



# PLANNING & TRANSPORTATION COMMISSION MINUTES

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*Wednesday, February 8, 2006*  
**REGULAR MEETING at 7:00 PM**  
*Council Chambers*  
*Civic Center, 1st Floor*  
*250 Hamilton Avenue*  
*Palo Alto, California 94301*

**ROLL CALL: 7:05 PM**

**Commissioners:**

*Patrick Burt - Chair*  
*Karen Holman – V-Chair*  
*Lee I. Lippert*  
*Paula Sandas - absent*  
*Phyllis Cassel*  
*Daniel Garber*  
*Annette Bialson*

**Staff:**

*Steve Emslie, Planning Director*  
*Donald Larkin, Senior Deputy City Attorney*  
*Andy Coe, Interim Deputy Director*  
*Amy French, Current Planning Manager*  
*Susan Mickelsen, Planner*  
*Clare Campbell, Associate Planner*  
*Lorraine Weiss, Contract Planner*  
*John Lusardi, Planner Manager*  
*Zariah Betten, Executive Secretary*

**AGENDIZED ITEMS:**

**SPECIAL ORDERS OF THE DAY** – Resolution of Appreciation for John Lusardi, Planning Manager for Special Projects and ZOU.

1. 260 Homer Avenue
2. 850 Webster Street-Channing House
3. 2460 High Street

**APPROVAL OF MINUTES:** Minutes of the January 11, 2006 Regular Meeting

**REPORTS FROM OFFICIALS/COMMITTEES** – Planning Director’s Report on Status of Retail Action Plan.

Chair Burt: We will now convene the Planning and Transportation Commission meeting for Wednesday, February 8, 2006. Will the Secretary call the roll? Thank you.

Our first agenda item is comments from the public on items that are not scheduled on the agenda.

**ORAL COMMUNICATIONS.** Members of the public may speak to any item not on the agenda with a limitation of three (3) minutes per speaker. Those who desire to speak must complete a speaker request card available from the secretary of the Commission. The Planning and

1 Transportation Commission reserves the right to limit the oral communications period to 15  
2 minutes.

3  
4 Chair Burt: I do not have any speaker cards. So our next item is a Special Order of the Day.  
5 We have Mr. John Lusardi who has performed a number of duties for our Planning Department  
6 in recent years and maybe even Director Emslie would like to give a little summation of John's  
7 contributions before I go into a resolution that we have.

8  
9 ***SPECIAL ORDERS OF THE DAY***

- 10  
11 • Resolution of Appreciation for John Lusardi, Planning Manager for Special Projects and  
12 ZOU

13  
14 Mr. Steve Emslie, Planning Director: Thank you Chair Burt. This is a great sad occasion for us  
15 as John Lusardi has accepted a position for the City of Scottsdale as their Director of Long  
16 Range Planning. He will be sorely missed in the Palo Alto Planning Department. John has been  
17 our Planning Manager for a number of years in the City of Palo Alto and held a couple of  
18 positions in the Planning Department. First he became the Current Planning Manager and was  
19 responsible for advising the Planning Commission and City Council on development  
20 applications, was very instrumental in the SOFA I and II process which were in full swing when  
21 John came onboard. John also was called upon, pressed into action, to head up our zoning code  
22 team and has been very instrumental in bringing together a very cohesive team that works  
23 extremely well in presenting comprehensive packages to the Planning Commission and the City  
24 Council. So it is with great sadness that I had to accept the retirement of John. We wish him  
25 well in his future endeavors. So if you would like to take a minute and read the resolution we  
26 would certainly think that would be appropriate.

27  
28 Chair Burt: Thank you. So we have before us a Resolution of the Planning and Transportation  
29 Commission of the City of Palo Alto expressing appreciation to John Lusardi upon his  
30 retirement.

31  
32 Whereas John Lusardi began his career with the City of Palo Alto on December 6, 1999 and has  
33 served as Planning Manager over the Advance Planning, Current Planning, Special Projects  
34 sections of the Planning Division and whereas John Lusardi is recognized by his peers and City  
35 Staff for his knowledge, leadership, professionalism, dedication and whereas John Lusardi has  
36 consistently provided valuable assistance to the community and Commission Members and has  
37 been recognized as a team player and whereas John Lusardi has demonstrated a detailed and  
38 complete understanding of planning principles and practices, a highly developed analytic ability  
39 and a commitment to both his staff and the City of Palo Alto via his role as Planning Manager  
40 and whereas John Lusardi developed and implemented a complex and flexible work plan for the  
41 City's Zoning Ordinance Update initiative one of the City's top five priorities and ultimately  
42 affecting every parcel within the City limits and whereas John Lusardi and his Zoning Ordinance  
43 Update Team completed updates to Municipal Codes and procedures affecting urban design,  
44 single family homes, second units, parking standards, economic analysis, auto dealership overlay  
45 and has made significant progress on new land uses such as Pedestrian Transit Oriented  
46 Development and Village Residential and whereas John Lusardi developed the first Current

1 Planning Orientation Manuel and developed Center Interpretation Binder providing clarity for  
2 both new and long term employees and whereas John Lusardi expertly managed key planning  
3 applications such as demolition, relocation and new construction on the Palo Alto Medical  
4 Center sites, Heritage Park, the Opportunity Center and the Matadero Creek project and whereas  
5 John Lusardi contributed planning expertise and project management to completion and  
6 implementation of the South of Forest Coordinated Area Plan and now therefore let it be  
7 resolved that the Planning and Transportation Commission of the City of Palo Alto hereby  
8 gratefully records and extends its sincere appreciation to John Lusardi for his dedication and  
9 excellent service rendered to the City. John, thank you very much.

10  
11 Mr. John Lusardi, Planning Manager: I just want to extend my appreciation to the Commission  
12 and to Steve for the opportunities in the department. It is a great opportunity and I also want to  
13 specifically acknowledge my staff tonight, Sue, Heba and Clare as very special people that I  
14 have had the opportunity to work with, Amy and Julie Caporgno and Curtis Williams as  
15 managers. It has been very special.

16  
17 I realize you have a very short agenda so I prepared a PowerPoint presentation that is only about  
18 40 minutes about my career in Palo Alto. I will get into that shortly. It has been a great ride. I  
19 am very proud of some of the accomplishments that I have been a part of including SOFA I  
20 redevelopment, the Opportunity Center, staffing the Architectural Review Board and of course  
21 the Zoning Ordinance Update.

