

Special Meeting  
May 24, 2005

ORAL COMMUNICATIONS ..... 2

1. Ordinance Approving a Development Agreement with Stanford University including the Mayfield Lease for the Stanford/Palo Alto Community Playing Fields (1<sup>st</sup> Reading 05/02/2005, Passed 5-1, Kishimoto no, Cordell, Freeman, Mossar not participating)..... 2

     Ordinance Amending the Zoning Code and Map in Order to Implement the Development Agreement and Related Ground Lease (1<sup>st</sup> Reading 05/02/2005, Passed 5-1, Kishimoto no, Cordell, Freeman, Mossar not participating) ..... 2

ADJOURNMENT: The meeting adjourned at 8:30 p.m. .... 12

The City Council of the City of Palo Alto met on this date in the Council Chambers Room at 6:00 p.m.

PRESENT: Beecham, Burch, Cordell, Kishimoto, Kleinberg, Morton (arrived at 6:05 p.m.), Ojakian

ABSENT: Freeman, Mossar

### ORAL COMMUNICATIONS

None.

### CONSENT CALENDAR

#### LEGISLATIVE

1. Ordinance Approving a Development Agreement with Stanford University including the Mayfield Lease for the Stanford/Palo Alto Community Playing Fields (1<sup>st</sup> Reading 05/02/2005, Passed 5-1, Kishimoto no, Cordell, Freeman, Mossar not participating)

Ordinance Amending the Zoning Code and Map in Order to Implement the Development Agreement and Related Ground Lease (1<sup>st</sup> Reading 05/02/2005, Passed 5-1, Kishimoto no, Cordell, Freeman, Mossar not participating)

Council Member Freeman would not participate in the item due to a conflict of interest because of Government Code Section 1090, as she was employed as a substitute teacher with the Palo Alto Unified School District (PAUSD).

Council Member Mossar would not participate in the item due to a conflict of interest because her husband was employed by Stanford University.

Council Member Cordell stated she would not participate in the item due to a conflict of interest because she was employed by Stanford University.

City Manager Frank Benest said based on Stanford University's Offer Letter of June 2003, the City Council authorized the City Manager, City Attorney, and City staff to negotiate the Stanford Development Agreement. On May 2, 2005, the City Council held a public hearing on the matter, certified the Environmental Impact Report (EIR), and approved the first reading of the Ordinance approving a Development Agreement based on public testimony regarding community benefits and the positive recommendations from three City commissions. Subsequent to the public hearing, the City received complaints from the Town of Los Altos Hills and some of its residents alleging inadequate notice. At the City Council meeting of May 16, 2005, staff reviewed the chronology of notices and the contact between the City of

Palo Alto and the Town of Los Altos Hills. In December 2004, the Town of Los Altos Hills received a detailed notice on the Draft EIR. The notice was also published as a display ad in the *Palo Alto Weekly*, which was mailed to Los Altos Hills households served by the Palo Alto Unified School District (PAUSD), and included residents in Los Altos Hills neighborhoods adjacent to the traffic improvements proposed for Arastradero Road. Based on inquiries from Los Altos Hills' residents in December 2004, Los Altos Hills interim City Engineer David Ross emailed Palo Alto Public Works Director Glenn Roberts. Based on that contact, Palo Alto Transportation Projects Manager Gayle Likens sent a detailed email on January 5, 2005 to David Ross identifying traffic mitigations along Arastradero Road including two proposed signals on Arastradero Road at Deer Creek Road and Fremont Road at Hillview Avenue. Staff confirmed at the Los Altos Hills Town Council meeting of last week that they shared Palo Alto's view that traffic signaling was considered a "good thing" to promote traffic safety. Los Altos Hills, as well as neighboring cities including Mountain View, Menlo Park, Portola Valley, and Woodside, received notices of preparation for the Draft EIR at the end of 2004. Palo Alto also sent Los Altos Hills a Draft EIR in January 2005. On May 18, 2005, Palo Alto Director of Planning and Community Environment Steve Emslie met with planning and engineering staff from Los Altos Hills to further review their concerns. At the Los Altos Hills Town Council meeting on May 19, 2005, Mr. Emslie presented and discussed the letter signed by City Manager Frank Benest which documented certain commitments by the City of Palo Alto to the Town of Los Altos Hills clarifying Palo Alto's intent and two points of misinformation: 1) as stipulated in the EIR, Palo Alto would not widen Arastradero Road; and 2) the Mayfield Agreement did not increase commercial square footage over what was allowed and anticipated in the City's Comprehensive Plan (Comp Plan). In addition, Palo Alto committed itself to monitor traffic in the field and only move forward with traffic signals when thresholds were met as required in the EIR. When signals were required, Palo Alto would consult with the Town of Los Altos Hills with respect to the designs of the signals, which would be rural profile signals. Staff recommended the Council conclude the matter that evening by approving the second reading of the Ordinance approving a Development Agreement.

