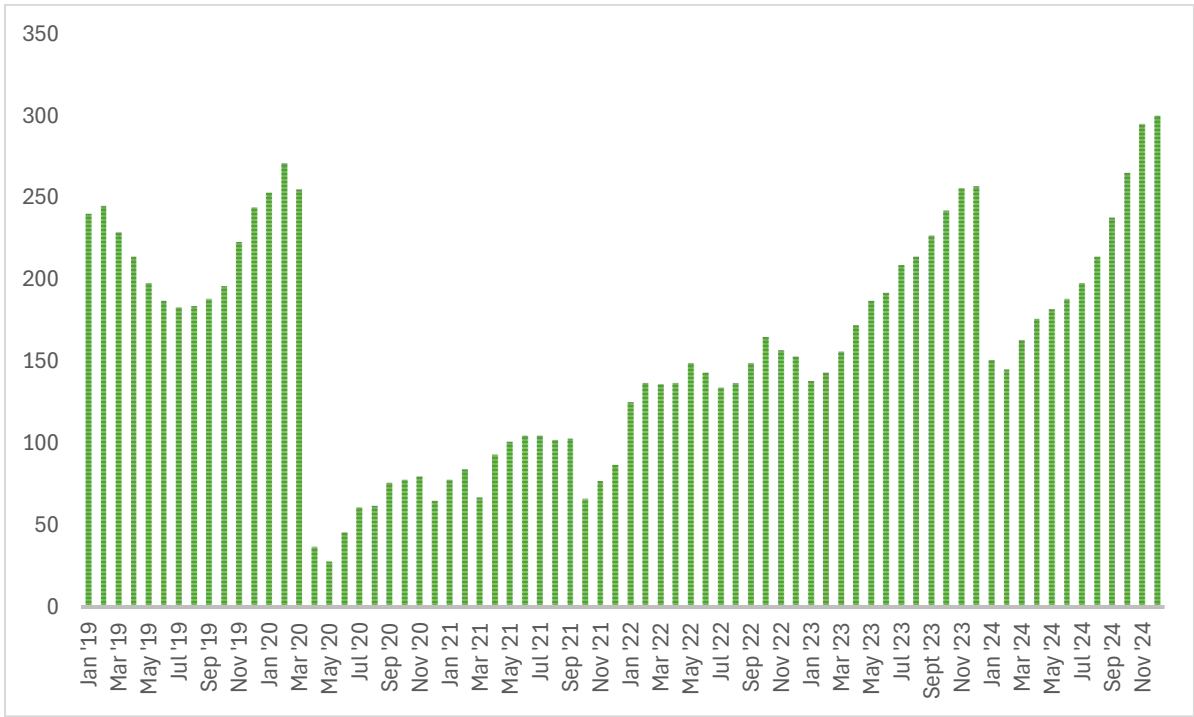
The S/CAP focuses on launching effective programs for emissions reductions with the highest impact and lowest cost. PATMA’s programs help accomplish this goal as noted in the following section.

PATMA’s Top Five Accomplishments

The following were highlights of PATMA’s work in 2024.

1. Rebuilt the transit pass program from a Covid-induced low of 28 people served in May 2020 to a high of 300 in December 2024, exceeding pre-pandemic numbers. Figure 1 shows the number of PATMA-granted transit passes in circulation among Palo Alto workers over the past six years.

Figure 1: Transit passes activated 2019 – 2024¹



2. Activated and distributed 197 Caltrain GoPasses from the Caltrain GoPass Donation Program. Likewise, 67 VTA Smartpasses were distributed to low wage service sector workers in 2024.
3. Received approval from transit agencies to continue distributing Caltrain GoPasses and VTA Smartpasses in 2025 to low wage service sector workers to help grow transit ridership.
4. Reduced 605 tons of greenhouse gas emissions
5. Started an e-bike and e-scooter pilot program with City of Palo Alto Utilities funding to develop case studies that will inspire other low wage service sector workers to consider active commutes.

These activities demonstrate the power of partnerships with local and regional organizations as well as the trust PATMA has established with local business managers.

¹ Note the drop of transit passes between Dec 2023 and Jan 2024. This is due to the fact that in 2023, PATMA started distributing free annual Caltrain GoPasses instead of renewing and paying for Caltrain passes each month. In December 2023, about 100 workers had moved to different jobs outside of Palo Alto and did not renew their GoPasses for January 2024.

Programs

With funding from the City's University Avenue Parking Fund, California Avenue Parking Fund, and General Fund, PATMA provides free Clipper Cards loaded with monthly or annual passes for Caltrain, VTA buses, SamTrans buses, and Dumbarton Transbay buses. PATMA also offers \$10 credits for after-hours Lyft rides of less than five miles, refurbished bicycles at no cost to the recipient, and \$5/day Bike Love rewards. During 2024, PATMA expanded outreach efforts to the Stanford Mall, throughout the length of El Camino Real, at Midtown, and in South Palo Alto.

Service sector workers who receive transit passes work primarily in food service establishments, retail, and accommodation. Light office workers who receive transit passes or accrue Bike Love rewards include staff at Palo Alto's banks, dental and medical offices, and professional firms such as accounting and law offices.

Programs with income thresholds

Train and bus passes

Transit pass benefits are provided to employees earning less than \$70,000 per year who work in the commercial areas of Palo Alto and who do not already receive employer-supported TDM benefits. Workers at the Stanford Research Park and Stanford University are ineligible for PATMA's programs as these organizations have their own TDM programs.

Pilot: E-bicycles and e-scooters

With funding from the City of Palo Alto Utilities Department, in 2024 PATMA ran a pilot program to study e-bikes and e-scooters for active mobility commutes. Four pilot participants making less than \$70,000/year received either an e-bike and safety equipment, or a 12-month e-scooter lease. The intent was to study how many times a week they used the e-bike or e-scooter, how many device miles they traveled, and understand supports and barriers to device use. The four participants in the 12-month pilot have realized the following benefits.

Figure 2: E-scooter and e-bike pilot case studies



Katrina uses an Unagi e-scooter to travel the first mile to the Santa Clara Caltrain station, folds it up and brings it onboard, then rides the last mile to work. During the week she often scooters to restaurants Downtown to grab lunch. But the big time savings comes when she leaves work. The e-scooter allows her to catch the train and get home in time to pick up her kids from school.

Rickaya’s kids have scooters. Now that she also has an e-scooter she can keep up with them. After dropping them off at school, she rides off to meet either the Caltrain or a VTA bus. She folds up the Unagi e-scooter and brings it on, then scooters the last half-mile to work. Rickaya finds this a faster way to commute from Santa Clara given rush hour traffic or accidents on Highway 101 or 280.



Antonio works at Patagonia and lives in Mountain View. Each morning, once he’s ready to leave for work, he looks at the time of the next Caltrain and the weather to figure out if he wants to bike to Caltrain or bike five miles to work. One handy feature of his Lectric folding e-bike is that it does not take up much space when folded, which makes it easier to store safely inside at home and at work. The benefits of the e-bike to Antonio are getting exercise and fresh air, relaxing on Caltrain, saving money on gas, and helping the environment.

Dorothee teaches cooking classes at Taste Buds Kitchen in Midtown. She loves commuting to work from Menlo Park on her electric e-bike among the beautiful, tree-lined streets of Palo Alto. The fresh air and exercise energize her on the way to work.



Refurbished bicycles

In 2024, PATMA continued working with local non-profit Bike Exchange for a pilot program to provide seven refurbished bicycles and safety gear to essential workers. This pilot is open to workers making less than \$70,000/year. Figure 3 shows several Palo Alto-based essential workers receiving their refurbished bicycles.

Figure 3: Essential workers taking delivery of their “new” refurbished bikes





Lyft after-hours rides

The Lyft after-hours program provides rides home to workers commuting less than five miles after transit stops running.

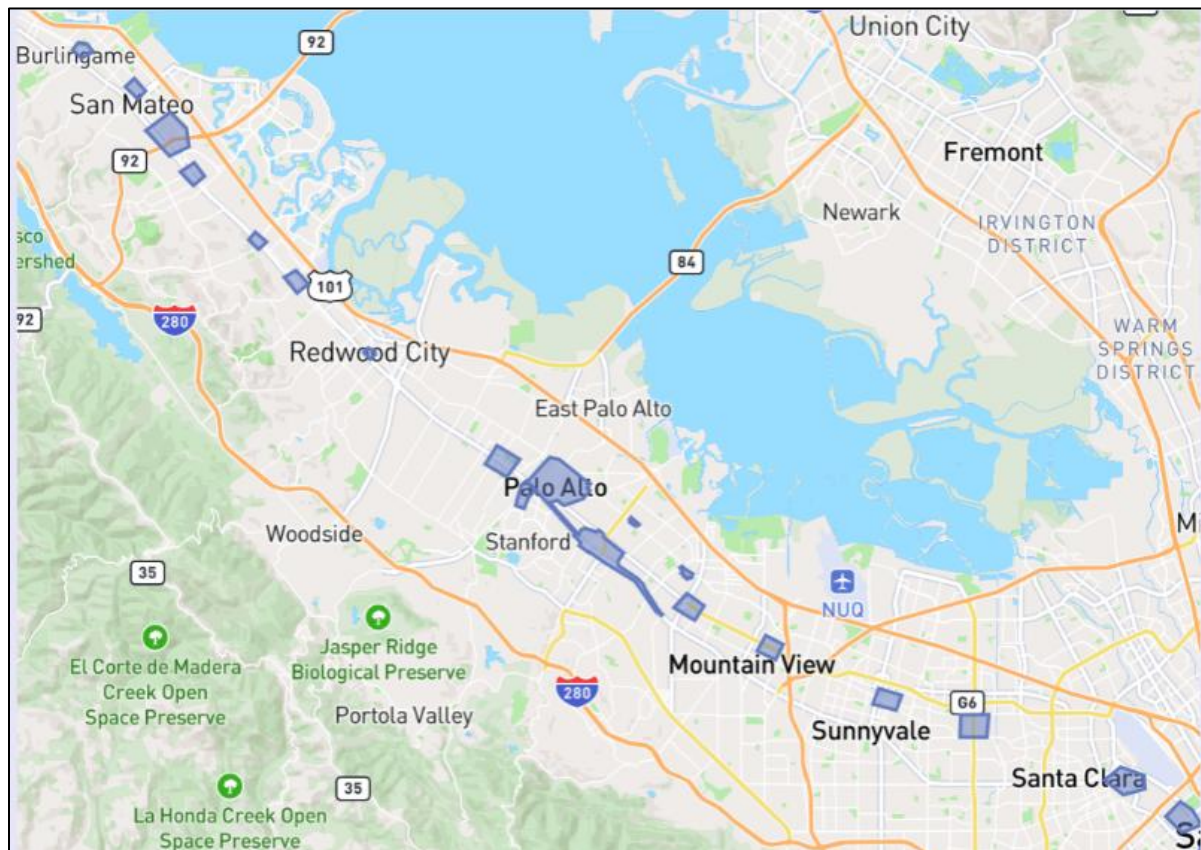
PATMA programs without an income threshold

Bike Love rewards

The Bike Love smartphone app provides daily incentives for active mode first-mile commute trips to transit and active mode commutes between home and work, of \$5/day up to \$599 per year per commuter. Automated travel mode detection identifies eligible bike, e-bike, e-scooter, and e-skateboard trips. Eligibility is determined by trips that stop or start within geofences around 30 Caltrain stations and five commercial areas (Downtown, California Ave., Stanford Mall, El Camino Real, and Midtown). Incentive dollars are instantly redeemable at local merchants via reloadable Apple/Google Wallet Virtual Visa cards.

Figure 4 shows the current geofences that mark commute destinations that earn workers rewards. This map includes all Caltrain stations, for workers who use a bike or e-scooter for first/last mile, as well as expanded commercial areas.

Figure 4: Bike Love Geofence Boundaries



In 2024, 35% of the transaction values of redeemed rewards happened in Palo Alto, in support of the City Council’s 2024 priority for economic development. The ability of Bike Love users to



redeem incentives at Palo Alto businesses helps keep dollars in the local economy. Figure 5 provides detail about where Bike Love users spend their reward funds.

Figure 5: Where Bike Love Rewards Were Spent in 2024

| | All | Palo Alto | Mountain View | Redwood City | San Francisco | San Carlos | Sunnyvale | Menlo Park | Amazon or online | Other cities |
|-------------------------|--------|-----------|---------------|--------------|---------------|------------|-----------|------------|------------------|--------------|
| Transactions value (\$) | 17,503 | 4,944 | 596 | 195 | 1344 | 110 | 231 | 2,570 | 3,586 | 3,927 |
| Number of transactions | 877 | 308 | 20 | 12 | 55 | 22 | 8 | 114 | 172 | 166 |

Source: Motion

This information is gathered from merchant identification numbers where rewards are redeemed.

For a quick overview video explaining the app, please visit [Bike Love in 80 seconds \(video\)](#).

Benefits of PATMA Programs

While PATMA programs save service workers money on their commutes, many other benefits of these programs accrue to local businesses, workers, City government, and Palo Alto residents.

Businesses

For business owners and managers, PATMA participation gives them a competitive advantage over similar businesses in nearby cities. Being able to provide transit passes to their employees helps shops, restaurants, and hotels attract and retain workers in competitive industries with high rates of staff turnover.

Workers

Workers who stop driving not only save money on variable vehicle costs such as gasoline, maintenance, and repairs, they also escape the stress of having to drive in traffic congestion. The workers who commute by active modes enjoy the benefits of exercise that allow them to arrive at work energized and refreshed.

City of Palo Alto

Municipal governments impact the wellbeing of residents and workers within the city's boundaries, and PATMA's programs on the City's behalf reduce traffic congestion, free up parking spaces in commercial areas, and enhance the quality of life for residents by reducing the number of cars parked in neighborhoods.

Program Results

Results of the TMA’s program management, outreach, and program operation labor in Figures 6 – 12 depict the number of transit passes distributed, the cost per freed up parking space (cost/user), vehicle miles traveled avoided, and greenhouse gases reduced.

Among all businesses served, Figure 6 gives a breakdown by business with the number of their employees in descending order who had an active train or bus pass from PATMA in December 2024.