22  
23 I really need to be honest here and confess that I was called by the *Palo Alto Daily* today to ask  
24 my opinion about my leaving and things. So I thought it would be more opportunist if I tell the  
25 Commission directly, I really have to confess the reason I am leaving is in all of these years I  
26 can't spell 'ordinance.' I don't know how to spell it. Every time I try it comes out from spell  
27 check wrong. I can't spell it three times in the same paragraph the same way. I have even taken  
28 a post-it and put it on my computer and individually typed in the letters and I hit the spacebar  
29 and spell check comes up and says you spelled it wrong. So I thought it was about time that I  
30 leave if I can't spell 'ordinance' after all these years it is about time that I move on and go to the  
31 desert. As I tell everybody it is a great opportunity to go to Scottsdale. They have a thriving  
32 downtown that I get to work on. I get to work in long range planning which is a new division  
33 that they want to develop. I get the opportunity to finally do what I want to do and that is buy a  
34 motorcycle and listen to Neil Young and ride in the desert.

35  
36 So I appreciate everything you have done for me and I really appreciate the opportunity to work  
37 in Palo Alto. Thank you.

38  
39 Commissioner Garber: John, I understand the other reason you are going to Arizona is because  
40 they don't have any ordinances there.

41  
42 Mr. Lusardi: Actually, one of the reasons I am going is they don't have a PC ordinance.

43  
44 Chair Burt: Thank you, John. Say hello to Ed Gawf for us.

1 Our next item is Agenda Changes, Additions and Deletions. Zariah, we have some changes to  
2 our upcoming agenda. Would you like to review those with us or would another member of  
3 Staff? It is the Tentative Agendas, I should say that have the changes. This is only referring to  
4 tonight's agenda. I'm jumping ahead.

5  
6 **AGENDA CHANGES, ADDITIONS AND DELETIONS.** The agenda may have additional  
7 items added to it up until 72 hours prior to meeting time.

8  
9 Chair Burt: Our next item is 260 Homer. It is a request by Martin Parissenti, BKF Engineers on  
10 behalf of Tall Tree Partners for a Tentative Map for a proposed mixed-use infill development.  
11 Would Staff like to make a presentation?

12  
13 **NEW BUSINESS:**  
14 **Public Hearings.**

- 15  
16 1. **260 Homer Avenue (05PLN-00000-00383)\*:** Request by Martin Parissenti, BKF  
17 Engineers on behalf of Tall Tree Partners I, LLC for a Tentative Map for a proposed mixed-  
18 use infill development. This map is required in order to merge five parcels into one parcel of  
19 approximately .71 acres for a mixed-use development with commercial office use on the  
20 ground and second floors, and four residential condominium units on the third floor. Zone  
21 District: MUO/AMF Environmental Assessment: An Environmental Impact Report was  
22 prepared for the SOFA CAP including this project.

23  
24 Mr. Emslie: Before I call on Lorraine Weiss, our contract planner, to give you the history and  
25 background I just would like to make a few comments regarding the Planning Commission's  
26 purview tonight on the Tentative Map.

27  
28 You have been in this situation before and I just wanted to remind you this is an example of  
29 some of the vagaries of our process in that two different bodies namely in this case the Joint  
30 ARB/HRB Board configured for the SOFA coordinated area plan area has already approved the  
31 project. The appeal period has run. The project was not appealed so therefore their Design  
32 Review approval stands. The code requires that the Planning Commission approve the Tentative  
33 Map for this and this is the subdivision map that would enable the reconfiguration of the lots for  
34 eventual sale. So your review this evening is limited to compliance with the plans that have  
35 already been approved by the Joint ARB/HRB Board, compliance with the Comprehensive Plan  
36 and compliance with the City's objectives for location of our infrastructure and other of those  
37 kind of broad brush considerations. This is not an opportunity for the Commission to review or  
38 comment on the approval as that is already a part of the record and currently stands as approved.

39  
40 Ms. Lorraine Weiss, Contract Planner: Good evening Chair and members of the Commission.  
41 First I would like to give you some background on the project. The City Council originally  
42 approved the Development Agreement back on March 27, 2000 and it allowed construction of  
43 commercial and residential uses that were consistent with the development regulations of the  
44 MUO AMF district. The Development Agreement stipulated a number of restrictions for future  
45 use of the property including rehabilitation of two historic buildings, limitations on floor area, on  
46 height and parking. The ARB and the HRB did approve a similar project to this back in the year

1 2001 and the applicant did submit a preliminary parcel map in 2003, they went through the plan  
2 check process for Building, Fire and Public Works. They were all completed but the map  
3 approval and Development Agreement execution had expired. So what has occurred since then  
4 is that the applicant submitted earlier last year an application for a similar project.

5  
6 In December of this year the ARB and HRB Board recommended approval of the project and the  
7 Director signed off on the approval with a number of conditions. The conditions included  
8 stipulations regarding the Development Agreement.

9  
10 Tonight before you is the Tentative Map for the project and that was submitted in October of last  
11 year. Staff as well as City Departments have reviewed for compliance zoning, subdivision  
12 codes, ordinances and the Development Agreement. The design and improvement of the  
13 subdivision should be distinguished between that of the design of the proposed structures, which  
14 has already been approved.

15  
16 I would like to mention a few items. In terms of conditions of approval of the Tentative Map  
17 you have as part of the Record of Land Use Action in Attachment A, Tentative Map Conditions.  
18 I would like to add one additional condition to stipulate that prior to approval of the Tentative  
19 Map by the City Council the applicant shall submit a revised Sheet 3 of 5 of your Tentative Map  
20 with correction that the two existing buildings being the French Laundry building and the AME  
21 Zion Church remain as they are not proposed for removal.

22  
23 I also would like to clarify several other items. The Tentative Map request is to merge five  
24 parcels into one parcel as a result of the proposed development for the commercial building and  
25 four residential units. The design and the architecture of the entire project has already been  
26 approved as I mentioned before by the ARB/HRB SOFA Board and the Director of Planning and  
27 Community Environment. It is actually the Palo Alto Municipal Code and the Subdivision  
28 Ordinance that requires that the five units being the commercial space and the four condominium  
29 units be approved by the Planning and Transportation Commission and the City Council and that  
30 is what your purview is tonight.