Senior Assistant City Attorney Wynne Furth said the two items on Council's agenda that evening were: 1) the second reading of the ordinance that adopted the proposed negotiated Development Agreement with Stanford; and 2) the amendment to the zoning code in order to implement the Development Agreement. Ordinances were required to be heard by the Council at two separate meetings. At the meeting of May 2, 2005, a public hearing was held on the project and its environmental documentation. The public hearing was then closed, and the Council adopted a resolution that certified the EIR was adequate, adopted a mitigation and monitoring

program, and adopted a statement of overriding considerations for the one impact where no mitigation measure could be found, which was construction noise. The Council had to decide that evening whether or not to reopen the public hearing. Reopening the public hearing would require setting a new date for the matter to be heard. Among the points raised was the concern about the adequacy of the notice that was given. Under the California Environmental Quality Act (CEQA), no individual mailing was required. Palo Alto publicized environmental review through advertisements. However, for zone changes and Development Agreements, individual mailings were done. Under California State law, once the number of addresses involved reached more than 1,000 mailings, individual mailings were no longer required; instead, published notices were required. In this case, between 2,100 and 2,800 individual mailings were sent out. The basic legal requirement was met by the repeated ads in the *Palo Alto Weekly*, which was mailed to PAUSD residents including other individuals in Los Altos Hills in the vicinity of the Stanford Research Park. She was confident those notices were adequate.

Mike Cobb reminded the Council of the legacy that could be created by voting in favor of the project.

James McCroskey, 4158 Oak Hill Avenue, said his street abutted Arastradero Road near Foothill Expressway, and he was keenly aware of the traffic situation at that intersection. Sometimes signals helped, but he did not see how the two proposed signal lights would significantly improve traffic on Arastradero Road. He urged the Council to restrict signal lights and road widening in the project.

Mike O'Malley, Mayor Town of Los Altos Hills, 27781 Edgerton Road, Los Altos Hills, said he did not want to see Arastradero Road become a four-lane road or have traffic lights installed. If that did happen, it would be another Page Mill Road through the middle of Los Altos Hills.

Kim Cranston, 27080 Fremont Road, Los Altos Hills, said Council Member Kishimoto was correct when she stated at the hearing of May 2, 2005, that the Hillview Avenue neighbors cared about maintaining the rural character of Arastradero Road.

Jim Mongillo, 13610 Roble Alto Court, Los Altos Hills, said it seemed unnecessary to have a major thoroughfare so close to Page Mill Road that already served that purpose.

Dot Shreiner, 14301 Saddle Mountain Drive, Los Altos Hills, said she lived in the PAUSD and did not receive the *Palo Alto Weekly*. She said noticing was vague and did not address the traffic route between Highway 280 and Hillview Avenue.

Sandy Humphries, 26238 W. Fremont Road, Los Altos Hills, said she noticed new buildings being built along the roadway, but nearly half of them were empty. She questioned why Roche Bioscience needed to increase its building size by 100,000 square feet when there were already available buildings.

Jean (John) Mordo, Vogue Court, Los Altos Hills, said City Manager Frank Benest pointed out traffic would be monitored and once traffic increased, signal lights would be recommended. He felt once the signal lights were installed the traffic would increase.

Vince Liu, 27241 Fremont Road, Los Altos Hills, expressed opposition to traffic signals on Arastradero Road.

Charles E. Smith, 14410 Debell Road, Los Altos Hills, urged the Council to reconsider placing signal lights at Fremont and Deer Creek roads, and Hillview Avenue because of the negative impact it would have on bicyclists, pedestrians and equestrians.

Sandra Lonquist, CEO Palo Alto Chamber of Commerce (Chamber), 122 Hamilton Avenue, said the Chamber had been in support of the project since its inception. She believed a traffic signal was required by project growth and traffic in general, not simply due to the Mayfield project.

Jennifer Couperis, 275 Hawthorne Avenue, #215, said she would like to see less of every person being for themselves and more of being responsible to each other and for each other.

Ed Schmitt, 2344 Columbia Street, said the asserted declaration that conversion from commercial buildings to residential housing on the Upper California Avenue site would reduce traffic in College Terrace was wrong.

