

Fund Number	Fund Name	Department	Title	Description	Recommended Revenue Appropriation	Recommended Expense Appropriation
102	General Fund	Community Services	Bryant St. Revenue - Teen Services	This action reappropriates funds for teen services from revenue generated by the rental of the Bryant Street Garage. In 2001, the City Council voted to lease out a garage property located at 455 Bryant Street. Since this site was formerly the location of the Bryant Street Teen Center, a stipulation in the lease required that 75 percent of the rental revenues would be used to fund programs specifically for Palo Alto youth and teens. In prior years, Staff has returned to the Policy and Services Committee and City Council for guidance on community engagement and potential uses of this funding (CMR 4776, CMR 8887). Teen services programs include, but are not limited to: Think Fund grants, ClickPA website, Teen Arts Council, MakeX, Art Center, Think Fund Gala and the Buoyancy Teen Festival. This action will reappropriate \$216,000, the remaining value, to ensure resources are available to continue providing quality teen services to the community and develop a long-term approach to maintain delivery of these services.	\$ -	\$ 216,000
102	General Fund	Human Resources	Labor Negotiations	This action reappropriates funding necessary for labor negotiations. The City's Labor Negotiations team will be in active negotiations for all labor units in FY 2025. SEIU's contract is set to expire December 31, 2024 and the contracts all four safety units, UMPAPA, and SEIU-Hourly are set to expire June 30, 2025. The Human Resources Department will utilize contracts with outside legal counsel for labor relation, employment matters, and strategic negotiations. This proactive financial adjustment will ensure the availability of resources to cover anticipated legal expenses associated with the continuing counsel required for negotiating and enforcing of the labor contracts.	\$ -	\$ 292,000
102	General Fund	Non-Departmental	Advancing Racial Equity	This action reappropriates the remaining funds of the original \$0.5 million appropriated for the advancement of racial equity and the associated workplan. The City is continuing efforts to educate and train staff, Council, and Boards and Commission members on Diversity, Equity, and Inclusion (DEI) topics.	\$ -	\$ 241,000
102	General Fund	Non-Departmental	Mental Health Services Grant	On April 3, 2023 (Staff Report 2303-1179) the City accepted a \$2.0 million grant awarded by the Department of Health and Human Services Substance Abuse and Mental Health Services Administration (SAMHSA) for assistance related to North County TRUST (Trusted Response Urgent Support Team). TRUST is focused on responding to individuals in crisis, providing follow-up and referrals, as needed, and de-escalating high stress situations. This program is in addition to the City's Psychiatric Emergency Response Team (PERT) and the County's Mobile Crisis Response Teams (MCRT) programs. This action reappropriates the remaining funds as well as the revenue reimbursement to FY 2025.	\$ 997,000	\$ 679,000

Fund Number	Fund Name	Department	Title	Description	Recommended Revenue Appropriation	Recommended Expense Appropriation
102	General Fund	Non-Departmental	Utility Transfer Litigation Reserve	This action reappropriates \$3.4 million for the financial impacts of a lawsuit, Green v. City of Palo Alto (Santa Clara Superior Court, Case No. 1-16-CV-300760). This is in addition to the \$6.2 million already reappropriated for this reserve as part of the FY 2025 Adopted Budget. This case was a class action lawsuit filed on October 6, 2016, that claimed the City's gas rates were taxes that exceeded the cost of providing service, absent voter approval, because the rates funded annual transfers from the utilities to the City's general fund. The lawsuit sought a refund of three years of alleged overpayments by gas ratepayers. The financial settlement payment is planned over three fiscal years, FY 2024 through FY 2026, so the funding remaining in the reserve is recommended to be reappropriated to FY 2025 to complete the settlement payments.	\$ -	\$ 3,400,000
102	General Fund	Non-Departmental	Management Development Funds	This action reappropriates funding for management training and professional development. The Management Training Program provides \$1,000 per eligible employee under the terms outlined in the labor agreements and compensation plans with the Management and Professional group and the Palo Alto Police Management Association. In alignment with the City's Positive Workplace initiative and to address the City's overall need for training and development the Human Resources' Workforce Development/Training Division has recently completed a Request for Proposal procurement process from which three vendors have been identified and selected. These vendors have been chosen to deliver Organizational Development, Leadership Training, and Coaching services across all city departments. This strategic partnership with the selected vendors will entail close collaboration with City leadership and the various department. The reallocated funds will be used to fund the contracts in the upcoming three years.	\$ -	\$ 250,000
102	General Fund	Planning and Development Services	Direct Cost Recovery Project Budget	This is a cost neutral action to reappropriate remaining revenue and expense funding related to deposit-based cost recovery projects at multiple sites. These are fully cost recoverable projects that are tracked separately using deposit accounts. The funds do not comeingle with other contract service budgets and funds are only accessible for this purpose. All costs will be reimbursed by the applicant.	\$ 29,000	\$ 29,000