31  
32 I would also like to clarify a couple of parking issues. Condition number 56 of the ARB/HRB  
33 Board requires that 60 public parking spaces and 20 stalls be designated for residents of the Oak  
34 Court housing project and that they be designated literally signed on the spot. The same  
35 condition also stipulates that there will be an information sign at the entry to the parking garage  
36 to list the level and general location of where these specific spots are located. Details of the  
37 signage will be returning with the future plan submittal for review and approval. The public  
38 parking spaces and the residential parking spaces are designated on the approved ARB and HRB  
39 SOFA plans.

40  
41 In terms of hazardous waste I want to indicate that an EIR was originally approved for the SOFA  
42 CAP including this particular project and it doesn't designate that the site had any hazardous  
43 materials. As part of the Building Permit process however, the applicant will be required to  
44 disclose a hazardous checklist in which they would indicate if there are any hazardous materials.  
45 Should that be the case then appropriate cleanup would occur through both the building and  
46 engineering process.

1  
2 In terms of the TDM or Transportation Demand Management program, which is condition  
3 number 58 of the ARB/HRB approved conditions, those all need to be implemented. I also want  
4 to indicate that part of that particular program needs to be updated to current standards, schedules  
5 and fines. The updated TDM will return to the Planning Department for review and approval by  
6 the Planning Director prior to submittal of building permits.  
7

8 In terms of residential square footage the Development Agreement stipulates a maximum of  
9 7,970 square feet of residential building area. The proposal actually falls within that at 7,969  
10 square feet and conforms to this requirement. All requirements of the Development Agreement  
11 have been conformed with in the development proposal.  
12

13 I should also indicate that any other requirements such as park requirements have already been  
14 satisfied. The City Council did dictate the shared ramp access with the Palo Alto Housing  
15 Corporation as a way to decrease curb cuts into the public streets, which are beneficial to both  
16 pedestrians and bicyclists.  
17

18 Staff is recommending that the Planning and Transportation Commission recommend to the City  
19 Council approval of the Tentative Map in order to merge five parcels into one and it would be  
20 subject to any conditions listed in the Record of Land Use Action. I would happy to answer any  
21 questions of the Commission.  
22

23 Chair Burt: Thank you. Do Commissioners have any questions of Ms. Weiss at this time?  
24 Karen.  
25

26 Vice-Chair Holman: A clarification on sheet three of Tentative Map that will be resubmitted  
27 correctly. I guess the question is this went through a lot of channels and ended up here so as a  
28 statement or condition that we will be assured that this sheet gets replaced with a new sheet and  
29 who checks that finally?  
30

31 Ms. Weiss: The project planner and in this case that would be me.  
32

33 Vice-Chair Holman: Okay, great. Thank you.  
34

35 Mr. Emslie: There is a two-step process. There is the Tentative Map and then there is a Final  
36 Map and that has to go to the City Council. So that will be the time when all the conditions of  
37 the Tentative Map are checked and verified that they have been corrected or any other conditions  
38 have been applied to the Final Map. So there is really another Map that has yet to go.  
39

40 Chair Burt: Lee and then Dan.  
41

42 Commissioner Lippert: I have one minor question and it has to do with compact versus standard  
43 parking stalls. With regard to that there are some difficulties with oversized vehicles parking in  
44 the compact stalls. How will that be monitored or maintained?  
45

46 Ms. Weiss: I think generally speaking I know that one of the conditions of project approval is

1 that building management has an onsite transportation coordinator who is supposed to deal with  
2 such things as how and where people are parking, use of tandem spaces and I would imagine if  
3 there are complaints that oversized vehicles are parking in compact stalls that management  
4 would deal with that. It is one of those internal logistical concerns that they will have to deal  
5 with as each case rises.

6  
7 Chair Burt: Dan.

8  
9 Commissioner Garber: Is it the applicant's intent that the church will be utilized as a church?

10  
11 Ms. Weiss: No, the church is not going to be utilized as a church.

12  
13 Commissioner Garber: Do we know what the use will be?

14  
15 Ms. Weiss: I believe it is going to be used for office space.

16  
17 Commissioner Garber: Thank you.

18  
19 Chair Burt: Karen.

20  
21 Vice-Chair Holman: Just one last one about the ARB/HRB conditions. Could you run by again  
22 the conditions for the public parking places? I find on Attachment C about the affordable  
23 housing parking but I did not identify the public parking.

24  
25 Ms. Weiss: Just one moment. Condition number 56 on page 11 of the Conditions of Project  
26 Approval, which is Attachment C, indicate that they have to identify 60 stalls specifically for  
27 public use. It is in the same condition that talks about the 20 stalls for the Oak Court housing  
28 project.

29  
30 Vice-Chair Holman: Thank you for the clarification. I found the affordable housing ones earlier  
31 too. Thank you. There is no determination about what kinds of public use or what usage or  
32 hours or anything of that nature that are associated with this approval?

33  
34 Ms. Weiss: Actually, the hours for the public parking spaces are listed in condition number 112,  
35 which is on page 19 of the Conditions of Project Approval. So basically the underground  
36 parking spaces that would be 60 public parking spaces would be available between 6:00 and  
37 10:00 PM on weekdays and between 8:00 and 10:00 PM on weekends.

38  
39 Vice-Chair Holman: Thank you and I am impressed.

40  
41 Chair Burt: We don't have any cards from the public and seeing none we will now close the  
42 public hearing and proceed with discussion among Commissioners.

43  
44 Commissioner Cassel: There is no applicant?

45  
46 Chair Burt: Excuse me. The applicant at this time has up to 15 minutes to speak. Normally the

1 applicant would fill out a card.

2

3 Mr. Martin Parissenti, Civil Engineer, BKF & Associates: We filled out the application. As the  
4 Staff has indicated the point of this whole process is to merge the five parcels into one. It is a  
5 relatively simple project. I would like to thank Lorraine for helping us through this whole  
6 process. If you have any question.

7

8 Chair Burt: Thank you. Do Commissioners have any questions of the applicant? Thank you  
9 very much. So now closing the public hearing again. Commissioners, do you have any further  
10 questions of Staff or the applicant before having discussion or hearing a motion? I will entertain  
11 a motion if anybody would like to. Phyllis.