Figure 6: Number of Transit Passes Distributed by Employer in December 2024

| Employer | Transit Pass Count | Employer | Transit Pass Count | Employer | Transit Pass Count |
|------------------------------|--------------------|--|--------------------|-------------------------------|--------------------|
| Sheraton/Westin | 33 | San Agus | 3 | Creamery | 2 |
| Nobu Hotel | 16 | Oren's Hummus | 3 | Coach | 2 |
| Ettan | 12 | Lima Ruby Peruvian Restaurant | 3 | City of Palo Alto (interns) | 2 |
| Whole Foods | 10 | Hobee's | 3 | Cardinal Hotel | 2 |
| Patagonia | 9 | Glass Slipper Inn | 3 | Bright Horizons | 2 |
| Neiman Marcus | 8 | Buca di Beppo | 3 | Blue Bottle | 2 |
| Walgreens | 7 | Avenidas | 3 | Bloomingdales | 2 |
| Coupa Cafe | 7 | Yayoi | 2 | Arya Steakhouse | 2 |
| Apple | 7 | Wells Fargo | 2 | Zola + Zola Bar | 1 |
| Watercourse Way | 6 | Webster House | 2 | Zareen's | 1 |
| Rangoon Ruby | 6 | Vizavoo Salon | 2 | Xfinity | 1 |
| Philz Coffee | 6 | Starbucks | 2 | Wu Orthodontics | 1 |
| Macy's | 6 | Spring Spa | 2 | Williams Sonoma | 1 |
| Crepevine | 6 | School of Rock | 2 | Wetzel Pretzel | 1 |
| West Elm | 5 | Restoration Hardware (RH) | 2 | Victoria | 1 |
| The Palo Alto Inn | 5 | Palo Alto Orthodontics | 2 | Trader Joes | 1 |
| SkinSpirit | 5 | Palo Alto Oral and Maxillofacial surgery | 2 | The Real Real | 1 |
| The Melt | 4 | Palo Alto Bicycles | 2 | TAVERNA | 1 |
| Sephora | 4 | Mollie Stone's Market | 2 | Tamarine | 1 |
| Peloton | 4 | McDonald's | 2 | Tacolicious | 1 |
| Lytton Gardens (Front Porch) | 4 | L&P Aesthetics | 2 | Summit Bicycles | 1 |
| Christine Hansen DDS | 4 | Kowa Ramen | 2 | Sprinkles | 1 |
| VIP Vein Treatment Clinic | 3 | Kindercare Day Care Center | 2 | Somi Somi | 1 |
| True Foods Kitchen | 3 | Equinox | 2 | Smiles By Pai | 1 |
| | | Curry Up Now | 2 | Security Industry Specialists | 1 |
| | | | | Rooh | 1 |
| | | | | PIP Printing | 1 |



| Employer | Transit Pass Count |
|--|--------------------|
| Palo Alto Bilingual Montessori Academy | 1 |
| Pacific catch | 1 |
| Nola Restaurant & Bar | 1 |
| Matroid | 1 |
| Lush Cosmetics | 1 |
| La Bodeguita del Medio | 1 |
| Kris Hamamoto DDS, Inc. | 1 |
| Khazana Palo Alto | 1 |
| Keen Garage | 1 |
| K. Minamoto | 1 |

| Employer | Transit Pass Count |
|------------------------------|--------------------|
| Immersion Spa | 1 |
| Imaginemos Oruguitas | 1 |
| Guckenheimer: Palo Alto Club | 1 |
| Gott's Roadside | 1 |
| Gong Cha | 1 |
| Gardening | 1 |
| Fast Repair | 1 |
| Everything but Water | 1 |
| Everlane | 1 |
| Embarcadero Media Foundation | 1 |
| Dr. William Tseng | 1 |

| Employer | Transit Pass Count |
|-------------------------------|--------------------|
| Downtown Streets Team | 1 |
| Da Sichuan | 1 |
| Comfort Inn | 1 |
| Clement Hotel | 1 |
| City National Bank | 1 |
| Channing House | 1 |
| Caretaker (home in Palo Alto) | 1 |
| Cafe 220 | 1 |
| Block Advisors | 1 |
| Bike Connection | 1 |
| Beyond Explorations | 1 |
| Grand Total | 304 |

Figure 7 provides the number of transit passes PATMA distributed to businesses along El Camino Real (between Park Blvd and San Antonio Rd) by month. PATMA’s proactive transit pass outreach efforts were conducted along with Silicon Valley Bicycle Coalition volunteers to help reduce demand for parking ahead of the Caltrans repaving and bike lane project in fall 2024.

Figure 7: Transit Passes Distributed Along El Camino Real by Month in 2024

| Month | Caltrain | VTA | SamTrans | Dumbarton Express |
|--------------|-----------|-----------|----------|-------------------|
| Jan | | | | |
| Feb | | | | |
| Mar | | 12 | | |
| Apr | | 1 | 1 | |
| May | | | | 1 |
| Jun | | | | |
| Jul | | | | |
| Aug | 2 | | | |
| Sep | 3 | 1 | 1 | 1 |
| Oct | 3 | 10 | 1 | |
| Nov | 6 | 2 | 1 | |
| Dec | | | | |
| Total | 14 | 26 | 4 | 2 |

PATMA’s marketing and outreach efforts throughout Palo Alto in 2024 resulted in the following impacts.

Figure 8: Number of Commuters Diverted from Single-Occupancy Vehicles (average of three months)

| Program | Q1 2024 | Q2 2024 | Q3 2024 | Q4 2024 |
|-----------------------------|---------------|--------------|---------------|---------------|
| Transit passes | 153 | 182 | 216.67 | 286.67 |
| Bike Love (>12 rides/month) | 13.33 | 15.33 | 14.67 | 10 |
| Lyft | 3.33 | 2.67 | 3.33 | 4 |
| Total | 169.67 | 200.0 | 234.67 | 300.67 |

Figures 9 and 10 show the average cost per month that PATMA paid to mode shift workers out of single-occupancy vehicles and into a sustainable transportation commute. The drop in monthly cost between December 2023 and December 2024 is partially attributable to the increased number of GoPasses Caltrain donated to PATMA and the highly discounted Smartpasses VTA sold to PATMA.

Figure 9: Cost per User in 2023

| Cost per user | Jan '23 | Feb '23 | Mar '23 | Q1 '23 | Apr '23 | May '23 | Jun '23 | Q2 '23 | Jul '23 | Aug '23 | Sep '23 | Q3 '23 | Oct '23 | Nov '23 | Dec '23 | Q4 '23 | ANNUAL TOTALS |
|----------------------|----------|---------|---------|---------|---------|----------|----------|----------|----------|---------|---------|---------|---------|---------|----------|---------|---------------|
| Transit Pass Program | \$39.45 | \$50.29 | \$44.49 | \$44.74 | \$45.98 | \$39.87 | \$38.30 | \$41.38 | \$36.29 | \$39.10 | \$36.97 | \$37.45 | \$45.54 | \$49.40 | \$31.92 | \$42.29 | \$493.97 |
| Bike Love | \$54.93 | \$69.97 | \$46.02 | \$56.98 | \$49.15 | \$53.16 | \$61.95 | \$54.75 | \$49.78 | \$72.12 | \$62.43 | \$61.44 | \$65.90 | \$74.84 | \$85.02 | \$75.25 | \$741.64 |
| Lyft Program | \$106.99 | \$63.31 | \$86.42 | \$85.57 | \$86.89 | \$100.09 | \$116.25 | \$101.08 | \$107.95 | \$93.98 | \$79.12 | \$93.68 | \$63.62 | \$78.78 | \$112.74 | \$85.05 | \$1,099.67 |
| Average cost/user | \$67.12 | \$61.19 | \$58.98 | \$62.43 | \$60.67 | \$64.37 | \$72.17 | \$65.74 | \$64.67 | \$68.40 | \$59.51 | \$64.19 | \$58.35 | \$67.67 | \$76.56 | \$67.53 | \$778.43 |

Figure 10: Cost per User in 2024

| Cost per user | Jan '24 | Feb '24 | Mar '24 | Q1 '24 | Apr '24 | May '24 | June '24 | Q2 '24 | July '24 | Aug '24 | Sept '24 | Q3 '24 | Oct '24 | Nov '24 | Dec '24 | Q4 '24 | ANNUAL TOTALS |
|----------------------|---------|---------|---------|---------|---------|----------|----------|---------|----------|---------|----------|---------|---------|---------|---------|---------|---------------|
| Transit pass subsidy | \$58.63 | \$56.07 | \$56.76 | \$57.15 | \$46.33 | \$50.77 | \$46.79 | \$47.97 | \$40.75 | \$38.86 | \$40.27 | \$39.96 | \$49.54 | \$19.69 | \$15.47 | \$28.23 | \$486.55 |
| Bike Love | \$52.47 | \$0.00 | \$99.46 | \$50.64 | \$47.49 | \$0.00 | \$69.60 | \$39.03 | \$80.36 | \$65.73 | \$54.30 | \$66.80 | \$54.20 | \$67.84 | \$83.84 | \$68.63 | \$659.46 |
| Lyft Program | \$86.54 | \$86.65 | \$69.47 | \$80.89 | \$85.35 | \$124.37 | \$78.04 | \$95.92 | \$94.98 | \$70.91 | \$70.00 | \$78.63 | \$42.17 | \$49.94 | \$54.67 | \$48.93 | \$870.62 |
| Average cost/user | \$65.88 | \$47.57 | \$75.23 | \$62.89 | \$59.72 | \$58.38 | \$64.81 | \$60.97 | \$72.03 | \$58.50 | \$54.86 | \$61.80 | \$48.63 | \$45.82 | \$51.33 | \$48.60 | \$672.21 |

Figure 11 shows the number of avoided vehicle miles traveled as a result of PATMA’s programs.

Figure 11: Avoided Vehicle Miles Traveled (VMT)

| Program | Q1 2024 | Q2 2024 | Q3 2024 | Q4 2024 |
|----------------------|------------------|------------------|------------------|------------------|
| Transit pass subsidy | 247,473.7 | 320,103.0 | 403,728.4 | 561,593.4 |
| Lyft | 250.4 | 211.9 | 239.1 | 195.8 |
| Bike Love | 2,179.4 | 2,408.2 | 2,205.9 | 1,852.1 |
| Total | 249,903.5 | 322,723.1 | 406,173.4 | 563,641.3 |

Adding up the four quarters, PATMA programs reduced vehicle miles traveled by 1,542,441. And finally, Figure 12 shows greenhouse gas emissions reduced as a result of programs.

Figure 12: Greenhouse Gases Reduced (tons)

| Program | Q1 2024 | Q2 2024 | Q3 2024 | Q4 2024 |
|------------------------------------|---------|---------|---------|---------|
| Transit passes, Lyft and Bike Love | 98.5 | 126.0 | 158.7 | 220.2 |

In 2024, PATMA’s work resulted in a reduction of greenhouse gas emissions of 603.4 tons.

Testimonials

Beyond the quantitative effect, PATMA also has a qualitative impact on workers in Palo Alto. The following feedback from employees of local businesses shows how much PATMA’s programs mean to the community. Here are some testimonials we received from retail, accommodations, and personal services establishments.

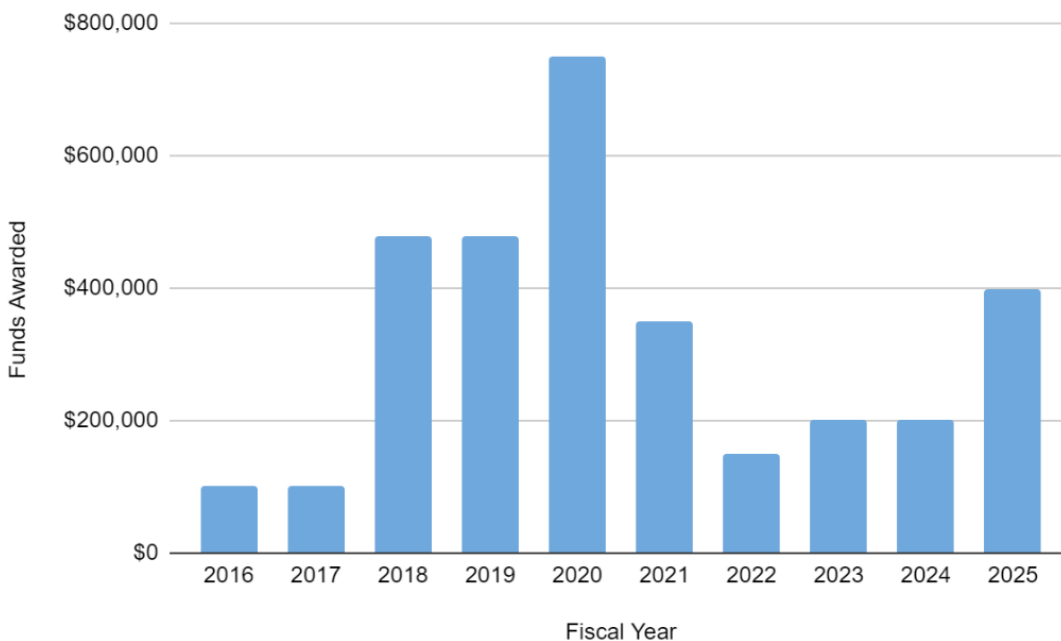
- “I was able to ride the bus to work this morning and it was a lot of fun! Very efficient and saving me lots of gas money! I appreciate your efforts and this awesome program!”
- DéBorah S.
- “I love the ability to combine bicycling and Caltrain and not rely at all on an automobile. And I am impressed by how the City of Palo Alto encourages and supports that.”
- Dennis W.
- “Estoy muy contenta con el servicio de PATMA. Gracias .” (I am very happy with PATMA’s service.) - Yuliana A.
- “Being a part of the program really reduces my stress of commuting to work. I don’t drive because it will cost me too much money to drive back and forth versus taking the train. It really saves me stress and money.” – Ernestine T.

- “Me gusta viajar en el Caltrain porque es comodo, llego a tiempo a mi trabajo, etc.” (I like to travel on Caltrain because it’s comfortable, I arrive to work on time, etc.) – Juana A.
- “Es seguro y siempre llego temprano a mi trabajo.” (It’s safe and I always arrive on time for work.) - Nancy R.
- “No issues! Happy with Caltrain.” – Spencer S.

Budget

The non-profit demonstrated program results which helped to grow its City funding allocation until 2020 when the pandemic altered commuting habits and parking fund revenues fell dramatically. Figure 13 shows the history of PATMA’s funding allotments since FY 2016.

Figure 13: PATMA Funding Since Inception



Since 2020, PATMA has worked hard to do more with less and build back the number of workers it supports with mode shift.

Grant funding

In 2024, PATMA applied for and received grants from four organizations to use for various purposes.

