



# FY 2026 PROPOSED BUDGET HEARINGS

## INTERNAL SUPPORT & ADMINISTRATION COUNCIL APPOINTED OFFICERS Part I

Please refer to Dept Sections for Page Numbers

**May 6, 2025**

[www.paloalto.gov/budget](http://www.paloalto.gov/budget)

# SERVICE AREA SUMMARY

	FY 2025 Adopted	FY 2026 Proposed	% change	FY 2025 Adopted FTE	FY 2026 Proposed FTE	% change
General Fund	\$13.6 M	\$13.5M	-0.3%	36.50	35.70	-2.2%
Other Funds	-	-	-	-	-	-

Department	GF Revenue	GF Expenses	GF FTE
City Attorney	1.8 M	5.1 M	10.50
City Auditor	0.4 M	1.0 M	-
City Clerk	0.5 M	1.5 M	5.00
City Council	0.1 M	0.5 M	7.00
City Manager	1.6 M	5.3 M	13.20



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# City Attorney's Office

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Operating Pg. 137-145

# FY 2026 BUDGET SUMMARY (CITY ATTORNEY'S OFFICE)

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## **Community Impact**

Provide legal services to accomplish and defend programs and services for the public, with an emphasis on Council goals and priorities.

## **Major Proposed Changes in General Fund**

No major changes proposed.

## FY 2026 DEPT OUTLOOK (ATTORNEY)

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- Promote housing and retail revitalization by developing transaction documents for new Downtown garage and affordable housing project.
- Advance Palo Alto Fiber and electrification through strategic advice, drafting agreements, and development of compliance procedures.
- Draft Cubberley purchase agreement and ballot materials to enable development of a new community center.
- Assist with evaluation of proposals for new housing, update City zoning codes and development fees, support new area plans and explore options to expand funding for affordable housing.
- Advise on options and draft legislation to enhance renter protections, support efforts to expand safe parking, and manage community impacts associated with unsheltered living.



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# City Auditor's Office

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Operating Pg. 147-153

# FY 2026 BUDGET SUMMARY (CITY AUDITOR'S OFFICE)

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## **Community Impact**

The City appointed Katherine ("Kate") Murdock (Baker Tilly) on May 6, 2024 to serve as the City Auditor. Fulfills the mission of the Office of the City Auditor, which furthers the City Council's commitment to internal auditing, transparency, and accountability in government.

## **Major Proposed Changes in General Fund**

- The budget for services from Baker Tilly does not have any significant changes to the FY 2026 budget.

## **FY 2026 Department Outlook**

- The annual budget accounts for annual external audit services, including the City's audited financials, single audit services, and other initiatives.



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# City Clerk's Office

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Operating Pg. 155-164



# **FY 2026 BUDGET SUMMARY (CITY CLERK'S OFFICE)**

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## **Community Impact**

Enhance transparency, civic engagement, and access to information by supporting the legislative process, managing public records and elections, and serving as a vital link between the community, City Council, and City staff.

## **Department Priorities and Long-Term Projects**

- Enhance Records Management and Transparency
- Ensure Efficient Operations and Compliance
- Strengthen Community Engagement and Access to Information
- Maintain and Implement City's Record Management Policy and Retention Schedule
- Facilitate successful elections
- FY 2026 has no base budget changes, and a proposal that restores funding for Broadcasting Services with KZSU to support City Council meetings and emergency services.

# FY 2026 DEPARTMENT OUTLOOK (CLERK)

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- Ensure citywide adoption of an updated Records Management Policy and Retention Schedule through training, compliance measures, and centralized recordkeeping initiatives.
- Implement an email retention policy and optimize the records destruction process, including collaboration with departments to establish a city-wide centralized digital records management system and enhance the Public Records Portal.
- Evaluate and implement innovative tools for public meetings, including electronic voting systems and updated election procedure materials.
- Launch civic engagement initiatives such as a proposed pilot Civics Academy and implement a City Council Chambers Use Policy for external events.
- Strengthen Boards and Commissions programs and staff training to enhance institutional knowledge and ensure policy compliance.



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# City Manager's Office

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Operating Pg. 171-183

# FY 2026 BUDGET SUMMARY (CITY MANAGER'S OFFICE)

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## **Community Impact**

Provide strategic leadership and professional management of City operations to maintain and enhance Palo Alto's quality of life and timely achieve City Council goals. Support includes citywide initiatives, economic development, housing, and services for the unhoused.

## **Major Proposed Changes in General Fund**

- None.

# FY 2026 DEPARTMENT OUTLOOK (CMO)

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- Support the Council-adopted **economic development strategy** actions, further partnerships with businesses, and invest in downtown streets.
- Complete construction of and open **Palo Alto Homekey**.
- Explore options for **addressing homelessness impacts** and assess sources/methods for **affordable housing funding**.
- Lead **community engagement** programs; **expand digital engagement** and online presence.
- Advance efforts in the two-year plan on **wellness and belonging**.
- Ensure **effectiveness of executive leadership** in the organization through key transitions.
- Monitor & **lead through uncertain times**, ensuring proactive planning and evaluation of impacts to Palo Alto.



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# City Council

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# FY 2026 BUDGET SUMMARY (CITY COUNCIL OFFICE)

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## **Community Impact**

Invest in Council Priority areas and community needs while maintaining the City's ongoing financial stability

## **Major Proposed Changes in General Fund**

- None in the proposed budget

# FY 2026 DEPARTMENT OUTLOOK (CCO)

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- The City Council will continue to provide leadership and management to the City government organization while working with the Council Appointed Officers Offices to maintain and enhance Palo Alto's quality of life.
- Continued Focus and Investment on Council Priorities:
  - Implementing Housing Strategies for Social & Economic Balance
  - Climate Action & Adaptation, and Natural Environment Protection
  - Economic Development & Retail Vibrancy
  - Public Safety, Wellness & Belonging