12

13 MOTION

14

15 Commissioner Cassel: I would like to move the Staff recommendation. Staff requests that the  
16 Planning and Transportation Commission recommend that the City Council approve the  
17 proposed Tentative Map in order to merge five parcels into one parcel for the purpose of  
18 construction of a mixed-use development with office use on the ground and second floors and  
19 four residential condominium units on the third floor based upon the findings and conditions  
20 contained within the Record of Land Use Action and including the Staff recommendation for the  
21 additional condition of course.

22

23 SECOND

24

25 Commissioner Bialson: Second.

26

27 Chair Burt: We have a second by Commissioner Bialson. Would the maker wish to speak to her  
28 motion?

29

30 Commissioner Cassel: This is fairly simple. I reviewed everything very carefully and had a  
31 couple of questions, which were answered in the Staff Report. This has been a long time coming  
32 and it will be nice to see this last piece done. We were done with everything except the historic  
33 building next door and when that gets done that whole section will be finished. It will be very  
34 nice. It is exciting to see the two historic buildings done.

35

36 Chair Burt: Commissioner Bialson.

37

38 Commissioner Bialson: I am equally excited about this project and anxious to get it moving.

39

40 Chair Burt: Great. I guess I would just like to comment as Vice-Chair Holman and I had served  
41 on the SOFA I Committee it is very nice to see that this is the last component to be constructed  
42 and that we have a comprehensive development that has occurred in that region with some very  
43 remarkable public benefits. I think that as much as it took a long time for the process to go  
44 through and that it takes awhile for the construction to be complete I have heard a lot of  
45 favorable comments from the public on the overall outcome of the SOFA I area. We should  
46 probably in the future reflect on what ways that process was successful and what ways we can

1 build upon it and improve upon it in the future. Lee.

2  
3 Commissioner Lippert: I would just like to say that having worked on the SOFA II Working  
4 Group this is really a fitting piece by which John Lusardi is departing. I know he has put in a  
5 tremendous number of hours in working with us on the standards for that neighborhood and  
6 seeing to it that that area looks as good as it does. So I am in support of this final piece as well.

7  
8 MOTION PASSED (6-0-0-1, Commissioner Sandas absent)

9  
10  
11 Chair Burt: Great. So I guess we will take a vote. All those in favor? (ayes) Opposed? That  
12 passes unanimously with Commissioner Sandas absent.

13  
14 Our next item, item number two, is 850 Webster Street/Channing House a request by Channing  
15 House for a Planned Community Zone Amendment to modify the permitted uses to include  
16 wireless telecommunications facilities. Would Staff like to make a presentation?

17  
18 **2. 850 Webster Street-Channing House (05PLN-00000-00098)\***: Request by Channing  
19 House for a Planned Community Zone Amendment to modify the permitted uses to include  
20 wireless telecommunications facilities. Zone District: PC 4048. Environmental Assessment:  
21 Exempt from CEQA per section 15301.

22  
23 Ms. Clare Campbell, Associate Planner: Good evening Commissioners. This project is a request  
24 for a Planned Community Zone Amendment to add utility facilities as a permitted use. The  
25 Commission reviewed this proposal on December 14, 2005 and recommended approval. Then  
26 the project went on January 19 to the Architectural Review Board and they also recommended  
27 approval of this PC Amendment.

28  
29 Staff has not been contacted by members of the public with concerns on this project and no one  
30 spoke at either of these public hearings to raise any concerns.

31  
32 Staff recommends that the Planning and Transportation Commission again recommend that the  
33 City Council approve the Planned Community Zone Amendment as shown in the draft ordinance  
34 attached to the Staff Report. The representative of the applicant is here tonight to answer  
35 questions if you have any. That concludes my Staff Report. Thanks.

36  
37 Chair Burt: Thank you, Clare. Commissioners, are there any questions prior to hearing from the  
38 applicant and the public? Okay. Would the applicant fill out a card if they wish to speak? The  
39 applicant declines to speak at this time and so in that case we will close the public hearing. I  
40 have no cards from the public. So at this time we will close the public hearing and enter  
41 discussion and questions among Commissioners. Are there any questions for either Staff or the  
42 applicant? Or any discussion? Tonight we seem to have had a couple of really easy items. In  
43 that case I will entertain a motion.

44  
45 MOTION

1 Commissioner Garber: I will move that we accept the Staff's recommendation as written.

2  
3 SECOND

4  
5 Vice-Chair Holman: Second.

6  
7 Chair Burt: That is a motion by Commissioner Garber and second by Vice-Chair Holman.  
8 Commissioner Garber, would you like to speak to your motion?

9  
10 Commissioner Garber: No, thank you.

11  
12 Chair Burt: Commissioner Holman?

13  
14 Vice-Chair Holman: No.

15  
16 MOTION PASSED (6-0-0-1, Commissioner Sandas absent)

17  
18 Chair Burt: Okay so let me just reread for the record Staff recommends that the Planning and  
19 Transportation Commission recommend that the City Council approve the amendment to the  
20 existing Planned Community Zone (PC-4048) as described in the attached ordinance,  
21 Attachment A. All those in favor? (ayes) Opposed? That passes unanimously six to zero with  
22 Commissioner Sandas absent.

23  
24 Our third item is 2460 High Street, a request for Planning and Transportation Commission  
25 review and recommendation with City adoption of a City-initiated rezoning of a portion of the  
26 High Street City Surplus Property from PF (Public Facilities) to RMD (Two Unit Multifamily  
27 Residential). Staff, would you like to make a presentation?

28  
29 **3. 2460 High Street (05PLN-00000-00363)\***: Request for Planning and Transportation  
30 Commission recommendation to proceed with a City-initiated comprehensive plan  
31 amendment and rezoning of a portion of the "High Street City Surplus Property" from PF  
32 (Public Facilities) to RMD (Two Unit Multifamily Residential). Zone District: PF.  
33 Environmental Assessment: Exempt from the California Environmental Quality Act Section  
34 15301.

35  
36 Ms. Amy French, Current Planning Manager: The Staff who wrote the report is on her way  
37 down from the fifth floor, I don't think she anticipated the speed at which managed to get  
38 through the first two items. Bill Fellman is here representing the City's interest. So perhaps to  
39 use the time wisely we could hear from Bill.

40  
41 Chair Burt: Bill, would you like to present any of your information at this time and then we will  
42 loop back to Planning Staff.