Jitze Couperis, 13680 Page Mill Road, Los Altos Hills, said Arastradero Road from the City's perspective allowed ingress and egress from Hanover Street; however, Arastradero Road from Los Altos Hills led into the town. The traffic traveling Highway 280 towards the Stanford Research Park theoretically should take Page Mill Road. A lot of them, however, used Arastradero Road. He challenged the Council to improve the level of service on Page Mill Road.

Nancy Couperis, 13680 Page Mill Road, Los Altos Hills, asked the Council to allow Arastradero Road to keep the stop signs.

Sue Sullivan, 13977 Campo Vista Lane, Los Altos Hills, said change was inevitable and could serve the greater good; however, change could be achieved while still maintaining positive and worthwhile traditions.

Joe Seiger, 27087 Old Trace Lane, Los Altos Hills, said Palo Alto had a unique opportunity when, and if, Roche Bioscience was rebuilt. Some of the traffic could be directed back to Coyote Creek Road and onto Page Mill Road.

John K. Abraham, 736 Ellsworth Place, said the Draft EIR was, at best, a well-organized document; however, the content did not contain enough details to address the issues.

Martha Bowden, 27833 Saddle Court, Los Altos Hills, said the traffic study did not mention that bicyclists heavily used Arastradero Road. It was the only route in Los Altos Hills for approximately 250 kids to get to Terman Elementary and Gunn High Schools. Her main concern was safety.

Irene Sampson, Palo Alto League of Women's Voters, reaffirmed the League's support for the soccer playing fields and affordable housing.

Sally Probst, 735 Coastland Drive, said the Mayfield development project was a good agreement. She urged the Council to take action that evening.

Betsy Allyn, Willmar Drive, reaffirmed her concern about the project's effects on the Charleston/Arastradero Corridor.

Douglas Kreitz, 1043 Cowper Street, urged the Council not to delay taking action on the Mayfield Agreement.

Amanda Vicharelli, 2125 Bowdoin Street, urged the Council to review the traffic analysis before making a decision on the EIR.

Jay Oliff, 4110 Old Trace Road, expressed opposition to any effects of the Mayfield Agreement that would widen Arastradero Road or take away the road's rural ambiance.

Fred Balin, 2385 Columbia Street, recommended the Council proceed no further with the EIR, but instead reconsider the previously approved certification. The traffic analysis as it applied to College Terrace was inadequate, the assumptions invalid, and the conclusions unreasonable.

Norman Carroll, 425 High Street, #120, said notice of the proposed project was published in the *Palo Alto Weekly* in December 2004. The published ad read, "The Mayfield Development could occur anywhere in the Stanford Research Park, and traffic signals would be installed at Arastradero Road and Hillview Avenue, and Deer Creek and Arastradero Roads. The agreement would be reviewed at two Planning and Transportation Commission (P&TC)

meetings in January and February 2005, and voted on by the Council in March 2005.”

Colette Cranston, 27080 Fremont Road, Los Altos Hills, said as elected officials, the City Council was charged with listening to its neighbors and dealing with impacts.

Craig Laughton, 2321 Harvard Street, reaffirmed his belief that the proposed development would incur major traffic impacts. He expressed support for the project.

John Mark Agasta, 1648 California Avenue, said a large number of people favored the core elements of the Development Agreement, and preferred it to the current status quo. He would welcome the new College Terrace residents and expressed support for the project.

Kathy Durham, 2039 Dartmouth Street, believed there were three questions the Council needed to ask themselves: 1) were there valid grounds to re-circulate and reopen the hearing for the EIR; 2) did any of the issues raised about the two intersections on Arastradero Road merit reopening the public hearing on the ordinances; and 3) how should the Council make decisions about traffic management and safety? She recommended the Council move forward that evening.

RECESS: 7:45 p.m. to 7:50 p.m.

Council Member Kishimoto asked staff to address the issue of the TIRE index and whether the Council had approved its use.

Director of Planning and Community Environment Steve Emslie said the City did not have thresholds formally adopted by the City Council. The TIRE index was a mathematical fraction of the increase in traffic on residential streets only, and was broken into three fractions: 0.1, 0.2 and 0.3, and the different levels were based on research conducted by Professor Don Appleyard from the University of California. He measured the change in activities related to residential usage of property during various changes in traffic volumes. The lowest threshold of 0.1 was a fractional change of any perceptible difference in traffic activity. Between 0.2 and 0.3 was the beginning of change in traffic activity, but no perception. Between 0.1 and 0.2 was a perception of change, but no perceived diminution in the quality of life or change in activities. It was at the 0.3 level where the environment became classified as traffic dominant and changes in activity occurred. Staff had used the 0.1 and 0.2 index in previous documents and thought anything below 0.3 was generally accepted as a conservative standard.

