



City Council Staff Report

From: City Manager

Report Type: ACTION ITEMS

Lead Department: Public Works

Meeting Date: December 9, 2024

Report #:2408-3338

TITLE

Receive an Update and Confirm the Preferred Concept Plan for the University Avenue Streetscape Improvements Project (PE-21004) and Direct Staff to Return with a Contract Amendment for Future Phases; CEQA Status – Not a Project

RECOMMENDATION

Staff recommends that Council confirm the preferred concept plan for the University Avenue Streetscape Project (PE-21004) and direct staff to return with a design-related services amendment for Council approval, in order to advance the project.

EXECUTIVE SUMMARY

Through this report staff is seeking Council direction on the proposed project scope, which is informed by prior Council discussions and recent stakeholder and community feedback. This discussion with City Council is intended to enable staff to move forward with the next phase of the project, which will include preliminary design, environmental analysis, and an assessment district feasibility analysis.

University Avenue is a regional and local public destination for shopping, dining, and entertainment. To facilitate people-centric activities and to create a more vibrant and inclusive space that will support residents and local businesses, Council directed staff in 2021 to study transforming the University Avenue streetscape. Since 2021, staff has conducted extensive community outreach and engaged on this topic with Council and the Retail Committee on numerous occasions.

Staff and the consultant team have incorporated the most recent Council and stakeholder feedback and developed a preferred concept plan. This concept plan establishes a broad vision for University Avenue and sets basic criteria for sidewalk width, lane configuration, and public right-of-way use. The proposed project replaces and widens sidewalks to 17.5 feet on University Avenue between High and Cowper Streets while retaining existing sidewalk widths between Cowper and Webster Streets. Sidewalk re-paving, lighting, landscaping, seating, and signage improvements are included in the project scope for each of the nine blocks of University Avenue between High and Webster Streets. The concept plan balances the desire for

both on-street parking and outdoor dining and allows for short term parking for delivery, rideshare, and loading.

Additionally, specific street intersections (University and High, University and Ramona, University and Centennial Alley) and Lytton Plaza have been identified as important focal areas and will be designed to serve as gathering spaces.

The project's implementation cost is estimated at approximately \$40 million, assuming construction begins in 2027. Based on prior discussions with Council and stakeholders, the project will likely be funded through an assessment district or similar mechanism, paid by the property owners fronting the improvements area.

If the proposed concept plan is approved by the Council, the project team will initiate the design phase, the environmental analysis, and an assessment district feasibility analysis. Through the next phase staff will continue engaging the downtown stakeholder working group and the community at large and will provide updates to the City Council and relevant committees, boards, and commissions.

The long-term improvements are expected to be completed by 2030. Council has expressed a strong interest in interim improvements, which will play an important role in the long-term economic vibrancy of downtown. Thus, a brief update on near-term downtown improvements is also included in this report.

BACKGROUND

University Avenue is a two-travel lane street that provides access from Highway 101 through the downtown area and continues to Stanford University. COVID-19 had significant economic implications on downtown environments throughout the country, including University Avenue. To support local businesses and community, the City closed portions of University Avenue to vehicular traffic in spring 2020 through the "Uplift Local" program, enabling outdoor dining and enhancing retail experiences. The street was re-opened to vehicular traffic in fall 2021. On March 1, 2021, Council approved the University Avenue Streetscape Update project (PE-21004)¹ as part of the workplan for Community and Economic Recovery², initially allocating \$150,000 for this purpose. On September 13, 2021, Council directed staff to proceed with the University Avenue Streetscape Design Request for Proposals (RFP)³ and on February 28, 2022, Council approved a contract⁴ with CSWST2 for design and construction administration services for the University Avenue Streetscape project.