43  
44 Mr. Bill Fellman: I don't really have too much to add from what is in addition to the report,  
45 which you have read. There was an understanding that there was some concern on the Planning  
46 Commission about possibility of making it a mini-park and we did look into that in a prior Staff

1 Report that is not attached to this report. I just want to let you know that we did look into it but  
2 because of the nature of the closeness of the additional park, Bowden Park, the park-field people  
3 felt that it was too small even to have it as a mini-park. That was one of the issues that I know  
4 that had been raised earlier. I will turn it over to Susan.

5  
6 Ms. Susan Mickelson, Planner: Sorry. I will just briefly go over what was contained in your  
7 Staff Report. In September 2005 the City Finance Committee review and recommendation to the  
8 City Council who approved it was the designation of this property at 2460 High Street as surplus  
9 property and initiate a zoning change from the PF (Public Facilities) to the RMD which is two  
10 unit multifamily residential district. If the proposed zoning change is ultimately approved by  
11 Council City Staff would then review its sale and the funds would as directed by the Finance  
12 Committee and Council offset the cost of affordable housing projects within the City.

13  
14 At your places was an aerial map provided of the general area. If you look at that you can see  
15 that it is in the 2400 block of High Street near the onramp to Oregon Expressway off of Alma. It  
16 is remnant land leftover from the development of that Oregon Expressway onramp. The parcel is  
17 currently vacant and surrounded by multifamily uses and road right-of-way. The proposed  
18 zoning change would apply to around a 5,000 square foot portion of that parcel and that is  
19 provided in crosshatch on your aerial. It is also on the wall for the public if they are interested as  
20 well.

21  
22 I just wanted to note that the zoning district of RMD would allow up to two residential units on  
23 this size of a parcel and it in general does further the City's goal to increase housing  
24 opportunities throughout the City. The underlying Comp Plan designation of this parcel is  
25 multifamily residential therefore a Comp Plan amendment is not required with this zoning  
26 changed. The proposed zoning is consistent with this designation.

27  
28 Staff recommends that Commission review and recommend to City Council approval of this  
29 zoning classification change for the portion of parcel 13217081 which is also referred to as 2460  
30 High Street or the High Street Surplus Property from the Public Facilities to the RMD or two  
31 unit multifamily residential district. As you know Bill is here if you have any questions as well.  
32 Thank you.

33  
34 Chair Burt: Thank you. Commissioners, do you have questions of Staff prior to opening the  
35 hearing to the public? Lee.

36  
37 Commissioner Lippert: Yes, I have a question with regard to its proximity to the Southern  
38 Pacific Rail Line there. Would there be any kind of performance standards that would go along  
39 with the property that would be inclined to require additional soundproofing or sound attenuation  
40 in the building itself?

41  
42 Ms. Mickelson: Well, when a development was proposed they would have to meet the external  
43 goals of the City Comp Plan. The internal are requirements through the state that they would  
44 need to meet.

1 Commissioner Lippert: Does anyone else have anything to say about that with regard to STC  
2 ratings or constructions methods that might be employed to ensure that as affordable housing  
3 units that they are not living next to the L as in .....

4  
5 Mr. Emslie: There may be nothing more to add but the STC ratings would be applied at the time  
6 of construction plans being approved and they would be checked for compliance with the  
7 requirement for interior standards. Exterior standards are guidelines under Palo Alto Comp Plan  
8 policy they are not requirements.

9  
10 Commissioner Lippert: Okay.

11  
12 Chair Burt: Dan.

13  
14 Commissioner Garber: Do I understand correctly that the City is the current owner of this  
15 property?

16  
17 Ms. Mickelson: That is correct.

18  
19 Commissioner Garber: There are no traffic or parking issues with changing the zoning  
20 specifically along High Street?

21  
22 Ms. Mickelson: High Street is a court development with multifamily. Any further development  
23 would undergo its own review for transportation and then as well there is a potential of two units  
24 that would be developed under the same ownership.

25  
26 Commissioner Garber: Thank you.

27  
28 Chair Burt: Okay, at this time we have one card from a member of the public. It is Preston  
29 Carter. Mr. Carter, you have up to five minutes to speak.

30  
31 Mr. Preston Carter, Palo Alto: I am not really prepared to comment in a formal way. I am a  
32 resident about a block away on the 2400 block of Emerson and I have lived there for 15 years or  
33 so. I guess I am concerned about two things. I am wondering if those have been considered.  
34 The first is in that particular cul-de-sac on High there are a lot of people who already have to  
35 park their cars on the street so it looks like the conversion of this lot to a residence would make it  
36 an even more difficult parking situation there for those who already live there and possibly for  
37 the people who live in the new unit. Secondly, I think that is kind of a dangerous place to put a  
38 house. I think the best evidence I could offer for that assertion would be to suggest that you go  
39 look at the guardrail along side that onramp and see how many times that guardrail has been  
40 damaged by cars who go through that onramp at a high rate of speed. It seems to me in my  
41 memory about once a year there is some kind of crash that we hear late at night. Somebody is  
42 driving through there too fast. So overall it just strikes me as a marginal piece of property for  
43 erecting residences and the living conditions for the residents there would be substandard in my  
44 opinion. Thank you.

1 Chair Burt: Thank you. So at this time I would like to close the public hearing. One thing I  
2 would like to ask Staff to give us a little bit of background on the history of this parcel. Why it is  
3 vacant?  
4

5 Mr. Fellman: The parcel is vacant because it was a remnant of the onramp onto Page Mill when  
6 Alma was widened, or Oregon Expressway actually, it is Oregon Expressway in that location. It  
7 was a larger parcel and in the old subdivisions all the parcels were the same size and High Street  
8 went through to the other side of Oregon Expressway. So it is just leftover from the onramps  
9 and off ramps of Alma Street.  
10

11 Chair Burt: Thank you. Commissioners, do you have questions or comments? Lee and then  
12 Karen.  
13

14 Commissioner Lippert: Can you give me an idea as to the size or what the depth of the buffer is  
15 that abuts the onramp there?  
16

17 Mr. Fellman: The buffer strip that you are talking about is owned by Santa Clara County and it  
18 is 20 feet.  
19

20 Commissioner Lippert: Santa Clara County would not be inclined to widen or move that  
21 onramp?  
22

23 Mr. Fellman: That is a possibility but it is my understanding this same question came up at the  
24 Finance Committee and it is my understanding that the City's policy is not to widen it.  
25