- VTA Transit Oriented Communities - \$24,550 for outreach and marketing along El Camino Real to encourage mode shift to VTA buses

- City of Palo Alto Utilities - \$10,000 grant for e-bike and e-scooter pilot
- Palo Alto Community Foundation - \$5,000 unrestricted grant
- Starbucks Neighborhood Grant - \$1,000 used to purchase Starbucks gift cards to incentivize filling out PATMA’s commute survey

These grants complemented City of Palo Alto funding.

Figure 14 provides specific information about income sources and expenses by month.

Figure 14: PATMA Income and Expenses in 2024

| Category | Jan '24 | Feb '24 | Mar '24 | Apr '24 | May '24 | Jun '24 | Jul '24 | Aug '24 | Sept '24 | Oct '24 | Nov '24 | Dec '24 |
|--|------------------|------------------|-----------------|-----------------|------------------|-----------------|------------------|-----------------|------------------|------------------|------------------|------------------|
| Beginning balance on 1/1/24: \$36,536.74 | | | | | | | | | | | | |
| INCOME | | | | | | | | | | | | |
| City of Palo Alto | | | \$50,000 | \$42,000 | | \$50,000 | | \$50,000 | | | \$110,000 | |
| Grants | | | | \$5,000 | | | \$1,000 | | | | | |
| Memberships | \$800 | | | | | | \$2,500 | | | \$1,000 | | |
| Value Caltrain GoPasses | | | | | | | | | | | | |
| Value VTA SmartPasses | | | | | | | | | | | | |
| TOTAL INCOME | \$800 | \$0 | \$50,000 | \$47,000 | \$0 | \$50,000 | \$3,500 | \$50,000 | \$0 | \$1,000 | \$110,000 | \$0 |
| EXPENSES | | | | | | | | | | | | |
| Executive Director ALTRANS | \$4,233 | \$0 | \$17,120 | \$8,560 | \$8,560 | \$8,560 | \$8,560 | \$4,280 | \$0 | \$0 | \$12,840 | \$8,560 |
| Biz (rent, office, ins, etc) | \$114 | \$625 | \$68 | \$102 | \$293 | \$1,472 | \$642 | \$1,488 | \$1,895 | \$576 | \$399 | \$733 |
| Lyft | \$338 | | \$520 | \$278 | \$256 | | \$234 | \$285 | | \$284 | \$379 | \$200 |
| Program Coordinator ALTRANS | \$4,489 | \$0 | \$10,743 | \$4,763 | \$5,037 | \$4,125 | \$5,256 | \$5,986 | \$5,165 | \$0 | \$10,330 | \$6,424 |
| Adjusted Transit - clipper | \$15,594 | \$9,387 | \$2,581 | \$19,508 | \$3,473 | \$9,060 | \$16,241 | \$708 | \$18,577 | \$9,363 | \$205 | \$18,355 |
| Transit - refunds | -\$472 | \$0 | -\$1,318 | -\$467 | -\$824 | \$0 | -\$1,114 | \$0 | -\$671 | \$0 | -\$1,462 | \$0 |
| Commute Survey - additional labor | | | | | \$990 | \$80 | | \$4,280 | \$8,560 | | \$11,896 | \$296 |
| E-bike e-scooter pilot | | | | | | | | | | | \$4,004 | \$947 |
| Refurbished bikes | | | | | | | | | | | \$2,000 | |
| Bike Love | \$1,784 | | \$3,183 | \$1,805 | | \$2,227 | \$2,652 | \$2,498 | \$2,063 | \$2,005 | \$2,103 | \$2,431 |
| TOTAL EXPENSES | \$26,080 | \$10,012 | \$32,897 | \$34,548 | \$17,785 | \$25,525 | \$32,471 | \$19,525 | \$35,589 | \$12,228 | \$42,694 | \$37,946 |
| INCOME - EXPENSES | -\$25,280 | -\$10,012 | \$17,103 | \$12,452 | -\$17,785 | \$24,475 | -\$28,971 | \$30,475 | -\$35,589 | -\$11,228 | \$67,306 | -\$37,946 |
| Ending balance on 12/31/24: \$26,118.89 | | | | | | | | | | | | |

In Figure 14, the Executive Director’s tasks include program oversight, communications with stakeholders, finance and accounting activities, managing board meetings, maintaining 501c3 non-profit status, tax filing, and pursuing grant opportunities to diversify funding sources.

The Program Coordinator’s labor involves updating the website, processing new transit pass requests, communicating about pass renewals, purchasing new passes, replacing lost passes, troubleshooting, and monitoring accounts.

Figures 15 and 16 show relative income sources and expenditures. Note that the fair market value of Caltrain GoPasses (\$827,400) and VTA Smartpasses (\$50,105) in 2024 that PATMA received for free or at a fully discounted price respectively are not included in the income chart.

Figure 15: Overview of 2024 Income

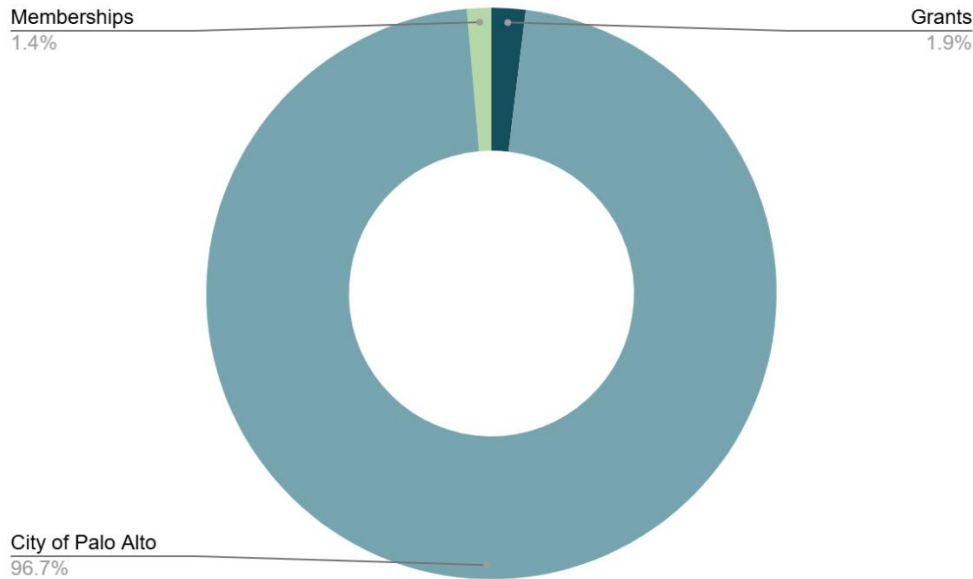
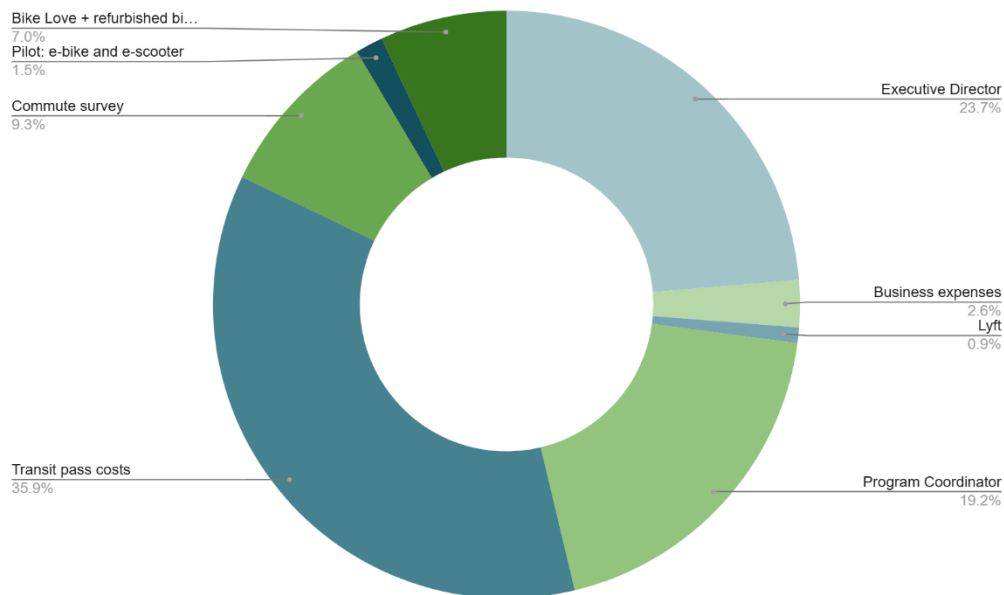


Figure 16: Overview of 2024 Expenses





Conclusion

In 2024, PATMA made great strides in mode shift and program cost effectiveness by working in close collaboration with a number of partners. Thanks to our colleagues at Caltrain and VTA, additional free Caltrain GoPasses and highly discounted VTA Smartpasses helped bring down PATMA's cost/user. Grant providers supported PATMA with specific aspects of our mode shift work along El Camino Real and during the annual commute survey.

Local and regional non-profits such as Bike Exchange, Silicon Valley Bicycle Coalition, Seamless Bay Area, and Palo Alto Forward either provided services, volunteers, or introduced PATMA to potential funders to grow our work. In addition, PATMA's Board members provided valuable advice and conducted advocacy on PATMA's behalf.

All together, these collaborations have helped position PATMA to have an even larger impact reducing traffic, demand for parking, and greenhouse gas emissions in 2025.



Three-Year Strategic Plan

July 1, 2025 – June 30, 2028

Submitted to the Palo Alto City Council

Prepared by:

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March 2025



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PATMA's Three Year Strategic Plan

July 1, 2025 – June 30, 2028

Executive Summary

Each year, the Palo Alto Transportation Management Association (PATMA) conducts a Three-Year Strategic Plan with input from its Board of Directors. This plan provides a roadmap of goals, strategies, tactics, and objectives that ensure the non-profit will be able to help an increasing number of workers shift from driving single-occupancy vehicles to sustainable transportation modes.

PATMA's work supports local businesses with transportation demand management programs that help companies attract and retain workers: free transit passes, refurbished bicycles, rewards for active mobility commutes, and after-hours Lyft rides less than five miles. For the past five years, PATMA has been rebuilding from a pandemic-induced 90% drop in transit pass requests in early 2020 and in 2024 exceeded pre-pandemic numbers.

In December 2024, PATMA's programs resulted in a reduction of demand for 312 parking spaces which yields benefits every day, all year. Building on this success, this Strategic Plan details the following goals for the next three years.

- Year 1: Scale up the number of transit passes; scale up the number of active mobility commuters traveling <3 miles
- Year 2: Make it easier for commuters to access multiple sustainable commute modes; support active commutes <5 miles
- Year 3: Leverage new technologies and programs to enable workers to commute without a personal vehicle

In the next year, PATMA expects dramatic growth in the number of workers served by our mode shift work for several reasons. Contractually, PATMA is now able to offer programs beyond just Downtown and California Ave to most businesses throughout the commercial areas of Palo Alto. New findings from the 2024 Commute Survey provide insights about which sectors offer mode shift opportunities. PATMA has the ability to provide programs to workers at a higher income threshold. Caltrain and VTA have made a large number of free or highly discounted transit passes available. Starting in FY2025, the City restored PATMA's baseline \$400,000 budget which provided more resources to accomplish mode shift.

These conditions enable growth in the number of workers served in the next year.

Introduction

The Palo Alto Transportation Management Association (PATMA) is a non-profit leading efforts to reshape commute behaviors around town. Abundant mass transit, active mobility (bicycle, electric scooter, walking), on-demand ride hailing options, as well as trip planning and real time arrival apps are available to enable workers who live and work near major transit pipelines (Caltrain, VTA 22/522, SamTrans ECR, and the Dumbarton Express) to commute quickly and efficiently without



needing to own a personal vehicle. In this spirit, PATMA provides information and incentives that encourage workers to shift out of their single-occupancy vehicles (SOVs) and into low-carbon transportation options.

For the 12-month period ending December 31, 2024, PATMA programs resulted in a **reduction in demand for 312 parking spaces** around town, **1,542,441 fewer vehicle miles** traveled, and **603 fewer tons of greenhouse gas emissions** by providing free transit passes, \$5/day Bike Love rewards, refurbished bicycles, and after-hour Lyft rides.

There is potential for PATMA to free up more parking spaces and reduce more greenhouse gas emissions. The following Three-Year Strategic Plan, which is compiled each year for the next three years, lays out goals, strategies, tactics, and objectives for PATMA’s work supporting Palo Alto businesses and workers over the next three years.

Context

Several contextual elements inform this strategic plan, including the City of Palo Alto’s ambitious greenhouse gas emission reduction goals, the fact that on-road transportation contributes more than half of Palo Alto’s greenhouse gases emissions, the priorities the Palo Alto City Council sets each January, PATMA’s contract with the City of Palo Alto, and PATMA’s bylaws, among other considerations.

Sustainability Climate Action Plan (S/CAP)

The City of Palo Alto set a goal to reduce greenhouse gas emissions 80% below 1990 levels by 2030 and to become carbon neutral by 2030. One S/CAP mobility goal relevant to PATMA regarding reducing greenhouse gas emissions is “increasing the mode share for active transportation (walking, biking) and transit from 19% to 40% of local work trips by 2030.” Two sectors in Palo Alto already exceed the 40% metric.

Data from PATMA’s 2024 commute survey found the following percentages of workers in four different work sectors in Palo Alto who were commuting by a mode other than driving a single-occupancy vehicle:

- Service – 45%
- Light office – 23%
- Tech – 45%
- Government – 28%

To help realize the City’s S/CAP goal that 40% of work trips by 2030 be by transit or active mobility, PATMA plans to support each sector in different ways. The service sector - in retail, food service, and accommodation - has a high sustainable commute rate already but also high turnover. This is a sector whose employees served as frontline workers during the pandemic, that are price sensitive and have elastic demand for driving to work, and as a result is most open to PATMA’s sustainable commute mode shift programs. PATMA will continue offering programs to new service sector employees.



With PATMA’s new higher income threshold, PATMA will be able to serve more members of front office staff in the light office sector who have been just above PATMA’s old income threshold of \$70,000/year. Finally, PATMA will support mode shift efforts at large tech companies and the City of Palo Alto by sharing annual commute survey findings, and in the case of tech companies, table at commuter fairs when requested. All of these efforts will help realize the City’s S/CAP goals.

City Council Priorities

Each year, the Palo Alto City Council sets their strategic priorities for the year. In January 2025, the new set of goals included:

1. Climate Change & Natural Environment – Protection & Adaptation
2. Community Health, Safety, Wellness & Belonging
3. Economic Development & Transition
4. Housing for Social & Economic Balance

PATMA’s programs help address three of these four priorities: economic recovery, climate change, and community health by providing low wage workers with commute counseling, access to free transit passes, rewards for bicycling to work, and late night ride hailing services.