¹ City Council, March 1, 2021; Agenda Item # 8; SR #11872

<https://portal.laserfiche.com/Portal/DocView.aspx?id=68403&repo=r-704298fc>

² City Council, January 19, 2021; Agenda Item # 4; SR #11877

<https://portal.laserfiche.com/Portal/DocView.aspx?id=68402&repo=r-704298fc>

³ City Council, September 13, 2021; Agenda Item # 8; SR #13540

<https://portal.laserfiche.com/Portal/DocView.aspx?id=68396&repo=r-704298fc>

⁴ City Council, February 28, 2022; Agenda Item # 10; SR #13609

<https://portal.laserfiche.com/Portal/DocView.aspx?id=68395&repo=r-704298fc>

On December 18, 2023, Staff presented a streetscape feasibility report with streetscape options to Council based upon community and stakeholder input encapsulating outreach to that point and concept plans for the University Avenue Streetscape⁵ ⁶.

Staff presented an update to Council on June 3, 2024 regarding the project vision, design elements, and stakeholder engagement strategy⁷. At this meeting, Council approved the balancing of goals and next steps as presented by staff and directed staff to pursue the near-term projects and goals on an expedited basis, and return to Council with a preferred concept by fall 2024 incorporating the following direction:

1. Balance desire for outdoor dining and gathering spaces with on-street parking for retail customers:
 - a. Retain at least one-third (1/3) of on-street parking to support retail, capping number of parklets, and use wider sidewalks for outdoor dining, retail, and gathering spaces.
2. Reduce congestion and enhance pedestrian and bicycle experience while maintaining vehicular access:
 - a. Maintain existing width of travel lanes on University Avenue, expand sidewalks, and encourage the use of Hamilton and Lytton Avenue as bike routes.
3. Balance desire for special events while minimizing negative financial impacts on businesses from temporary road closures:
 - a. Seek additional stakeholder feedback to determine number and duration of events.
4. Balance desire for wider sidewalks, gathering spaces, and enhanced streetscape with direction to explore lower cost alternatives:
 - a. Do not reduce scope significantly as that does not support the vision. If phasing is desired, implement in no more than two phases to minimize total costs and negative impacts to businesses.

ANALYSIS

Based on Council direction in June and input from the stakeholder working group, the project goals were modified to emphasize the importance of a thriving retail environment (see Attachment B for the project vision and goals). Additionally, the project scope was modified to include widened sidewalks on eight blocks of University Avenue, between High and Cowper streets, with streetscape enhancements on nine blocks of University Avenue, between High and Webster streets. The current proposed concept plan (Attachment A) establishes a broad vision for University Avenue and sets basic criteria for sidewalk width, lane configuration, and public

⁵ City Council, December 18, 2023; Agenda Item # 21; SR #2310-2189
<https://portal.laserfiche.com/Portal/DocView.aspx?id=72053&repo=r-704> 298fc

⁶ University Avenue Streetscape Feasibility Report, December 2023.
<https://www.cityofpaloalto.org/files/assets/public/v/1/public-works/engineering-services/cip-contracts/2023-12-6-palo-alto-university-avenue-streetscape-feasibility-report-final.pdf>

⁷ City Council, June 3, 2024; Agenda Item # 16; SR # 2404-2904
<https://portal.laserfiche.com/Portal/DocView.aspx?id=72174&repo=r-704298fc>

right-of-way use. Key concept plan elements, approach to on-street parking, bicycle access, and infrastructure for special events are described in more detail below. As stated in this staff report, staff is only seeking approval of the overall concept plan at this time and will bring details on the assessment district, special events, and parking, to the appropriate Committees, Boards, Commissions, and Council at key milestones.

Preferred Concept Plan Elements

Vibrant and Functional Space:

- To support all retail businesses, the project proposes widening sidewalks along University Avenue between High and Cowper Streets from approximately 12 feet to 17.5 feet. This expanded space will allow uses like outdoor dining, retail displays, landscaping, and other street furnishings, alongside a generous pedestrian walkway.
- The proposed project converts on-street angled parking spaces into parallel parking spaces, enabling the wider sidewalks.
- Parklets for outdoor dining and retail are accommodated, and with the City's ongoing program and pre-approved designs, parklet implementation is relatively streamlined.
- At intersections, the proposed concept plan features extended sidewalk corners, or bulb-outs, to shorten pedestrian crossing distances across University Avenue and intersecting streets. These bulb-outs provide functional areas that also serve as gathering spaces, with seating, landscaping, and other elements in line with the project's goals.
- The proposed concept plan preserves the existing street trees along University Avenue that were found to be healthy and vibrant during the existing conditions analysis.
- The proposed project includes gateway elements at University Avenue's entrances at High and Cowper Streets. These elements could be traditional gateway signs that span University Avenue or more modern elements placed within the extended curb areas. Additional community outreach will be conducted to inform the design of these important gateway elements.
- Based on input from downtown stakeholders and community members, the project will incorporate public gathering spaces within the public right of way at Lytton Plaza, the High Street Gateway area, and at the entrance to Centennial Alley. Additional community outreach will be conducted to inform the design of these spaces during the next phase of the project.
- The proposed project will include new streetlights, benches, waste/ recycling receptacles, landscaping, bicycle racks, public art as well as unique paving treatments within the sidewalk areas. These materials and features will be refined during the design process.
- To reflect Palo Alto's identity as the birthplace of Silicon Valley, the proposed project will explore integrating the streetscape elements into a cohesive theme, incorporating elements such as:
 - Interpretive history and technology exhibits.
 - A historic walk highlighting downtown landmarks.

- Gateway elements that use architecture and art to reflect Palo Alto's contribution to Silicon Valley.

On-Street Parking:

Creating wider sidewalks for an enhanced pedestrian experience requires conversion of on-street angled parking to parallel parking spaces along University Avenue between High and Cowper Streets. Currently, there are 177 on-street parking spaces between High and Webster Streets, the total extent of the project area. The conversion to parallel parking and street re-design will result in a loss of approximately 22 parking spaces.

Additionally, some on-street parking spaces could be converted into parklets for outdoor dining or retail use. The number of parklets will likely vary over time, but for reference, currently there are seven parklets along University Avenue, using a total of 18 on-street parking spaces. Overall, this meets Council direction in June 2024 that, at a minimum, at least one-third of on-street parking spaces need to be retained in the future.

Ongoing parking management will be required to ensure there is adequate parking to attract residents, businesses, and visitors to downtown and foster economic vibrancy. This strategy would include the following key components:

1. Regular parking studies to track demand and supply and adjust on-street and off-street parking regulations.
2. Automated parking and wayfinding system to efficiently direct visitors to available parking, currently underway.
3. A new downtown garage, located at existing surface parking lot D (Hamilton/Waverley), pending approval of a design contract by Council on December 2nd.
4. Short-term parking on-street to support delivery, rideshare, and loading needs.

Bicycle Access:

The existing right-of-way width does not lend itself to having wider sidewalks, on-street parking, and separate bicycle lanes. Thus, staff proposes that University Avenue continue to serve as a Class III facility, where bicyclists share the road with vehicles. Bicycle safety will be enhanced with angled parking converted to parallel parking, lowering the chance of vehicles backing into oncoming bicyclists. Additionally, the proposed design concept includes a 3-foot shoulder buffer on each side of the travel lane which will minimize door swing conflicts with bicyclists. Bicycle racks will be installed along the corridor.

The City's 2012 Bicycle and Pedestrian Transportation Plan (BPTP) is currently being updated, with public engagement anticipated to continue through early 2025. This provides an opportunity for the University Avenue Project team to closely coordinate bicycle access and signage with the BPTP and ensure an integrated approach that addresses community needs and desires and incorporates recent trends in bicycle technology and bicycle and pedestrian planning and design.

Special Events:

The three blocks on University Avenue between Ramona and Waverley Streets were identified by 75% (9 of 12) of the stakeholders as the preferred location for holding special events with temporary closure of these blocks to vehicular traffic. A majority of the stakeholders indicated a preference for these special events to occur two to five times per year.

However, some stakeholders stated a preference for no street closures and suggested using existing plazas such as King Plaza and Lytton Plaza for special events instead. Staff will continue to engage the community and Council on the location and frequency of special events in the next phase of the project. In case of temporary street closures, staff will partner with the Chamber and any impacted businesses to develop solutions that benefit these businesses.