26 Commissioner Lippert: Okay. Just to follow up on that does the City have the ability to  
27 landscape that buffer or would we have to ask the County to do that?  
28

29 Mr. Fellman: I think the County would welcome it if we required it. The County wouldn't do it.  
30 We already landscape along Oregon Expressway on County land.  
31

32 Commissioner Lippert: But that could be reinforced with appropriate plantings and measures to  
33 ensure that if the guardrail were impacted then there would be adequate safety cushion there.  
34

35 Mr. Fellman: The County would be responsible for the guardrail and any landscaping they  
36 would most likely look to the City to take care of that.  
37

38 Chair Burt: Karen.  
39

40 Vice-Chair Holman: This is a question I brought with Staff previously. What we are doing  
41 tonight is determining whether the rezoning of the property from PF to residential is satisfying  
42 the Comprehensive Plan. The other piece of that is when the property is sold the funds from the  
43 sale of this are going to be put into a fund for residential development. I would appreciate some  
44 Staff input on how much we can comment on that because there are Comp Plan references to  
45 looking for or seeking any funding for financing open space acquisition and development and it  
46 refers to both open space in the Foothills and in the residential neighborhoods. So essentially

1 what we are doing is we are losing some PF space and I am wondering how that is consistent  
2 with the goals of retaining, while this isn't developed as a park now, it is retaining some open  
3 space if you will. So if Staff could comment on what our purview is about commenting on that,  
4 losing a PF site is what we are doing essentially.

5  
6 Mr. Emslie: Your purview is limited to advising the City Council on the appropriateness of the  
7 zoning recommended by Staff. The City Council has pointed out earlier, has had discussion at  
8 Finance Committee and the City Council as a whole where they have discussed the financial  
9 aspects of the plan and what areas the money should be earmarked for. So to the extent that your  
10 comments in the topic areas that you mentioned are limited to your land use recommendation  
11 they could be transferred to the Council when they do get your recommendation for or against  
12 the Staff recommendation.

13  
14 Vice-Chair Holman: So just to be clear, as a tangent to our approval let's assume of this change  
15 we could also add comments whether it was a part of the motion or not but we could add our  
16 comments about the use of the funds as far as being consistent with other Comp Plan policies  
17 and goals.

18  
19 Mr. Emslie: To the extent that they relate back to your recommendation on the zoning. There  
20 needs to be a tie-in to your recommendation on the land use of this. There are many policies in  
21 the Comp Plan not all of them relate directly to land use. Of course your whole record is  
22 presented to Council so they would have the benefit of your full discussion but your actual  
23 recommendation needs to be based on the zone change authority that the City's ordinance gives  
24 to the Planning Commission.

25  
26 Vice-Chair Holman: Understood and I will let those comments that are on the record suffice.

27  
28 Chair Burt: Other Commissioners? Annette.

29  
30 Commissioner Bialson: I know we haven't gotten an appraisal yet but has there been any  
31 discussion among Staff as to what sort of funds we could anticipate getting for this parcel that  
32 would then be applied towards the City's affordable housing?

33  
34 Mr. Fellman: There was \$450,000 in it and it was appraised.

35  
36 Commissioner Bialson: And that is after we go through this zone change and have the lot on the  
37 market you would expect to get about \$450,000? Is that correct?

38  
39 Mr. Fellman: The appraisal was last year so it could go either way I guess. Typically what a city  
40 does is to set the figure slightly less in the hopes of getting....our process is a written bid  
41 followed by an oral bid. If there is a lot of interest in the property the City usually generates  
42 more than what we estimate the value at.

43  
44 Chair Burt: I had a question and a comment. First we had a member of the public who was  
45 concerned about parking. While we recognize that we can't use this project to mitigate existing

1 on-street parking deficits is it clearly the intention to have this project be fully parked when it is  
2 developed?

3  
4 Ms. Mickelson: Yes, it would have off-street parking requirements similar to RMD district.

5  
6 Chair Burt: Thank you. Then my comment is along the lines of Commissioner Holman's  
7 concern. We have here a Public Facility, an undeveloped open space land, and the Council  
8 Finance Committee had evaluated this as a potential funding source for an affordable housing or  
9 to supplement City income to achieve an affordable housing objective. That is a very admirable  
10 goal. The other thing that I would like to encourage the Council to take into consideration  
11 whether with this property or any other surplus properties within the City within the  
12 Comprehensive Plan we have a recognition that we have a park deficit. We have several  
13 neighborhoods in the City that do not even have a pocket park where children can access it  
14 without crossing major thoroughfares. So if this parcel were not a proper candidate for mini-  
15 park or a pocket park I would hope that Council would consider in the future any surplus Public  
16 Facility land to look at that as an opportunity to address very targeted deficit areas of mini-parks  
17 in the City. There are only a few of those where we really don't have any access for families and  
18 children without crossing major thoroughfares. It not only hits those land use aspects in the  
19 Comp Plan and within the natural environment aspects but frankly in terms of encouraging  
20 pedestrian transportation as opposed to auto transportation, it hits transportation elements. So  
21 there are a number of Comp Plan policies and programs that would support that kind of approach  
22 and so that is just by way of a comment and not intended to be part of the motion.

23  
24 Does anyone else have any other questions or comments before entertaining a motion?

25  
26 Commissioner Cassel: Does Staff want to address the safety question that was raised by the  
27 public? As I look at it it doesn't appear that something would as a trajectory hit that area.  
28 Clearly Lee brought up another solution to that. Do you want to comment on that?

29  
30 Ms. Mickelson: I believe the commenter was speaking to the portion of the parcel that is not  
31 being rezoned, the barrier along that edge. If you see along the proposed rezoning part of the  
32 parcel there is that 20-foot County right-of-way kind of buffer and the guardrail starts within that  
33 area but most of the guardrail is further down along the area that is going to remain vacant.

34  
35 Chair Burt: Great. Annette.

36  
37 Commissioner Bialson: Are we ready for a motion at this point? I saw Lee having something to  
38 say.

39  
40 Chair Burt: First a question from Lee.

41  
42 Commissioner Lippert: I don't know if I was clear on that with regard to that landscape buffer. I  
43 guess what I am asking is if it is within our purview to make a condition of the sale of the  
44 property that that buffer be appropriately landscaped by whoever the purchaser is so that it  
45 mitigates potential traffic impacts there.