PATMA’s Contract with the City of Palo Alto

The contract between the City of Palo Alto and PATMA provides guidance about how public funds should be used to ensure the public good as well as planning, reporting, and surveying requirements.

- Use of City funds – “PATMA shall use the City Funds for “pilot projects” intended to reduce single occupancy vehicle trips by Downtown and California Avenue Business District workers, as mutually agreed upon by the City Manager and PATMA. For FY24 and FY25, \$200,000 of City Funds may be used to reduce single occupancy vehicle trips anywhere in Palo Alto. Pilot projects may include purchase and distribution of transit passes, active commute rewards, support for carpooling, and other measures to address first mile and last mile connections. If PATMA uses City Funds to purchase transit passes to give away free-of-charge, the free transit passes shall be provided solely to low income workers.”
- Planning – “PATMA shall: (a) conduct an annual strategic planning session producing 3-year goals and objectives and funding requirements, and prepare an annual budget with projected metrics (cost per mode shift, ROI, etc.), and (b) annually provide to the City a detailed, updated strategic plan and budget. The strategic plan may utilize scenarios to illustrate the return on investment associated with different funding levels. The strategic plan shall identify the projects proposed to be funded with the City Funds for the City Manager’s review and approval.”
- Reporting – “PATMA shall provide the City with quarterly written reports on the implementation and effectiveness of pilot programs funded by the City, including quantitative measures of SOV trip reduction and mode shift achieved, metrics used, cost



per employee mode shift, and how the City Funds were expended. PATMA shall submit the reports at the same time that PATMA submits the quarterly invoice to the City.”

- Surveying – “PATMA shall conduct a robust survey of Downtown and California Avenue Business District employee commute patterns on an annual basis. Additional areas of Palo Alto where the TMA has been active may be included in the survey.”

PATMA’s Bylaws

PATMA’s bylaws provide operating instructions for the non-profit. One way it does this is by ensuring PATMA’s board members represent a range of interests among the Palo Alto community as well as the number of board members PATMA should have.

- Qualifications of Directors. “The Board shall in good faith strive to include as Directors, representatives from major stakeholder groups serving PATMA’s current or planned/proposed service areas, including representatives of the following industries: technology, real estate development, retail and/or hospitality, philanthropy, and traditional office (e.g., finance, accounting, legal) and including representatives representing residential interests.”
- Number of Directors. “The authorized number of Directors shall consist of at least five but no more than thirteen Directors.”

New Mission and Core Values

In 2024, PATMA staff and their board rewrote PATMA’s mission statement to make it more memorable and rewrote its core values to provide clarity on what the non-profit seeks to accomplish.

Mission

Better commutes for everyone

Core values

- Traffic – lighten traffic congestion
- Parking – reduce demand for parking in commercial areas
- Climate change – transition to a zero-emission transportation system
- Equity – fair outcomes, treatment and opportunities for all
- Local businesses – help local businesses attract and retain employees
- Health – encourage community health

Higher Income Threshold

In 2018, PATMA raised its income threshold for program participation from \$50,000 to \$70,000/year. Since then, the cost of living in the Bay Area has increased substantially. In January 2025, PATMA’s board decided to raise the threshold to 80% of Area Median Income in Santa Clara County which in 2024 was \$103,200/year for a household of one.

All together, this context provides guidance to PATMA about how to structure our programs to best serve the public’s interest.



PATMA Programs

Programs with a \$100,000/year income threshold

Transit Passes

Currently, PATMA focuses on supporting essential workers in the commercial districts of Downtown and California Ave, at the Stanford Mall, along El Camino Real, at Midtown, and along San Antonio Rd. If these workers are driving to work and make less than \$100,000/year¹, they can receive free Caltrain, SamTrans, or Dumbarton Transbay bus passes.²

Refurbished Bicycles

In 2022, PATMA piloted a refurbished bicycle program with the local non-profit [Bike Exchange](#). This refurbished bicycle program is for essential workers in Palo Alto making less than PATMA's income threshold who would like to bike to work but do not own a bicycle. If they also need any safety equipment – helmet, lock, lights – Bike Exchange provides these to each essential worker receiving a refurbished bike.

E-bike e-scooter pilot

This pilot studied two mode shift scenarios: active commutes via e-bike and first/last mile solutions via e-scooter. Four pilot participants making less than \$70,000/year received either an e-bike and safety equipment, or a 12-month e-scooter lease. The intent was to study how many times a week they used the e-bike or e-scooter, how many device miles they traveled, and understand supports and barriers to device use. In addition, based on what is learned in the pilot, PATMA will create case studies with photos to inspire other workers in similar situations who drive alone to work.

After hours Lyft rides

Workers who live less than five miles from work and who need to travel home from work late at night when mass transit is not running can receive a \$10 Lyft credit per ride.

Program without an income threshold

Bike Love

PATMA's [Bike Love](#) app provides \$5/day up to \$599/year to workers in Palo Alto's commercial districts to encourage commuters to leave their cars at home and bike or e-scooter to work. Unlike the transit pass program, there are no income restrictions for the Bike Love program. The app was designed to provide attractive financial rewards to build active mobility habits. See Figure 1 for a map of Bike Love program boundaries within which workers earn rewards. The Bike Love app also

¹ PATMA's new income threshold is currently 80% of Santa Clara County's Area Median Income, which in 2024 was \$103,200 for a household of one person. For the sake of memorability to PATMA's target audience, marketing materials will say \$100,000/year.

² VTA is currently working on a contract amendment to allow PATMA to raise the income limit for access to Smartpasses to workers making less than 80% of Area Median Income.

rewards travel to all 30 Caltrain stations for commuters who would be incentivized to bike or scooter to Caltrain and take the train to work.

In 2024, 35% of Bike Love reward transactions were redeemed at Palo Alto-based businesses which is another way that PATMA supports local businesses and multiplies program impact to benefit the local economy.

Accomplishments

PATMA’s sustainable transportation programs in 2024, resulted in a **reduction in demand for 312 parking spaces** around town, **1,542,441 fewer vehicle miles traveled**, and **603 fewer tons of greenhouse gas emissions**. The majority of these results were due to the transit pass program. See Figure 2 for the number of transit passes activated over the past five years.

Figure 1: Geofenced areas for Bike Love rewards

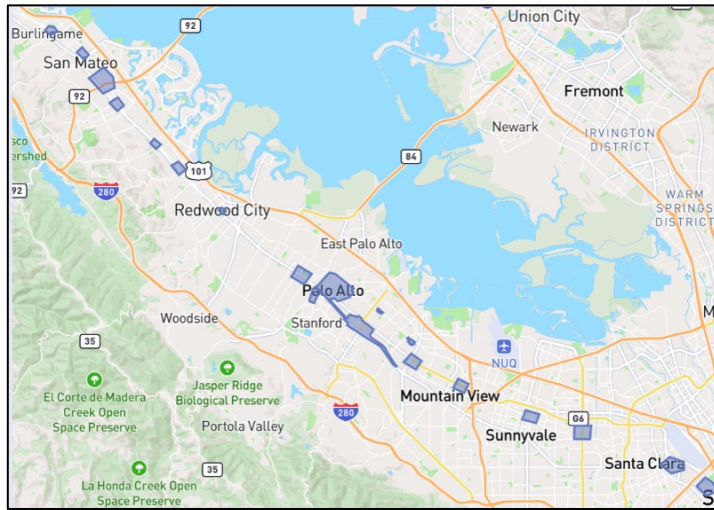
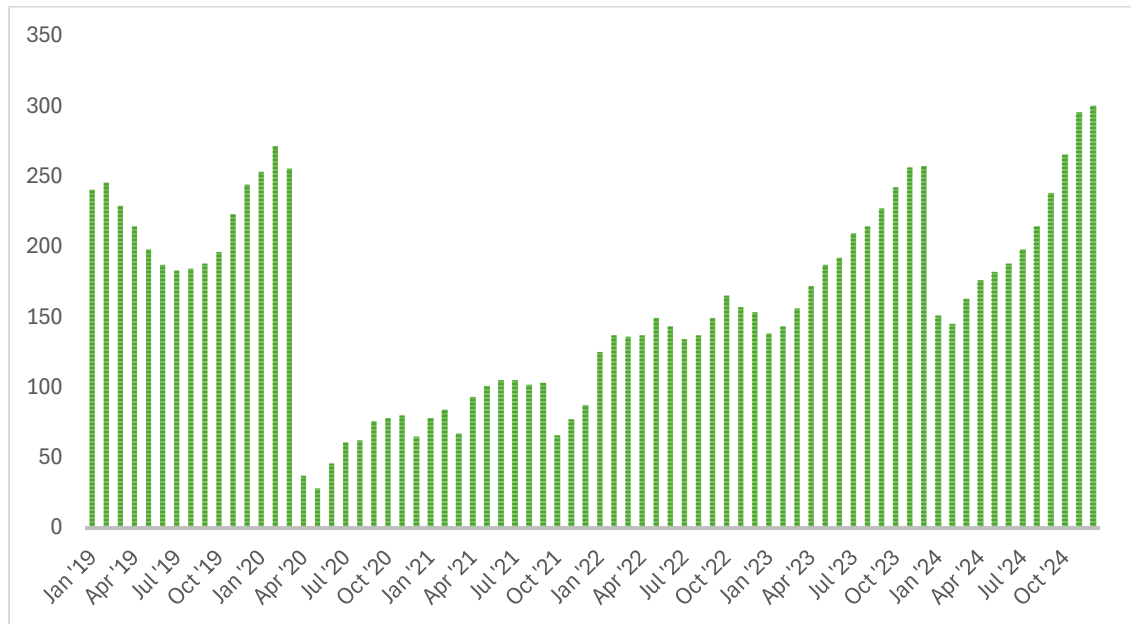


Figure 2: Transit passes activated 2019-2024³



³ Note the drop in the number of transit passes activated in January 2024. This was due to a switch from monthly pass purchases to annual free passes. High turnover in the service sector means about 100 workers no longer needed transit passes for 2025 which PATMA found out about after asking if they wanted to re-register in December 2024 for 2025.



Three-Year Strategic Planning

With this context in mind, PATMA staff and board members met in person in December 2024 to discuss strategic planning for the next three years. Input gathered informs PATMA's path forward with goals (targets to achieve), strategies (plan of action), tactics (specific actions), and objectives (measurable outcomes) for FY2026-FY2028.

Year 1 (Jul 2025-Jun 2026)

Assumptions: Free Caltrain GoPasses and highly discounted VTA Smartpasses will continue to be available for PATMA to distribute to low wage workers

Goals

- Scale up number of transit passes activated
- Scale up number of workers commuting <3 miles by active mobility
- Support S/CAP goals to reduce greenhouse gas emissions
- Support local businesses to attract and retain workers

Strategies

- Develop or deepen relationships with managers at light office and service sector businesses
- Develop or deepen relationships with community-based organizations that work on transportation, housing and/or climate issues
- Raise awareness about PATMA's programs
- Develop new pilot programs

Tactics

- Update and expand marketing collateral for transit passes and active mobility
 - Update one page flyer with \$100,000 income threshold for English, Spanish, and Mandarin. Translate into Vietnamese.
 - Develop window clings (non-adhesive decal) for windows of businesses that receive PATMA incentives
- Deploy 8 minute 1:1 manager training on mode shift programs and tools beneficial to workers (transit passes, refurbished bikes, \$5/day Bike Love, after-hours Lyft, Transit app)
 - 40% transit or active mobility commutes by 2030 S/CAP goal
 - One page flyer
 - Real time arrival information: Transit app and Caltrain live system map
 - Window clings – membership and ask them to post
- Refer a co-worker outreach wherein workers receive a free coffeehouse gift card if the coworker they refer receives a transit pass
- Refine application process for refurbished bicycle program (apply, download Bike Love app, and pass bike safety quiz) before workers can receive a refurbished bicycle
- Conduct annual commute survey



- Develop pilot programs that encourage active mobility – e-bike financing, bike safety quiz and classes
- Hold a promotional event around active mobility
- Organize interactive information sharing event with other Bay Area TMA and TDM professionals
- Deepen relationships with non-profit organizations that have similar missions and goals (Friends of Caltrain, Seamless Bay Area, Silicon Valley Bicycle Coalition, Bike Exchange, Alta Housing)
- Develop and share short, relevant content regularly with local CBOs and the Chamber of Commerce to distribute to their membership
- Develop and offer short content regularly to local online news outlets

Objectives

- # freed up parking spaces
- # workers using transit passes
- # workers commuting by active mobility
- # vehicle miles traveled reduced
- # tons greenhouse gas emissions reduced
- # survey respondents

Year 2 (Jul 2026-Jun 2027)

Assumptions: Availability of Tap to Pay, expanded Bay Pass program, and/or Mobility Wallet pilot

Goals

- Scale up number of transit passes
- Enable workers who live outside Santa Clara County to access multiple sustainable commute modes and make transit connections seamlessly
- Scale up number of active mobility commutes <5 miles
- Find creative solutions to challenges of workers interested in active mobility commutes <5 miles

Strategies

- Raise awareness about PATMA's programs by strengthening relationships with local business managers and community-based organizations
- Update printed and digital promotional materials
- Leverage new technologies for trip planning and payment
- Develop new pilot programs

Tactics

- Develop e-bike financing pilot program



- Update printed and digital materials to address gaps in knowledge and mode shift friction points
- Train managers on new apps that help workers plan and pay for sustainable commute modes
- Update branding materials – PATMA as a fun, trusted, and valued brand
- Further streamline application process
- Conduct commute survey
- Hold a promotional event
- Develop and share content with inspiring new case studies about local workers commuting by transit or active mobility

Objectives

- # freed up parking spaces
- # workers using transit passes
- # workers commuting by active mobility
- # vehicle miles traveled reduced
- # tons greenhouse gas emissions reduced
- # survey respondents

Year 3 (Jul 2027-Jun 2028)

Assumptions: 2026 Bay Area ballot initiative passed providing more funding for transit agencies which allows them to increase service frequency, Mobility Hubs are available around town

Goals

- Workers can easily commute without a personal vehicle
- Study and leverage new technologies (ex., Mobility as a Service to plan and pay for commute trips, commute management platform)
- Support the evolution of our region’s commuting systems
- Determine what is missing to help workers get where they need to go without owning a personal vehicle

Strategies

- Expand PATMA’s toolkit of information and incentives to encourage mode shift
- Help expand clean transportation options available to workers in Palo Alto

Tactics

- Develop new case studies of workers who commute by transit or active mobility
- Test new technology Mobility-as-a-Service planning and payment options as they become available
- Promote Mobility Hubs that are available

Objectives

- # parking spaces freed up
- # vehicle miles traveled reduced
- # tons greenhouse gas emissions reduced
- # survey respondents

Workplan

Year 1

The flow of work over the course of FY2026 is shown in Figure 3.