Ms. Furth said the Council did approve the use of the 0.2 threshold most recently on May 2, 2005, but also approved the use of the same threshold in other EIR's reviewed in the past seven years.

Council Member Kishimoto said she was a member of the Stanford Liaison Committee (SLC) when the project first began. She had a daughter who played softball and soccer, and although there were a number of good things about the Development Agreement, she stood by her previous vote against its approval. She believed additional outreach was needed for neighbors of the Hillview Avenue site, as well as the Peter Coutts neighborhood. She urged her colleagues to retain site and design review of both the housing and office sites. Another issue was the lack of the minimum private open space for multi-family housing. She also objected to the adoption of the use of 0.2 tire index, and the signalization of the two Arastradero Road intersections. She suggested reopening the hearing on the EIR.

Mayor Burch read into the record the title of the ordinances.

**MOTION:** Council Member Kishimoto moved to reopen the hearing on the Environmental Impact Report

### **MOTION FAILED FOR LACK OF SECOND**

Council Member Morton clarified the Council was not there to modify the conditions of the EIR or the Development Agreement, but rather to approve or not approve the second reading of the ordinances. He believed steps had been taken to address the concerns of the immediate neighbors in College Terrace, although there was an element in College Terrace, who was not happy with the final agreement. At the same time, he was aware of the fact that some people felt information came late, if at all.

**MOTION:** Council Member Morton moved, seconded by Ojakian, to adopt the Ordinances.

Ordinance 4870 entitled "Ordinance of the Council of the City of Palo Alto Approving a Development Agreement Between the Board of Trustees of the Leland Stanford Junior University and the City of Palo Alto, Including the Mayfield Lease for the Stanford/Palo Alto Community Playing Fields" (*1<sup>st</sup> Reading 05/02/2005, Passed 5-1, Kishimoto no, Cordell, Freeman, Mossar not participating*)

Ordinance 4871 entitled "Ordinance of the Council of the City of Palo Alto Amending Title 18 (Zoning) of the Palo Alto Municipal Code by Amending Sections 18.60.050 and 18.63.040 as they Regulate Floor Area Ratios and Site Coverage in the LM, LM-3 and LM-5 Districts and Adding Chapter 18.62 (Alternative Development Standards), and

Amending the Zoning Map of the City of Palo Alto to Make 9 Parcels (2450, 2470, 2500, 2650, 2700 and 2780 El Camino Real and 505, 1451, 1501 and 1601 California Avenue) Eligible to use Alternative Development Standards in Order to Implement the Development Agreement Between the City and Stanford University Dated May \_\_, 2005" *(1<sup>st</sup> Reading 05/02/2005, Passed 5-1, Kishimoto no, Cordell, Freeman, Mossar not participating)*

Council Member Morton said the impact of the decision on Los Altos Hills was a signal light; however, the impact of saying no to the Palo Alto community was to deny playing fields, which the City had been struggling to find. He did not believe the Council would turn a deaf ear to the neighboring residents if, and when, the level of traffic warranted a signal light.

Council Member Ojakian asked what would trigger the installation of signal lights on Arastradero Road, and was there a time in the past when those signal lights could have been installed.

Mr. Emslie said the EIR indicated, based on the 2003 count, warrants for traffic signals were present for the Fremont/Hillview/Arastradero intersection, but were not present for the Deer Creek/Arastradero intersection.

Council Member Ojakian asked whether it was the Mayfield project that triggered the installation of traffic signals, or was it more than just the proposed development.

Mr. Emslie said the EIR concluded even without the Mayfield project traffic would continue to increase. If nothing else were built in the Stanford Research Park, regional traffic growth would create the necessary warrants for signalization at both intersections.

Council Member Ojakian said by certifying the EIR, which the Council had already done and even if the Mayfield project did not go forward, future development could trigger the traffic signalization.

Mr. Emslie said the background increase in traffic in the region would create over time the need for signals at the two intersections.

Council Member Ojakian said someone made the comment about widening Arastradero Road. He asked where in the documentation was the suggestion to do that.

Mr. Benest said nowhere in the document was there a suggestion to widen Arastradero Road.

Council Member Ojakian said he understood the signal lights would partially avoid adding turn lanes and extra roads.

Mr. Emslie said the signal lights gave the additional capacity to prevent the widening of Arastradero Road.