1 Mr. Emslie: I think Don may correct me but I do believe you could recommend that as a  
2 condition. If the Commission were so inclined to do that we would ask that you condition the  
3 project that landscaping be done prior to the sale of the property and not stipulate as to who  
4 responsibility that was and maybe the City would choose to do that in order to enhance the  
5 market value of that.  
6

7 Mr. Don Larkin, Senior Deputy City Attorney: I think you could make that requirement. I am  
8 not sure you could do that through the zoning process so that would be a separate action not  
9 related because this is just purely a rezone and what you are asking is something beyond just a  
10 rezone. You are actually asking to do something that would condition a future project that hasn't  
11 happened yet.  
12

13 Chair Burt: So, Don, let me make sure I understand. Is there any action that we could take  
14 tonight to reflect Commissioner Lippert's concern?  
15

16 Mr. Larkin: I think you could make the strong recommendation and I know it will be listened to.  
17

18 Mr. Emslie: All your actions are recommendations but what you would do is recommend the  
19 Council direct certain things to happen prior to the sale. I think that would be as good as any  
20 condition you could put on the project.  
21

22 Chair Burt: Should that be made subsequent to the motion?  
23

24 Mr. Emslie: As a part of the motion.  
25

26 Chair Burt: As a part of the motion, thank you. Karen.  
27

28 Vice-Chair Holman: Yes, follow up to that for clarification if I could, please. Staff suggested  
29 that that landscaping be done prior to the sale of the property but when property is developed  
30 landscaping usually suffers for the redevelopment. So could Staff clarify what was intended by  
31 that or just clarify that for me, please? I am supportive of that notion but I am not quite sure how  
32 practically that is going to work.  
33

34 Mr. Emslie: It could happen any number of ways some sort of security could be put up. So I  
35 think if you were to say your goal is to have this area suitably landscaped prior to anyone  
36 building on it or soon thereafter then we will figure out the details. So I think if you just make a  
37 recommendation that you would like to see it ultimately landscaped in conjunction with any  
38 development that would be sufficient for us to figure out the means to do that.  
39

40 Chair Burt: Lee.  
41

42 Commissioner Lippert: I just want to point out where I see a potential hole in this. Generally,  
43 the ARB is the governing body that dictates landscaping on properties. This is potentially being  
44 zoned as two units. Two units wouldn't come before ARB. If it were a single-family house it  
45 would have IR review especially if it was two stories. In this case it doesn't fall into ARB, it  
46 doesn't fall into IR review and what I am looking at here is the necessity to have some sort of

1 buffer between that onramp and the property that is well established before the development goes  
2 on.

3  
4 Chair Burt: Dan.

5  
6 Commissioner Garber: So just to be clear, is the recommendation to landscape the area that is  
7 actually owned by the County? Thank you.

8  
9 Chair Burt: So could Staff comment on what Commissioner Lippert just raised, and would there  
10 be a good practical mechanism to achieve the landscaped outcome that we are seeking?

11  
12 Mr. Emslie: You don't need to come up with that practical mechanism. You need to tell the  
13 Council that as your recommendation you direct Staff that in this transaction that that buffer in  
14 the County area be landscaped at the soonest possible time so as to not interfere with eventual  
15 construction.

16  
17 Chair Burt: Thank you. Karen.

18  
19 Vice-Chair Holman: Yes, I have one other question for the Staff. The Comprehensive Plan  
20 policies that support in the Staff Report this change of zoning, the fourth one is Policy L-48,  
21 which speaks of high-quality creative design and site planning that is compatible with  
22 surrounding development public spaces. To me this one does not apply to this project because as  
23 I view it there is no design work going on and there is no site planning going on. So would Staff  
24 be amenable to removing that before this goes to Council or do you see it otherwise?

25  
26 Ms. Mickelson: The intent was just to imply that the zoning is compatible with the surrounding  
27 area. Certainly, if you don't think that Comp Plan is appropriate for that use we could take it out.

28  
29 Chair Burt: So you are saying that the site planning component of L-48 is applicable. The high-  
30 quality creative design may or may not be. Okay. As long as we are on the Comp Plan policies  
31 Program H-3 is listed which speaks about encouraging conversion of nonresidential lands to  
32 residential use. My reading of that program in the Comp Plan has always been that it was  
33 referring to private land where we looking at converting commercial property to residential and  
34 looking for opportunities to do so. I don't think it speaks one way or the other on Public Facility  
35 land. It doesn't preclude it but I don't think it was ever intended to endorse it either. I do think  
36 you have ample support for the position that Staff has taken but I just want to make sure we are  
37 not stretching the boundaries of what we cite in Comp Plan on applicable programs or policies.

38  
39 Do we have a motion?

40  
41 MOTION

42  
43 Commissioner Bialson: We do. I move that we proceed as recommended by Staff and would  
44 Staff prefer that I read the ...you would. Okay. Then the motion is that we recommend to the  
45 City Council approval for a zoning classification change of a portion of parcel number 132-17-  
46 081, that is 2460 High Street from the Public Facility zoning district to the two unit multiple

1 family residence district zone pursuant to the Municipal Code Section 18.98.040. In addition to  
2 making that recommendation it would also be part of my motion that we would direct Staff that  
3 as soon as possible a part of this transaction maybe prior to this transaction the portion of the  
4 County land which acts as a buffer between this parcel and the onramp onto Oregon Expressway  
5 be suitably landscaped to create as much as possible an actual buffer. I think the word suitable  
6 was used and I can't recall any other. Do you see anything Lee? Any recommendation there as  
7 to the language that we should use for the landscaping to be required? The intent is to try to  
8 make it as mature as possible as quickly as possible and that is why we would ask for the  
9 landscaping to be put in and the County approached even prior to the time this parcel is put on  
10 the market. Is that correct?

11  
12 SECOND

13  
14 Commissioner Lippert: Second.

15  
16 Chair Burt: Okay, we have a motion by Commissioner Bialson, second by Commissioner  
17 Lippert. Does the maker wish to comment on the motion any further?

18  
19 Commissioner Cassel: Pat, can I make a very small comment? I think we want to direct Council  
20 to direct Staff, we can't direct Staff.

21  
22 Chair Burt: On the landscaping element. Yes, so if you would clarify it so that we are  
23 requesting that Council direct Staff to have this strong landscaping buffer.

24  
25 Commissioner Bialson: That is absolutely correct.

26  
27 Chair Burt: That is accepted by the seconder.