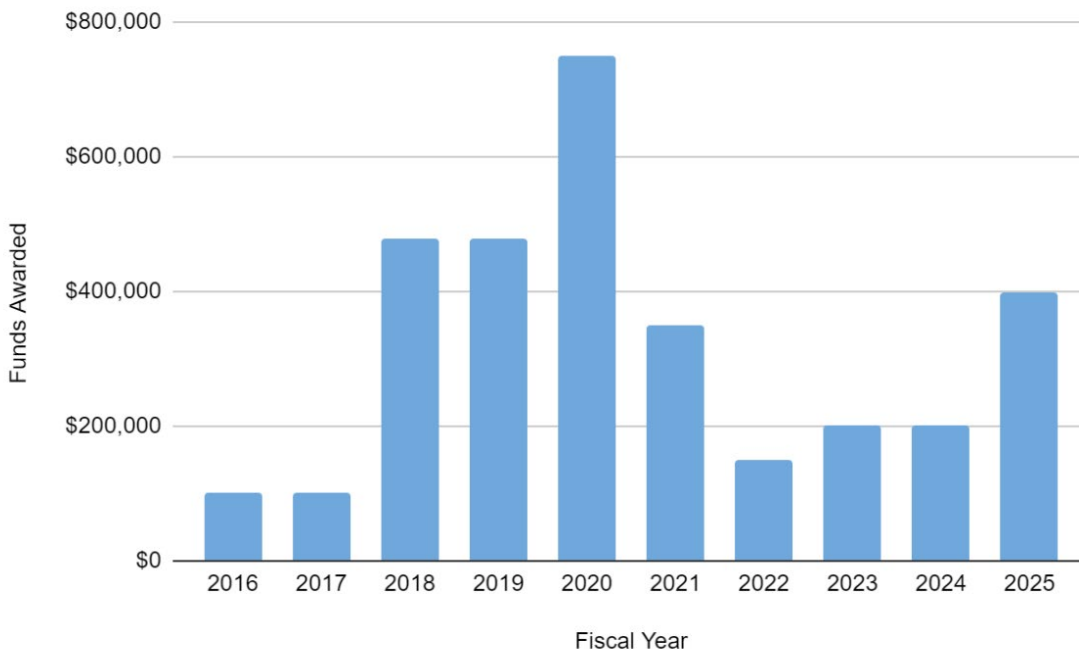
Figure 3: Year 1 workplan

| | Jul '25 | Aug '25 | Sep '25 | Oct '25 | Nov '25 | Dec '25 | Jan '26 | Feb '26 | Mar '26 | Apr '26 | May '26 | Jun '26 |
|---|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Events | X | | | | | | | | X | | | X |
| Market transit passes | X | X | | | | | | | X | X | | |
| Develop pilot | X | X | | | | | | | | | | |
| Translate materials into additional language | | X | | | | | | | | | | |
| Commute survey | | | X | X | X | | | | | | | |
| Apply for grant funding | | | | | X | | | | | X | | |
| Deliver Commute Survey, Annual Report, and Strategic Plan reports | | | | | | | | | X | | | |
| Market active mobility | X | | | | | | | | X | X | | |

Budget

Looking back at funding levels since PATMA’s inception in 2016, PATMA grew over several years and demonstrated cost-effective successes freeing up parking spaces, reducing greenhouse gas emissions, and reducing vehicle miles traveled until the pandemic. Figure 4 shows historic budget trends.

Figure 4: PATMA funding since inception



The PATMA baseline budget is \$400,000. This level allows PATMA to continue with 2 part-time staff and pull in additional contractors on an *ad hoc* basis to support seasonal activities such as active mobility marketing in the spring and Commute Survey distribution in the fall. A status quo budget for FY2026 will allow PATMA to:

- Perform marketing and outreach to target sectors
- Develop or deepen relationships with business managers who are the gatekeepers to workers who could use PATMA’s programs and services
- Conduct the annual commute survey
- Free up additional parking spaces, reduce greenhouse gas emissions, and ease traffic congestion

In 2024, the cost/user/year or cost to free up a parking space was \$672 while in 2023 the cost/user/year was \$780. This includes the cost to purchase transit passes, Lyft rides, refurbished bicycles, and \$5/day Bike Love rewards. Figure 5 provides three budget scenarios for PATMA’s projected expenses in FY2026. The \$400,000 scenario represents a continuation of the restored budget PATMA realized in FY2025, closer to a pre-pandemic level which would allow PATMA to grow the program’s impact to 500 parking spaces freed up. The \$350,000 budget would allow us to grow the program to 400 parking spaces freed up. A smaller \$300,000 budget would maintain our impact at 312 parking spaces freed up.



Figure 5: Three budget scenarios for FY2026

| Expenses | Expenses \$400,000 budget | Expenses \$350,000 budget | Expenses \$300,000 budget |
|---|---------------------------|---------------------------|---------------------------|
| ALTRANS management | \$105,000 | \$95,000 | \$85,000 |
| Business (office supplies, insurance, software) | \$8,000 | \$8,000 | \$8,000 |
| Lyft | \$3,000 | \$3,000 | \$0 |
| ALTRANS operations & admin | \$105,000 | \$84,000 | \$75,000 |
| Transit passes - Clipper card expenses | \$115,000 | \$100,000 | \$100,000 |
| Commute survey | \$28,000 | \$28,000 | \$28,000 |
| E-bike e-scooter pilot | \$4,000 | \$0 | \$0 |
| Refurbished bikes | \$4,000 | \$4,000 | \$4,000 |
| Bike Love | \$28,000 | \$28,000 | \$0 |
| Total | \$400,000 | \$350,000 | \$300,000 |

In the \$350,000 budget scenario, PATMA would cut staff hours and expenditures on transit passes. In the \$300,000 budget scenario, PATMA would cut back further on staff hours, cut the Lyft afterhours program, and cut the BikeLove \$5/day rewards program.

As circumstances change, PATMA has the ability to adjust income and expenses through various financial levers.

- Reducing labor costs
- Reducing program expenses
- Requesting additional GoPasses from Caltrain and large employers in the area
- Increasing grant writing and philanthropic fundraising

PATMA will continue to operate leanly and use our budget effectively to maximize impact.

Conclusion

Many public and private organizations in the Bay Area are working hard to facilitate a future seamless, integrated low-carbon transportation system that will lower personal transportation costs and reduce GHG emissions. PATMA will continue to monitor developments in these areas and adjust our programs accordingly to best serve Palo Alto businesses.

In support of the local economy, over the next three years PATMA will look for opportunities to help more workers shift to a sustainable commute as we raise awareness about the benefits of transit and active mobility commutes, offer information about sustainable transportation options, and provide programs and incentives for mode shift.



2024 COMMUTE SURVEY REPORT

for



and

PATMA Board Members

Cedric de la Beaujardiere, resident (Chair)
Rob George, Philz Coffee (Treasurer)
Shannon McEntee, resident (Secretary)
Philip Kamhi, City of Palo Alto

Sebastian Mafla, Sheraton
Alejandra Mier, Coupa Cafe
Nathan Duncan, Patagonia
Steven Lee, Meta

December 2024

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Executive Summary

In August and September 2024, the Palo Alto Transportation Management Association (PATMA) team surveyed workers in commercial areas of Palo Alto to learn about their commute habits and preferences. The team conducted online and in-person surveys in English, Spanish, and Mandarin beginning with emailing and texting then following up with door-to-door canvassing. This document provides highlights from the survey findings.

The two main objectives of the commute survey were to 1) determine which workers were open to shifting their commute from single-occupancy vehicles to mass transit or active mobility options and 2) raise awareness of PATMA’s programs.

Based on the 885 completed surveys, Figure 1 shows the percentage of respondents from the four main sectors into which PATMA classifies workers: service, government, technology, and light office.

Figure 1: Survey Respondents by Sector

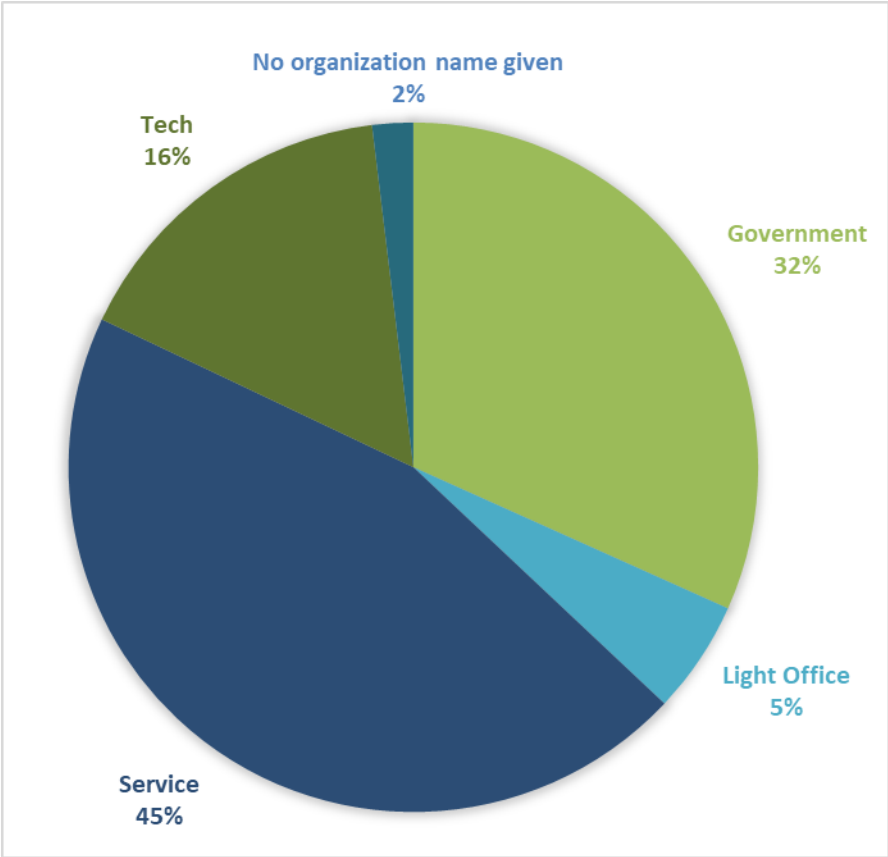
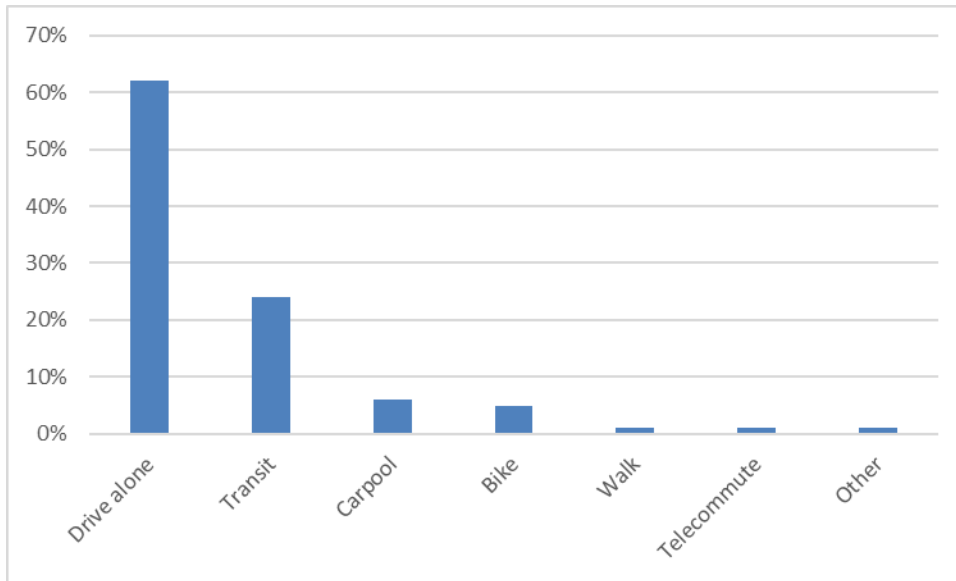


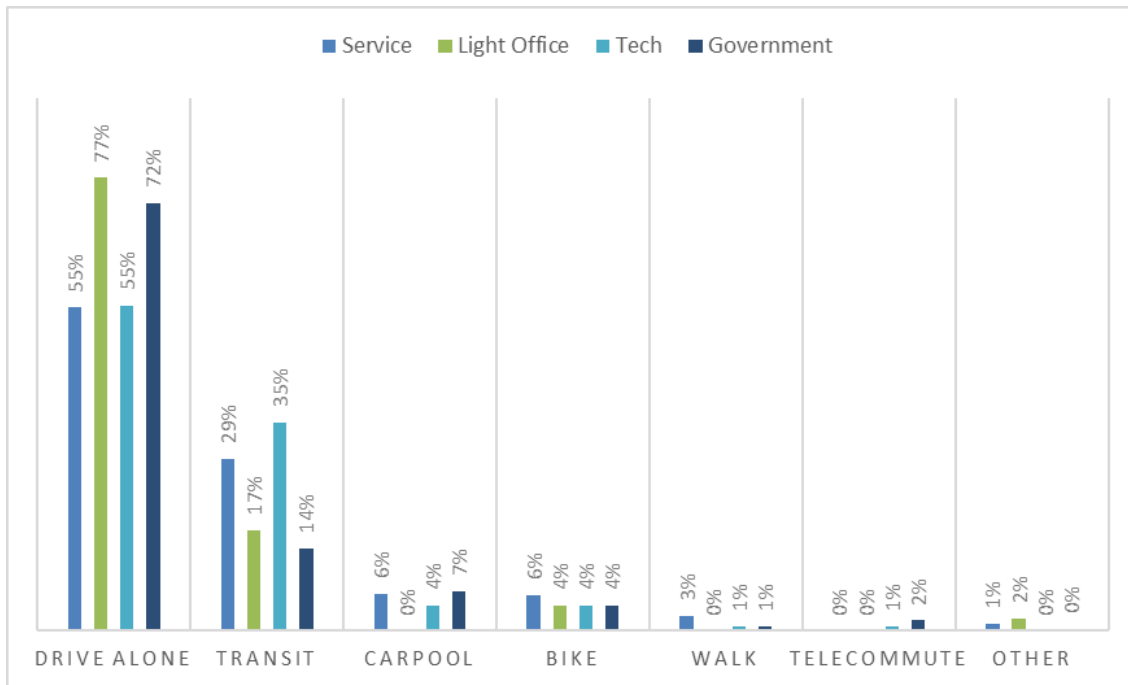
Figure 2 below provides the primary mode workers use to commute each week. The survey found that overall 62% of workers surveyed used a single-occupancy vehicle (SOV) as their primary commute mode in 2024.