Project Funding

Based on Council direction in June 2024, subsequent stakeholder input, and additional staff work, the proposed project scope has been refined. The proposed project now includes widened sidewalks for eight blocks instead of nine, while streetscape enhancements are still included for all nine blocks between High and Webster streets. The project cost is still estimated to range between \$40 million to \$45 million; this cost reflects additional due diligence work completed on utility relocations. About 80% of the estimated costs are attributed to utility and curb re-locations needed for the wider sidewalks. The estimate of construction costs is based on the following assumptions:

- Estimate includes design, construction management, permit fees, formation of an assessment district, and construction, with a 25% contingency built in for design and construction, and a 4% cost escalation factor.
- Project will begin construction in 2027 and will be implemented in a single phase. This has advantages both in cost savings from a single mobilization as well as minimizing the adverse impacts of construction on businesses within the University Avenue Downtown commercial core.

The City has not yet established a funding source for streetscape improvements. As discussed in the December 2023 Council meeting, the project will likely be funded by an assessment district, with development impact fees and grants also potential sources.

Near Term Improvements

Over the last several months, staff has been working to improve cleanliness along University Avenue including additional trash pick-up and cleaning, power washing of sidewalks and garages and addressing broken and unused news racks. An update on progress since June is included below.

- Using overtime to continue enhanced cleaning and trash pickup in the downtown area.
- Power washing of garages:
 - Garage Q (High/Alma Streets) and Civic Center garages - completed

- Garage S/L (Bryant/Lytton), Lot J (Cowper/Webster) and Garage R (Alma/High) scheduled between November 2024 and February 2025.
- News racks
 - In September 2024, 62 broken or unused news racks along University Avenue were removed and staff is coordinating with publishers/vendors on the remaining 119 racks with anticipated completion in spring 2025.
 - Staff will also be working on consolidation of these news racks. For the longer-term streetscape project, staff will work with stakeholders on optimal news rack locations.

Next Steps

Upon Council confirmation of a preferred streetscape concept plan, the design will be advanced through further outreach to the stakeholder working group and the community, City's Committees, Boards and Commissions, and the City Council. Additionally, the existing contract will need to be amended to proceed with future phases. Future phases and tentative timeline include:

- Phase 2: Preliminary Design and Environmental Assessment (winter 2025 to spring 2026). Concurrently with Phase 2 services, the City would need to retain a municipal bond counsel for the assessment district planning and election.
- Phase 3: Final Design, Construction Documents, and Bid Support (summer 2026 through summer 2027).
- Phase 4: Construction Administration Services (fall 2027 through fall 2029) for an estimated 2-year construction duration)

FISCAL/RESOURCE IMPACT

No funding request is being made for the purpose of this report. Funding is available in the University Avenue Streetscape Update project (PE-21004) in the Fiscal Year 2025 Capital Budget, for future phases of the project. Upon Council approval of the preferred concept, staff will return to Council for a contract amendment with CSWST2 for authorization of future phases of the scope of services.

STAKEHOLDER ENGAGEMENT

University Avenue and the downtown district are of interest not only to the downtown community but to the Palo Alto community at large. Given the importance of the near-term and long-term improvements, staff will continue its outreach strategy including a stakeholder working group, ongoing communications with the downtown and Palo Alto community at large, engaging relevant Commissions at specific milestones, and presenting to the Retail Committee and the City Council at key milestones. In addition to the working group meetings, staff will provide updates on this important topic to the business community through the monthly Business Connect newsletter, monthly meetings with downtown stakeholders, and regular check-ins with local storefronts.

Stakeholder Working Group and Community Survey

Per Council direction and to further refine the design concepts, staff conducted several outreach activities and meetings since December 2023. Key outreach activities are listed below.