Fund Number	Fund Name	Department	Title	Description	Recommended Revenue Appropriation	Recommended Expense Appropriation
102	General Fund	Planning and Development Services	Direct Cost Recovery Project Budget - 3225 El Camino Real	This is a cost neutral action to reappropriate the remaining revenue and expense funding related to the deposit-based cost recovery project at 3225 El Camino Real. This is a fully cost recoverable project that is tracked separately using deposit accounts. The funds do not comingle with other contract service budgets and funds are only accessible for this purpose. All costs will be reimbursed by the applicant.	\$ 35,000	\$ 35,000
102	General Fund	Planning and Development Services	San Antonio Coordinated Area Plan (CAP)	As part of the FY 2024 Adopted Budget, \$50,000 was appropriated to explore a collaboration opportunity with California Polytechnic State University students to draft a working concept of a San Antonio CAP. This initial funding supported related travel, research, consultant and/or part-time staff for these efforts. The working concept is a starting point for the larger CAP process, which is still estimated at \$0.7 million over three to four years, although the ultimate cost of each plan will depend on size and complexity. This action will continue funding into FY 2025 to support the CAP project.	\$ -	\$ 47,000
102	General Fund	Planning and Development Services	Seismic Ordinance Update	As part of the FY 2024 Adopted Budget, \$225,000 was appropriated for a seismic and resiliency study and ordinance update. This action reappropriates the remaining \$216,000 to complete the RFP process for a consultant that began in FY 2024 and continue the work of updating the City's seismic ordinance in FY 2025.	\$ -	\$ 216,000
102	General Fund	Public Works	Foothill Fire Management	This action reappropriates \$50,000 that had been allocated in the FY 2024 Adopted Budget for the Foothills Fire Management Plan which includes roadside vegetation management and clearing, fuels and fire danger assessment, and fire prevention and preparedness. The funds were unused due to an unsuccessful RFP for those services. With the new fire season in progress, the reappropriated funds will support assistance from the Santa Clara County Fire Safe Council (SCCFSC) while a new RFP is prepared.	\$ -	\$ 50,000
102	General Fund	Public Works	SFO GBAS & Airplane Noise	This action reappropriates \$75,000 that had been allocated in the FY 2024 Adopted Budget for an on-call professional services contract that will support work tasks resulting from engagement initiated but not completed in FY 2024 with San Francisco International Airport (SFO) on the Ground Based Augmentation System (GBAS) project and other potential actions to decrease airplane noise.	\$ -	\$ 75,000

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102	General Fund	Public Works	Sustainability S/CAP Studies	This action reappropriates \$122,000 remaining from the \$600,000 allocated in the FY 2024 Adopted Budget to perform S/CAP studies. The reappropriated funds will allow Energy and Environmental Economics (E3) to complete four studies critical to the implementation of S/CAP that were started but not completed in FY 2024: 1) the S/CAP Funding Source Survey, 2) the Building Sector Study, 3) the EV Charger Strategic Plan, and 4) the S/CAP Funding Study.	\$ -	\$ 122,000
102	General Fund	Public Works	Tree Trimming	This action reappropriates \$368,000 to complete the final three months of the third year of a not-to-exceed \$3.8 million contract (C21181420) with West Coast Arborists (WCA) for tree care including, but not limited to, tree trimming, stump removal, stump grinding, and emergency callouts. Staff will return to Council in Fall 2024 to extend this contract beyond FY 2025.	\$ -	\$ 368,000
Total General Fund Reappropriation					\$ 1,061,000	\$ 6,020,000