Figure 2: Primary Commute Mode of Survey Respondents



By separating out commute mode by work sector, Figure 3 illustrates the sectors with the highest drive alone rates: light office and government.

Figure 3: Commute Mode by Work Sector



With respect to PATMA’s mission, data collected in the 2024 commute survey provides opportunities to reach more workers and expand PATMA’s program offerings that will help realize PATMA’s goals to reduce traffic congestion, reduce demand for parking, support small businesses, lower greenhouse gas emissions, and address social equity issues.

Introduction

In 2024, the Palo Alto Transportation Management Association (PATMA) conducted its ninth annual employee commute survey as required by the funding agreement between PATMA and the City of Palo Alto (COPA). PATMA contracted with ALTRANS TMA Inc. to conduct the survey and performed outreach in August and September 2024.

The survey was designed to identify how Palo Alto employees working in the commercial areas of Palo Alto - University Avenue (Downtown), California Avenue (Cal Ave), El Camino Real, the Stanford Mall, the Charleston Middlefield shopping center, and along San Antonio Rd - commute to work, identify individuals currently driving alone who are open to shifting to a sustainable commute mode, and raise awareness of PATMA's program offerings.

Survey Population

According to U.S. Census data, the total worker population in Palo Alto was 109,011 in 2022. The darker shaded areas of Figure 4 show where work centers are clustered Downtown, along El Camino Real, and along San Antonio close to Highway 101.

Figure 4: Density of Workers in Palo Alto



Source: U.S. Census OnTheMap, 2022

The U.S. Census organizes sectors using the North American Industrial Classification System (NAICS) categories. Figure 5 shows the number of workers by NAICS codes.

Figure 5: Palo Alto Workers by Sector

| NAICS Sector | Number of Employees | Percentage |
|--|---------------------|------------|
| Agriculture, Forestry, Fishing, and Hunting | 5 | 0.0% |
| Mining, Quarrying, Oil and Gas Extraction | 1 | 0.0% |
| Utilities | 282 | 0.3% |
| Construction | 881 | 0.8% |
| Manufacturing | 5,152 | 4.7% |
| Wholesale Trade | 971 | 0.9% |
| Retail Trade | 3,991 | 3.7% |
| Transportation and Warehousing | 2,217 | 2.0% |
| Information | 18,860 | 17.3% |
| Finance and Insurance | 4,283 | 3.9% |
| Real Estate and Rental and Leasing | 1,389 | 1.3% |
| Professional, Scientific, and Information | 23,575 | 21.6% |
| Management of Companies and Enterprises | 3,049 | 2.8% |
| Administration & Support, Waste Management and Remediation | 1,915 | 1.8% |
| Educational Services | 3,420 | 3.1% |
| Healthcare and Social Assistance | 30,187 | 27.7% |
| Arts, Entertainment, and Recreation | 831 | 0.8% |
| Accommodation and Food Services | 4,931 | 4.5% |
| Other Services (excluding Public Administration) | 2,315 | 2.1% |
| Public Administration | 756 | 0.7% |

PATMA organizes NAICS sectors into four employer categories – service, light office, technology, and government – and offers programs to workers in the first two categories. Figure 6 shows which NAICS code sectors PATMA includes in service, light office, technology, and government categories.

Figure 6: NAICS Codes and PATMA Classification

| NAICS Code | NAICS Sector Name | PATMA Classification |
|------------|---|----------------------|
| 11 | Agriculture, Forestry, Fishing and Hunting | Service |
| 21 | Mining, Quarrying, and Oil and Gas Extraction | Service |
| 22 | Utilities | Government |
| 23 | Construction | Service |
| 31-33 | Manufacturing | Service |
| 42 | Wholesale Trade | Service |
| 44-45 | Retail Trade | Service |
| 48-49 | Transportation and Warehousing | Service |
| 51 | Information | Technology |

| NAICS Code | NAICS Sector Name | PATMA Classification |
|------------|--|----------------------|
| 52 | Finance and Insurance | Light Office |
| 53 | Real Estate and Rental and Leasing | Light Office |
| 54 | Professional, Scientific, and Technical Services | Technology |
| 55 | Management of Companies and Enterprises | Light Office |
| 56 | Administrative and Support and Waste Management and Remediation Services | Light Office |
| 61 | Educational Services | Light Office |
| 62 | Health Care and Social Assistance | Service |
| 71 | Arts, Entertainment, and Recreation | Light Office |
| 72 | Accommodation and Food Services | Service |
| 81 | Other Services (except Public Administration) | Service |
| 92 | Public Administration | Government |

Source: NAICS Association

After sorting Census data for the number of workers in the four categories for statistical purposes, Figure 7 shows the number of workers in each category and the total worker population in Palo Alto.

Figure 7: Number of Workers in Four Sectors

| PATMA Organization Category | Number of Employees | % Share |
|-----------------------------|---------------------|---------|
| Service | 50,651 | 46% |
| Light Office | 14,887 | 14% |
| Technology | 42,435 | 39% |
| Government | 1,038 | 1% |
| Total | 109,011 | |

Subtracting the 29,000 worker population at the Stanford Research Park, which has its own Transportation Management Association, leaves us with a worker population of 80,011.

After cleaning the survey data of duplicate responses and incomplete surveys, there were a total of 885 complete surveys of which:

- 399 respondents were service sector workers
- 280 were government staff
- 47 were light office workers
- 142 were tech workers
- 17 chose not to share their employer's name

This year's response rate was higher than the three previous years the survey was conducted. The response rate for each of the nine survey years is shown in Figure 8.

Figure 8: Number of PATMA Commute Survey Responses by Year

| Year | Number of Respondents |
|------|-----------------------|
| 2024 | 885 |
| 2023 | 738 |
| 2022 | 511 |
| 2021 | 551 |
| 2019 | 1,471 |
| 2018 | 496 |
| 2017 | 892 |
| 2016 | 829 |
| 2015 | 1,173 |

Compared to 2023, stronger working relationships with managers in the technology and government sectors in 2024 helped boost response numbers.

Survey Methodology

In August and September 2024, the PATMA team reached out to businesses and organizations to administer the survey. The survey asked questions about the primary travel mode workers used to commute, their home city, employer, income level, and openness to sustainable commute options.

The survey was administered through the SurveyMonkey platform which respondents accessed via personal smartphones through a QR code or PATMA’s electronic tablets. The electronic survey tool offers skip logic and survey branching to optimize question relevance to different respondents. Paper copies of the surveys in English and Spanish were distributed to managers at downtown hotels who collected responses from their staff. Electronic surveys in Mandarin were administered at restaurants and spas. Block-by-block, door-to-door canvassing resulted in a dataset representing businesses and organizations in commercial areas. Door-to-door outreach was bolstered by mass texting and email follow-up to business contacts.

As noted above, the PATMA team secured 885 responses from a citywide worker population of 80,011. With a 95% confidence level and a sample size representing 1.1% of the population, the margin of error for this data is $\pm 3\%$.

Results

Data collected in this survey shed light on several topics:

- how people commute to work
- where they are coming from
- which workers could commute using one main transit or active mobility option

- which workers are open to a different commute mode, and
- what information, equipment, or incentives could encourage them to make the shift from driving alone.

The following figures show results for each question.

Q1. *In which city and zip code do you live?*

Among survey respondents this year, the top 10 home cities are shown in Figure 9.

Figure 9: Top 10 Cities of Survey Respondents

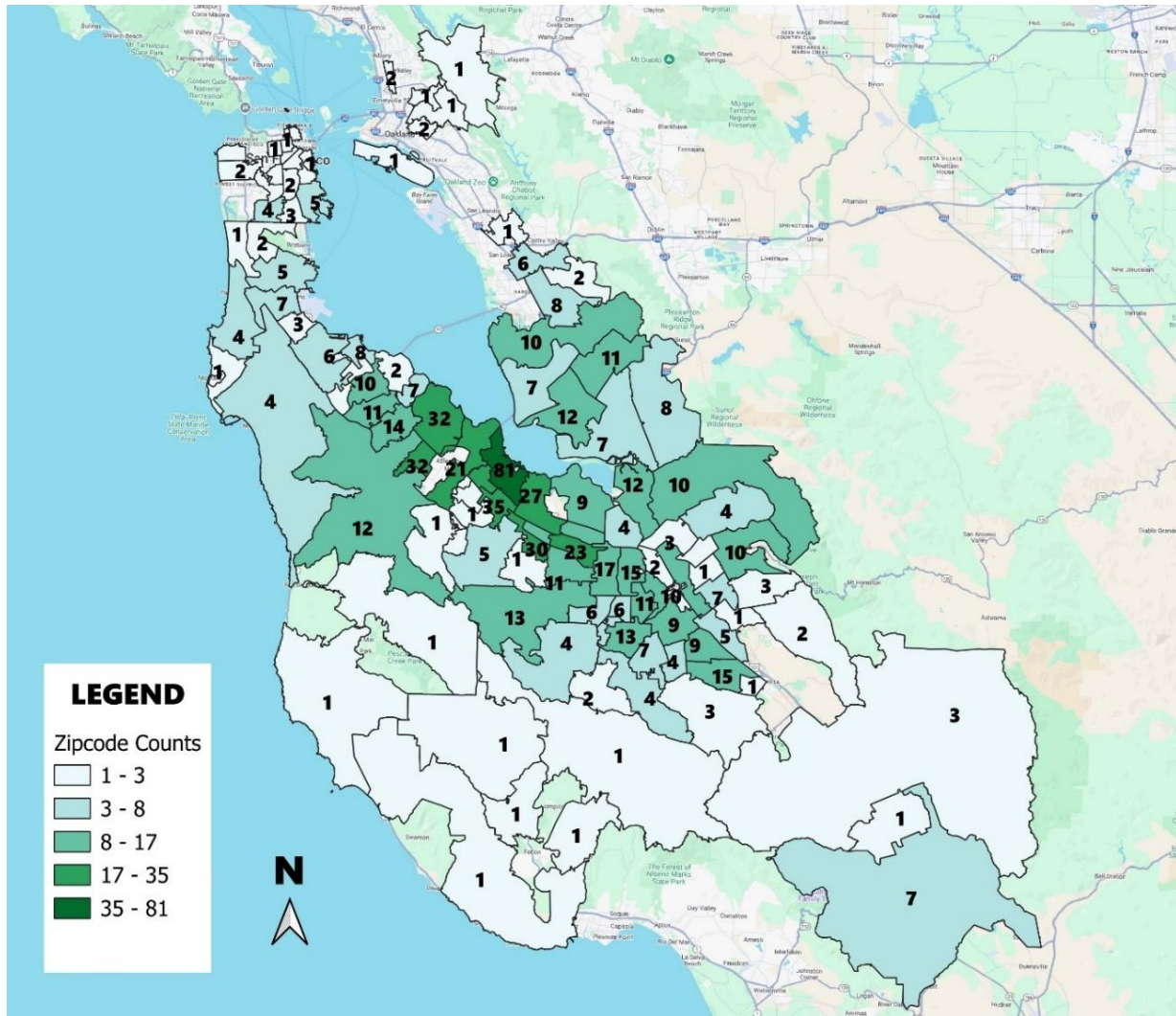
| | Home City | Number Survey Respondents |
|----|----------------|---------------------------|
| 1 | San Jose | 152 |
| 2 | Redwood City | 83 |
| 3 | Palo Alto | 80 |
| 4 | Mountain View | 74 |
| 5 | Sunnyvale | 57 |
| 6 | East Palo Alto | 56 |
| 7 | Santa Clara | 36 |
| 8 | Fremont | 33 |
| 9 | San Francisco | 32 |
| 10 | San Mateo | 23 |

Note that 70% of respondents live in cities served by a train or bus that runs to Palo Alto.

Figure 10 maps the home zip codes of survey respondents in San Francisco Bay Area¹ counties.

¹ The Bay Area refers to the nine counties that touch the San Francisco Bay plus Santa Cruz County.

Figure 10: Number of Respondents by Zip Code

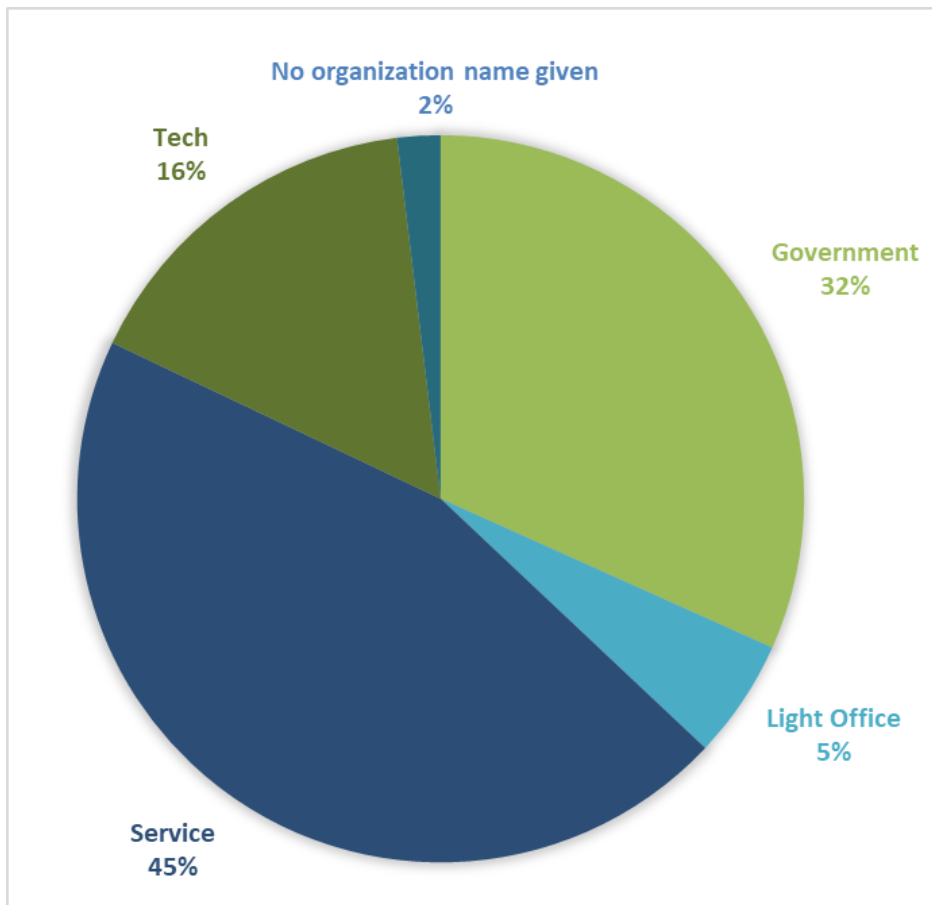


Some survey respondents live beyond the nine county Bay Area near Sacramento, in the Central Valley, and even one in Southern California.