- March 20, 2024⁸: Retail Committee meeting #1: Project goals and vision, design direction and themes, stakeholder engagement strategy, and potential near-term improvements.
- April 17, 2024⁹: Retail Committee meeting #2: Additional details on near-term improvements.
- June 3, 2024: City Council: Long-term vision, goals, design themes, and stakeholder engagement strategy.
- August 21, 2024¹⁰: Retail Committee meeting #3: Downtown district planned short-term and long-term improvements, and stakeholder engagement strategy update.
- June-August 2024: Conducted extensive outreach, reviewed applications, and established a downtown stakeholder working group. The group is comprised of 17 members, representing various interest areas, including property owners, businesses, community partners, and downtown residents.
- September 10, 2024: Stakeholder Working Group meeting #1: Project goals and vision, design concepts and elements, project scope.
- November 13, 2024: Stakeholder Working Group meeting #2: Stakeholder polling and community survey results, concept design elements, and downtown short-term improvements updates.
- October-November 2024: On-line community survey between October 11 and November 24: The survey focuses on project goals and vision, design elements, and project improvements limits.

Summary of Stakeholder Working Group Polling:

On September 10, 2024, staff held the first Stakeholder Working Group focus meeting, during which input was solicited through an online poll. Polling results from the meeting are summarized below.

- 70% (7 of 10) agreed with the Council approved Goals, 50% (6 of 12) agreed with the Council approved Vision.
- 60% (6 of 10) preferred option B (Q9) "Full Scope between High and Cowper Streets and

⁸ Retail Committee, March, 20, 2024

<https://cityofpaloalto.primegov.com/Portal/Meeting?meetingTemplateId=14916>

⁹ Retail Committee, April 17, 2024

<https://cityofpaloalto.primegov.com/Portal/Meeting?meetingTemplateId=14922>

¹⁰ Retail Committee, August 21, 2024

<https://portal.laserfiche.com/Portal/DocView.aspx?id=92473&repo=r-704298fc&searchid=0d46ce33-ed44-4b24-9806-851b955e0b0e>

Reduced Scope between Cowper and Webster Streets with a budget of about \$43 +/- million.

- Seating and Public Gathering Spaces, Landscaping, and Bike Parking selected as top 3 sidewalk corner elements.
- Lytton Plaza, High Street Gateway, and Centennial Alley selected as top 3 focal gathering spaces.
- Interpretive history and technology exhibits, History walk, and Gateway elements identified as top 3 ways to highlight Palo Alto as “Birthplace of Silicon Valley.”
- 75% (9 of 12) said special events should be held between Ramona and Waverley Streets.
- 42% (5 of 12) selected frequency of special events as between two and five times a year, 25% (3 of 12) selected between six and ten times a year.

Although stakeholders are supportive of the overall streetscape concept, there are divergent opinions related to closure of streets for special events and about the balance of on-street parking and parklets. As stated earlier in the report, these are areas that will be discussed in more detail during the design phase, with continued engagement of the stakeholder working group.

Summary of Community On-Line Survey:

A Community on-line survey was published via Open Townhall from October 11, 2024 through November 24, 2024. The survey focuses on project goals and vision, design elements, and project improvements limits. The summary below captures the survey results as of November 7, 2024, from 156 survey respondents. The final survey results will be shared in the staff presentation to Council and will also be included on the project webpage ([University Avenue Streetscape Project](#)).

- Improving the pedestrian experience and creating outdoor opportunities for dining and retail identified as the top two priorities for this project.
- Landscaping, Bike Parking, and Seating and Public Gathering Spaces identified as top three elements for extended sidewalk corners.
- Lytton Plaza, Historic Ramona Street, and Centennial Alley identified as top three locations for focal gathering spaces
- Murals, Special Events, and History Walk identified as top three elements to best highlight Palo Alto as the Birthplace of Silicon Valley

ENVIRONMENTAL REVIEW

CSWST2 completed a preliminary environmental assessment including a traffic study and arborist reports under the Phase 1 scope of services. Upon Council identification and confirmation of the preferred concept plan, CSWST2 will begin an environmental assessment for evaluation under CEQA as part of the future phase of the project and will complete the analysis before project approval.

The action being considered does not constitute a project pursuant to California Environmental Quality Act (CEQA) Guidelines section 15378(a) in that the feedback does not specifically approve any action which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. Council's feedback will inform a proposed project to be decided upon at a later date, which will be formally evaluated in accordance with CEQA.

ATTACHMENTS

Attachment A: Concept Plan Line

Attachment B: Project Vision and Goals

APPROVED BY:

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