Fund Number	Fund Name	Department	Title	Description	Recommended Revenue Appropriation	Recommended Expense Appropriation
513	Electric Fund	Utilities	Reliability & Resiliency Strategic Plan	This action reappropriates \$640,000 to FY 2025 to continue the RFP for the Reliability and Resiliency Strategic Plan (RRSP) that is part of the City's Sustainability and Climate Action Plan (S/CAP) and relates to the City's Grid Modernization project. This is in relation to staff report #2401-2496 that was approved by the Council in April 2024. Due to the timing of contract award and additional legal review, the contracts with to contract with a consultant and a partnership with Stanford Linear Accelerator (SLAC) were not approved before year-end.	\$ -	\$ 640,000
Total Enterprise Fund Reappropriation					-	640,000

Fund Number	Fund Name	Department	Title	Description	Recommended Revenue Appropriation	Recommended Expense Appropriation
248	SLES Fund	Police	Organized Retail Theft Grant	On December 4, 2023 (Staff Report 2309-2066) the City accepted a \$5.2 million Organized Retail Theft (ORT) grant awarded by the State of California Board of State and Community Corrections (BSCC) for a three-year program to combat ORT and to increase the recovery of stolen vehicles. The Palo Alto Police Department's ORT grant program utilizes overtime to patrol and investigate ORT crimes at shopping districts. As part of the program, the Department will also equip patrol vehicles with technology to aid in the apprehension of stolen vehicles. This action reappropriates the remaining funds as well as the revenue reimbursement to FY 2025.	\$ 4,962,700	\$ 4,866,400
248	SLES Fund	Police	Wellness Grant	In March 2023 the City received \$47,742 from the State of California Board of State and Community Corrections (BSCC) for the Officer Wellness and Mental Health Grant Program. This wellness grant provides funding for law enforcement agencies to improve officer wellness and expand mental health resources. The funds were not yet spent because the Department was researching best practices for mental health programs. This action reappropriates the remaining funds along with the associated revenue to FY 2025 for department-wide comprehensive body scans used for early detection of illness and disease.	\$ 46,500	\$ 46,500
Total Special Revenue Fund Reappropriation					5,009,200	4,912,900

Fund Number	Fund Name	Department	Title	Description	Recommended Revenue Appropriation	Recommended Expense Appropriation
682	Tech Fund	Information Technology	Software Application Maintenance	This action reappropriates \$900,000 for enhancements to the ERP and GIS systems, as well as specialized consultant work for ERP and GIS projects, and maintenance of infrastructure. These funds will ensure the continued improvement and functionality of the City's software applications, supporting the its operational needs for FY 2025.	\$ -	\$ 900,000
682	Tech Fund	Information Technology	Contract Services	This action reappropriates \$100,000 for the city's IT on-call professional services vendors to support various ongoing and new IT projects requiring specialist consultants, such as the Citywide SharePoint new site development and BI development. Given the expertise and specialized knowledge these consultants bring, the reappropriation of unused funds is essential completion of these important initiatives.	\$ -	\$ 100,000
682	Tech Fund	Information Technology	Planning and Development Services Technology Fee	This action reappropriates \$101,000 in Planning and Development Services Tech Fee budget. As part of the Adopted Municipal Fee Schedule, some PDS fees include a surcharge of up to support technology projects. These projects include ongoing technical support of the City's Geographic Information System (GIS) and the new ESRI platform, implementing an online permitting system, expanding Accela capabilities, and digitizing and storing plans and records.	\$ -	\$ 101,000
Total Internal Service Fund Reappropriation					\$ -	\$ 1,101,000
Total All Funds Reappropriation					\$ 6,070,200	\$ 12,673,900