Q2. *What is the name of your employer? (This information will help us analyze commuting patterns for the four main types of employers [service, technology, light office, and government] in Palo Alto.)*

Employer names were organized into four main sectors of employers in Palo Alto, as seen in Figure 11.

Figure 11: Survey Respondents by Sector



Note that the number of survey respondents from technology companies located in Downtown, Amazon and Salesforce, is higher this year than last. With Return to Office encouragement from management and corporate concern about greenhouse gas emission reductions, employees at both companies were encouraged to fill out PATMA’s commute survey.

Q3. *How do you usually travel to work? If you use more than one type of transportation, choose the one used for the longest distance of your trip.*

Many commuters use more than one type of transportation for commuting. To be able to compare this year’s data with previous years’, we asked people about the main commute mode they used for the longest segment of their trip. Figure 12 provides information about the primary commute mode.

Figure 12: Primary Commute Mode

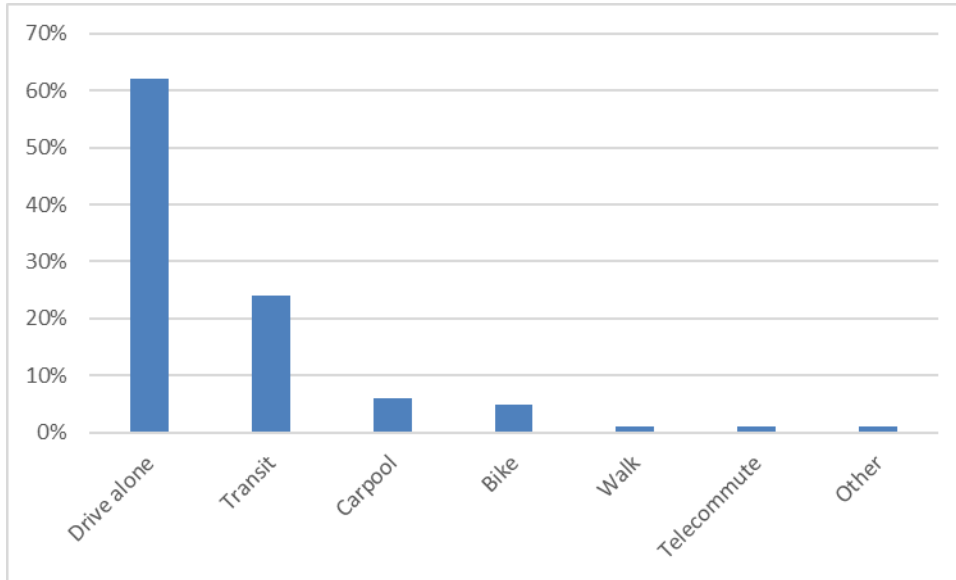
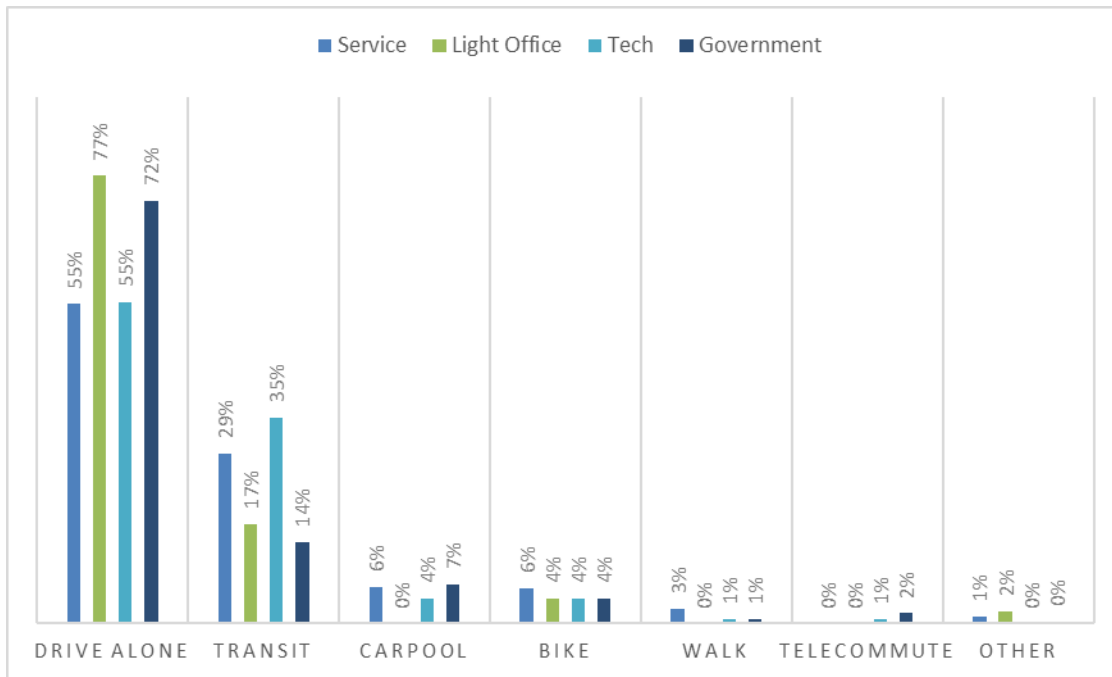


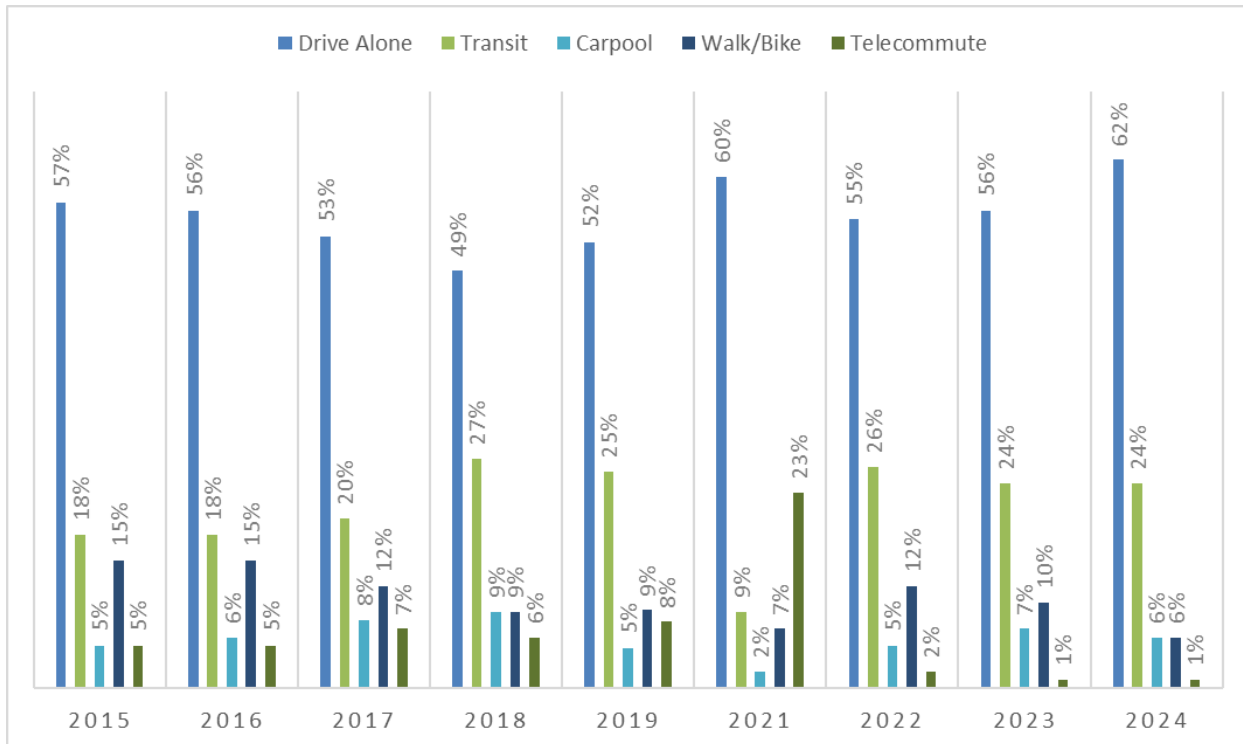
Figure 13 divides this data by sector for 2024 to allow comparisons between government, light office, service, and tech sectors.

Figure 13: Commute Mode by Sector, 2024



A comparison of commute modes over the past several years is shown in Figure 14.

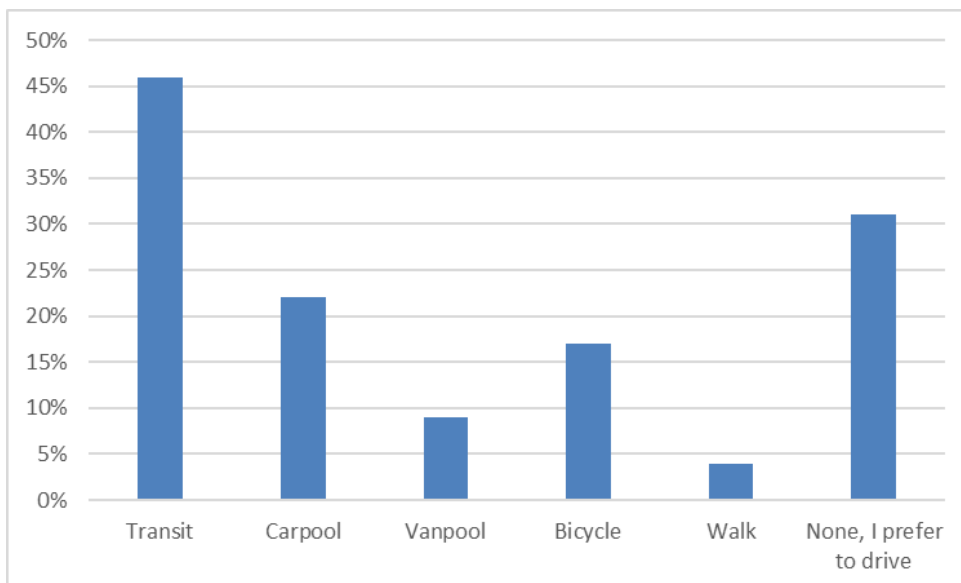
Figure 14: Changes in Commute Mode, 2015-2024



Q4 If you drive alone to work, which of the following sustainable commute modes are you open to taking?

Note that respondents could choose more than one option, and only respondents who said their main commute mode was by single-occupancy vehicle were given this question.

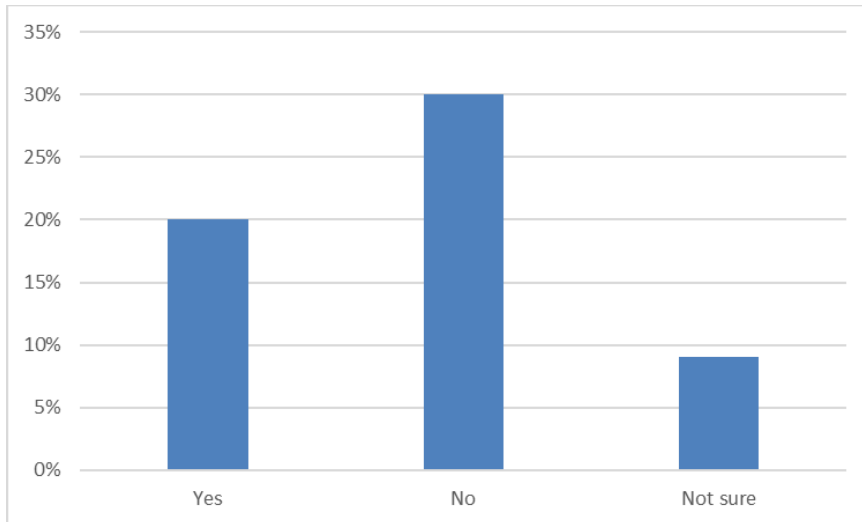
Figure 15: Sustainable Commute Options Drivers Considering



Many respondents were open to transit (46%), carpooling (22%), bicycling (17%), vanpooling (9%), and walking (4%).

Q5. If you drive alone to work, is your home located less than one mile from a Caltrain station, VTA 22/522 bus stop, SamTrans ECR bus stop, or Dumbarton Express bus stop?

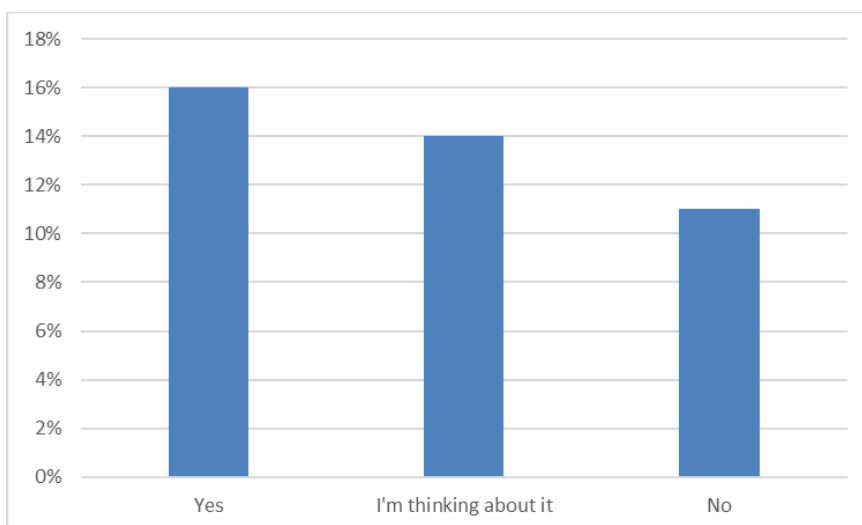
Figure 16: Live <1 Mile from Sustainable Transit Option



This question was included to determine the proximity of a transit option that runs directly to Palo Alto.