Council Member Ojakian asked whether the tire index was a CEQA requirement.

Mr. Emslie said the TIRE index was used as a benchmark to measure traffic intrusion on low volume streets only. The Level of Service analysis did not correlate to low volume streets. Therefore, the TIRE index was used to measure the incremental change in traffic to determine if there was a degradation of the residential environment.

Council Member Ojakian asked whether it was a requirement.

Mr. Emslie said it was not a requirement by State standards.

Council Member Ojakian said there would be a Capital Improvement Project (SIP) coming to the Council in June 2005 that dealt with the Arastradero/Charleston corridor and included an incremental amount of money. The volume of traffic triggered the signal light at the Charleston/Arastradero Corridor. Anything done to help minimize that through the City's CIP's would be beneficial. The Mayfield project was more than a soccer agreement. It was a complex deal initiated by the City that not only provided for shortages in soccer playing fields but shortages in housing in Palo Alto. He reaffirmed his support for the project.

Vice Mayor Kleinberg said one request raised was for the Council to amend the ordinance that evening and then vote on it. She asked for clarification on whether that was a legal option.

Mr. Furth said if the Council amended the ordinance, it would then be placed on first reading again. The ordinance adopted an agreement negotiated with Stanford University, which they signed after the first reading. If the Council wished to modify the agreement, staff would need to re-negotiate with Stanford. If the Council wished to reopen the hearing and consider new evidence, staff recommended a directive to set another public hearing.

Vice Mayor Kleinberg said the project presented a number of benefits for the community. What made the project a tough one was the traffic lights on Arastradero Road. She did not agree the signal lights would bring traffic to that area and make it less safe. There were two possible options the Council could take that evening: 1) amend the ordinance; or 2) rescind the EIR and

the ordinances and restart the hearing process. When weighed against the outcome in terms of the timing of the playing fields and affordable housing, she did not feel it was in the best interest of the most in the community. The solution was for everyone to work together for Palo Alto, Stanford and Los Altos Hills to reduce vehicular traffic in the area, and redirect the rest of it away from Arastradero Road. She believed signal lights should be the last resort. She expressed support for the project with some reluctance, but optimism about the outcome.

Council Member Beecham said he did not believe the overall impact of 100,000 square feet, which was 1 percent of the square footage in the Stanford Research Park, would have a significant impact other than a localized intersection or so. He understood whether or not the Mayfield project moved forward there would be increased traffic on Arastradero Road that required a signal light at some point. In his recent discussion with Mayor Burch, there was the suggestion to set up an ad hoc committee to include council members from Palo Alto and Los Altos Hills to ensure better communication as the project moved forward. It would not necessarily change the future, but would change how it was done. He supported the motion.

Council Member Kishimoto clarified there was a difference between present day traffic, the Year 2010 with no project, and the Year 2010 with Phase One and Two. Although there was a slight increase in present day outside traffic, a more significant increase was noted between the Year 2010 with no project and the Year 2010 with Phase One and Two. The City's Comp Plan indicated an agreement not to do overriding considerations at certain intersections. By accepting the EIR, the City was obligated to install traffic signals once traffic reached a certain level.

Mayor Burch said the issue was not one of playing fields versus traffic lights. If and when any signalized traffic lights were installed, they could be programmed in ways that were not possible a few years prior. He expressed gratitude to his colleagues for the way they responded to the task, took it seriously, and considered all aspects. He reaffirmed his support for the project.

**MOTION PASSED** 5-1, Kishimoto no, Cordell, Freeman, Mossar not participating.

**MOTION:** Council Member Morton moved, seconded by Ojakian, that before any permanent or significant changes are made to traffic lights at Hillview and Arastradero that community input be sought and that staff explore the possibility of adding that section of Arastradero to the Arastradero Study.

**MOTION PASSED** 6-0, Cordell, Freeman, Mossar not participating.

Council Member Morton asked whether it was easier to get funds from Metropolitan Transportation Commission with two jurisdictions. If so, it would behoove the City to ask the Los Altos Hills City Council to assist in finding funds for the additional study.

ADJOURNMENT: The meeting adjourned at 8:30 p.m.

ATTEST:

APPROVED:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

NOTE: Sense minutes (synopsis) are prepared in accordance with Palo Alto Municipal Code Sections 2.04.180(a) and (b). The City Council and Standing Committee meeting tapes are made solely for the purpose of facilitating the preparation of the minutes of the meetings. City Council and Standing Committee meeting tapes are recycled 90 days from the date of the meeting. The tapes are available for members of the public to listen to during regular office hours.