Q6. If you live less than 5 miles from work, are you open to switching to an active mobility mode (bicycle, electric bicycle, scooter, electric scooter, or other personal mobility device) for commuting?

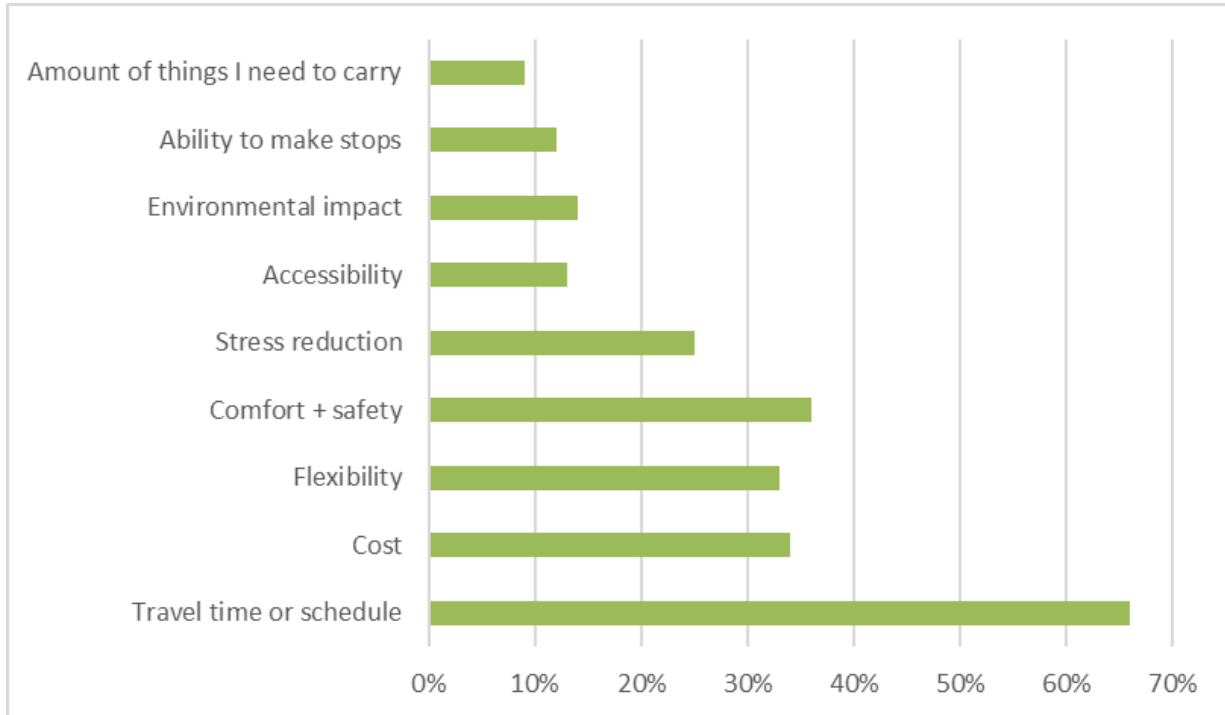
Figure 17: Live <5 Miles from Work and Open to Active Commute



Thirty percent of respondents are open to an active commute.

Q7. What is most important to you when choosing how to commute to work? (select up to 3)

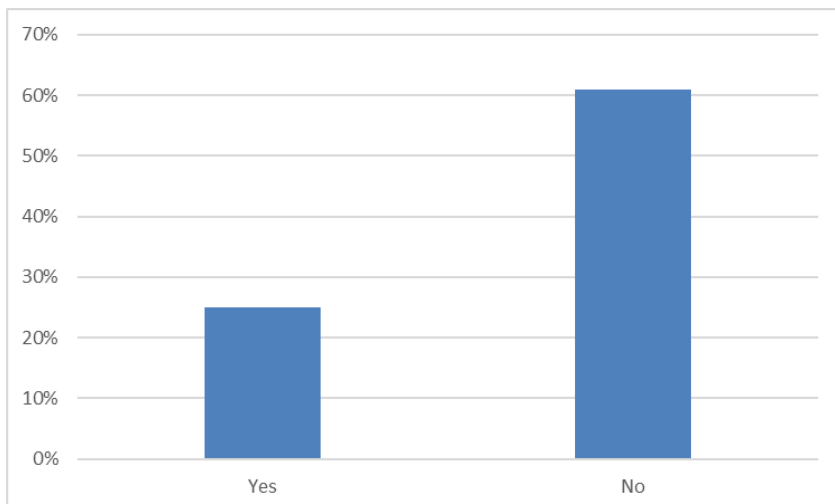
Figure 18: Most Important Considerations When Choosing How to Commute



Travel time and schedule predominates the list of factors workers consider when deciding how to commute.

Q8. Does your workplace need additional bike racks outside?

Figure 19: Need Additional Bike Racks



This information provides an opportunity for follow-up with organizations surveyed.

Q9. What is your annual salary?

Figure 20: Is Your Annual Salary Less Than \$70,000 or More?

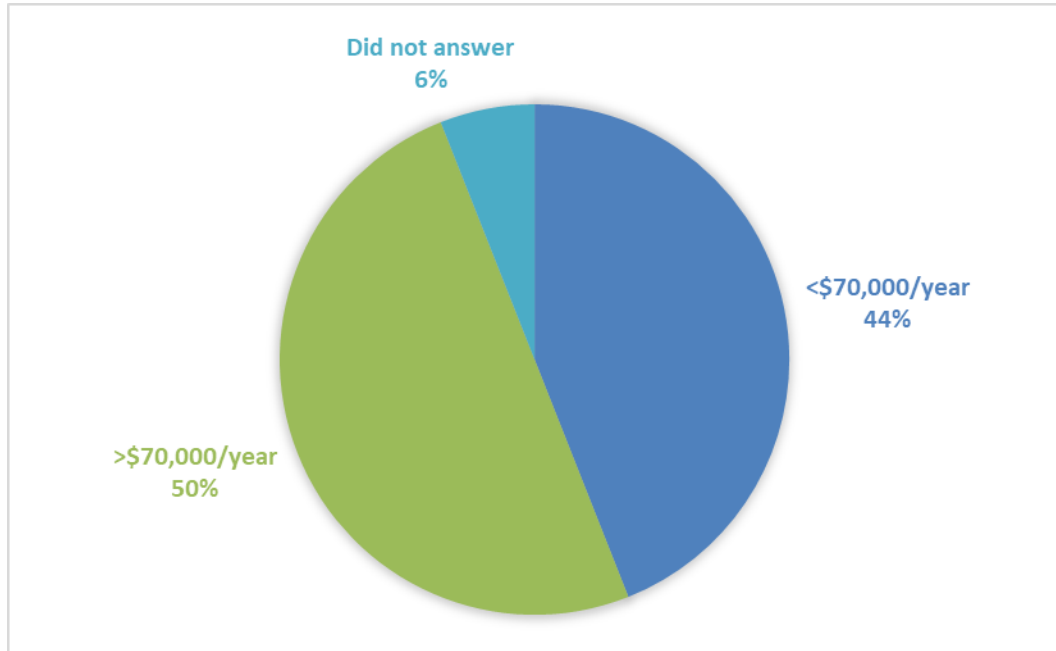


Figure 20 shows the percentage of respondents making less than \$70,000/year who are eligible for PATMA’s free transit passes, refurbished bicycles, and after hour Lyft credits.

Q10. Are there any issues or concerns you would like to share about your commute?

The answers to this open-ended question provide PATMA with insights to improve our programs, accomplish more mode shift, or share questions and concerns with our contacts at tech companies and City government.

Compliments and positive statements included:

- I am excited about new Caltrain trains.
- Very hard to get my bike on old trains. Like the new schedule too!!
- I love the ability to combine bicycling and Caltrain and not rely at all on an automobile. And I am impressed by how the City of Palo Alto encourages and supports that.
- Being a part of the program really reduces my stress of commuting to work. I don’t drive because it will cost me too much money to drive back and forth versus taking the train.
- This has saved me money and time in traffic.
- It has saved my job and life. I’m so thankful for this service. I would love more stops at my Caltrain station.

- No issues! Happy with Caltrain.
- Estoy muy contenta con el servicio de PATMA. Gracias. (I'm very happy with PATMA's service. Thank you.)
- Es seguro y siempre llego temprano a mi trabajo. (It's safe and I always arrive early to work.)
- Me gusta viajar en el Caltrain porque es comodo, llego a tiempo a mi trabajo, etc. (I like to travel on Caltrain because it's comfortable, I arrive on time to work, etc.)
- I like the VTA and Caltrain options.
- Bike lanes have improved throughout the Peninsula. Thank you!!!
- Biking to Downtown is the best!
- I love the train and really appreciate the Caltrain GoPass.

Concerns raised multiple times by respondents were grouped by topic in Figure 21.

Figure 21: Respondent Concerns About Their Commute

| Topic | # of Workers Mentioning Topic | Example Comment |
|---|-------------------------------|--|
| Difficulties while driving: traffic, parking, cost of gas and tolls, road surface quality | 73 | "The afternoon commute has doubled in time in the last 1-2 years from 1 hour 10 min to 2 hours 15-20 mins." |
| Timeliness of trains and buses: late, infrequent service, not reliable | 31 | "Just buses being on time, especially in the morning hours." |
| Limited or no transit options near home (East Bay, Tri-Valley, Los Gatos, Gilroy) or work | 20 | "I wish there were a reliable, quick public transit option from the East Bay" and "Caltrain stops infrequently in South Counties." |
| Caltrain passes for City workers who don't work Downtown | 12 | "I would take the train if it was offered since I can bike easily to and from the train." |
| Connectivity too difficult: to and from transit, making connections between transit options | 11 | "The first 5 miles and the last 5 miles are the biggest barrier for public transportation." |
| Safety and cleanliness of transit and stations | 9 | "The station needs to be only for people that use it to commute to take the bus or train." |
| Want more transit service: earlier, later, weekends | 8 | "Wish Caltrain stopped at the Blossom Hill station in San Jose more frequently in general, but on weekends specifically." |

| Topic | # of Workers Mentioning Topic | Example Comment |
|--|-------------------------------|---|
| Feel can do their job from home most of the time | 7 | "I can do my job well from home and would use the extra 2 hours a day to do more work if could work from home every day." |
| Would like electric vehicle charging for City workers - MSC and Elwell | 6 | "There are no charging stations at our yard (MSC) and I believe I have the only all electric vanpool running for the City." |
| Wish could afford a home closer to work | 4 | "My commute is very long but my husband is a disabled veteran. The city we live in is the only place we can live for accessibility reasons and afford." |
| Would like showers to wash up after biking | 3 | "There are no showers for staff at my workplace so biking isn't an option." |

Other concerns mentioned:

- I can't be late for work: "I work as a dental hygienist and have patients" or "my manager expects a timely arrival for my shift."
- Public transit is difficult to navigate, so I drive. Nobody is at the train stations to help when you are new to it. I worry about problems at the last minute. Like funds not applied to Clipper card etc.
- Clipper cards should cover Caltrain and buses in case one is running late I can take the other.
- As a single parent working an hour away from home, I have to be able to get to my kiddo fast in case of an emergency.
- Better lights for nighttime commuters.
- Neighborhoods should be zoned for multi-use so there would be less sprawl and more housing.

Comments about bicycling:

- Would like more visible and separated bike lanes. (3)
- Unsafe drivers
 - Palo Alto really needs to ban Right Turn on Red in Downtown Palo Alto. Drivers accelerate to red lights - it's terrible for pedestrians. At least do this for a 2 block radius around the Caltrain Station.
 - Cars that run the red lights at the intersection of Lytton and High Street in Palo Alto in particular but all along University and Lytton is an issue.
 - Cars run red lights which is dangerous for cyclists and pedestrians.
 - I almost get right hooked every day I ride my bike in to work. It's terrifying sometimes.

- The nearest train station is very far away and there is no secondary transit to close the gap. No buses, no bike or scooter rental etc. (Midtown)
- There is one bike rack, but it is blocking a convenient access point for handicapped people getting out of their cars.
- Bike theft (4)
 - There are people who will steal bikes in downtown Palo Alto.
 - Lots of bike theft in Palo Alto, so outdoor bike rack not optimal. (Downtown)
 - Need bike boxes. We have racks but I won't use. Had locked bike stolen from racks. I bring my bike inside. (retail on University Ave)
 - Bikes are still getting stolen and I would like greater protection for bike racks.

Key Insights

The following insights gleaned from data and comments lead PATMA to believe that additional mode shift opportunities exist among workers in Palo Alto.

- PATMA conducted the 2024 commute survey in an expanded geographic area this year with a larger worker population compared to previous years.
- The survey had more participation from workers in the government and technology sectors this year than last.
- This year, the average drive alone commute rate is higher (62%) than last year (56%).
- Light office (77%) and government sector (72%) sectors have higher drive alone rates than service (55%) and tech (55%) sectors.
- Gathering responses from service sector workers in restaurants, retail and accommodations was more time-consuming than government and tech sectors where managers took a more active role encouraging staff to participate. Service sector businesses required multiple visits to realize results.
- Seventy percent (70%) of survey respondents live in a city served by Caltrain or a bus that runs directly to Palo Alto.
- Two percent (2%) of respondents are super commuters coming from outside of the Bay Area (17 out of 885 responses).
- Among people who drive alone to work:
 - 46% are open to taking transit
 - 22% are open to carpool
 - 17% are open to active mobility (bicycle or e-scooter)
 - 9% are open to vanpool
 - 4% are open to walking
- Sixteen percent (16%) live less than 5 miles from work and are open to an active commute (bike or e-scooter).
- When deciding how to travel to work, 72% of respondents cite travel time or schedule as the most important consideration.

These insights point to potential for workers to switch from driving alone to transit, carpooling, active mobility, vanpool, or walking, particularly among light office and government workers.

Conclusions

Given the openness of respondents to sustainable commute modes and the proximity of their home or workplace to transit options, survey results point to opportunities to mode shift more workers who commute to Palo Alto by providing information, equipment, and rewards. Some people would benefit from more availability of refurbished bikes, electric bikes, and electric scooters to connect to transit or for commutes of less than five miles. Others just need information about real time train and bus arrivals, Guaranteed Ride Home availability, rapid bus schedules and routes, and safer bicycle routes between home and work. And finally, any incentives, such as Bike Love rewards, would provide an additional nudge toward a more sustainable commute.