28  
29 Commissioner Bialson: My comments are hopefully going to be brief. We have raised some  
30 issues with regard to always looking for an opportunity to have pocket parks or some other use  
31 of the property but this particular parcel I think is suitable for just what Staff recommends. It  
32 would be in line with the development on this dead-end street. I think it will give an opportunity  
33 for there to be some reasonably priced residences brought into that area. A lot of those  
34 properties along Alma Street provide some affordable or moderate housing elements in the City  
35 of Palo Alto. I would look forward to this parcel being part of that.

36  
37 Chair Burt: Commissioner Lippert, do you have any comments?

38  
39 Commissioner Lippert: Yes, I heartily endorse the recommendation here. I think that there is an  
40 incredible opportunity. Here we have a piece of, and I am going to use the word 'salvage,' it is  
41 really a piece of scrap land from the widening of Oregon Expressway. It has no meaningful  
42 significance especially since there is a public facility and a park not terribly far away from it that  
43 the neighborhood can and does make use of and it is in proximity to public transit. I see the  
44 opportunity here as being seeds to bloom into not just two units of housing but perhaps even more  
45 housing beyond that because what you have is the opportunity to sell the land, a developer  
46 developing two units and the proceeds from the sale of the land going into affordable housing

1 and thereby paying for additional housing. So at a time when we really do need more housing in  
2 this community, and the City also needs revenue, this is really a great opportunity to sort of  
3 shoehorn in two more units of housing that could potentially represent more than that.  
4

5 Just one comment with regard to the buffer without getting specific I think there are some  
6 opportunities there for terracing landscaping perhaps creating a series of stepped walls where  
7 mature plantings could be placed and it would prevent traffic from skidding off the road and into  
8 the backyard there.  
9

10 Chair Burt: Thank you. Any other comments? Dan.

11  
12 Commissioner Garber: I just would like to thank Lee for a good catch. I would second both  
13 Commissioner Bialson and Commissioner Lippert's comments. Thank you.  
14

15 Chair Burt: Karen.

16  
17 Vice-Chair Holman: I want to also thank Commissioner Lippert for I think a very good  
18 observation regarding that landscaping. I will support the motion with comments along the lines  
19 of what I stated earlier which is that while this property is obviously not appropriate for a pocket  
20 park that we are nevertheless given what the funds from the sale of this property are going for we  
21 are reducing our PF land in Palo Alto. There are Comp Plan policies as I suggested earlier that  
22 refer to this in terms of park acquisition and open space acquisition which would of course be  
23 zoned PF. So with those comments and also with the support of the comment that Chair Burt  
24 made regarding Policy H-3 I also had indicated that I am not really sure that the conversion of  
25 nonresidential lands was referring to other than commercial property. Then regarding Policy H-  
26 48 my perception has been rightly or wrongly that site planning had to do with onsite planning  
27 but perhaps there is a broader definition of that. So with the exception of the fact that I am  
28 concerned that we are reducing our PF facilities in Palo Alto I will support the motion. I am  
29 sorry if I said H-48 at the beginning I meant L-48.  
30

31 Chair Burt: Thank you. At this time I would like to call the motion. All those in favor? Excuse  
32 me.  
33

34 Mr. Larkin: I think we need to restate the motion and I could take a stab at it.  
35

36 Chair Burt: Please do.  
37

38 Mr. Larkin: The motion was to recommend the City Council approval for a zoning classification  
39 change of a portion of the parcel number 132-17-081, 2460 High Street from the Public Facilities  
40 (PF) zoning district to the two unit multiple family residence district zone pursuant to Palo Alto  
41 Municipal Code Section 18.98.040 and further recommend that City Council direct Staff to  
42 provide sufficient landscaping to act as a buffer between the property and the overpass to protect  
43 against accidental damage from cars going off the road.  
44

45 Commissioner Bialson: That captures some of the thoughts but I think maybe we were a little  
46 wordier with respect to the landscaping being suitable and also being installed as quickly as

1 possible so that it could mature. I don't think reference need be made to the cars veering off but  
2 other than that it was fine.

3  
4 MOTION PASSED (6-0-0-1, Commissioner Sandas absent)

5  
6 Chair Burt: Okay, we will take a synthesis of those two descriptions of the motion if that is all  
7 right. All those in favor? (ayes) Opposed? That passes six to zero with Commissioner Sandas  
8 absent.

9  
10 Our next item is Approval of Minutes and we do have a few more substantive things to do  
11 tonight.

12  
13 In the minutes for January 11 we have a quorum to be able to approve it. The only ones who I  
14 believe are permitted to vote on it are Commissioners Holman, Lippert, Garber and myself.

15  
16 ***APPROVAL OF MINUTES: Minutes*** of the January 11, 2006 Regular Meeting.

17  
18 Chair Burt: So do we have a motion to approve?

19  
20 MOTION

21  
22 Commissioner Garber: So moved.

23  
24 SECOND

25  
26 Vice-Chair Holman: Second.

27  
28 MOTION PASSED (4-0-2-1, Commissioners Bialson and Cassel abstained and Commissioner  
29 Garber absent)

30  
31 Chair Burt: That is a motion by Commissioner Garber and second by Commissioner Holman.  
32 Any discussion? All those in favor? (ayes) That passes four to zero with Commissioners  
33 Bialson and Cassel abstaining and Sandas absent.

34  
35 Our next item is the Planning Director's Report on Status of the Retail Action Plan. I would like  
36 to point out for Commissioners that we received at our seats the prior year's Retail Action Plan  
37 as well. It has almost the same title, it says, Mayor's Retail Committee whereas the second one  
38 say Mayor's Retail Attraction Committee. The first one was actually Mayor's Retail Retention  
39 Committee. So we wanted to give the Commissioners the opportunity to have seen both of those  
40 plans as they interrelate to one another. So Steve would you like to take the reins?

41  
42 ***REPORTS FROM OFFICIALS/COMMITTEES.***

- 43  
44 • Planning Director's Report on Status of Retail Action Plan.  
45

1 Mr. Emslie: Yes, sure. In fact this is a chance more to answer your questions as we go through  
2 this. So I wanted to keep my comments fairly brief. I also want to emphasize that the Mayor's  
3 first Retail Committee was focused on retention and it was acknowledged at the Committee that  
4 there would be a follow up committee which did happen and that is the second and that would be  
5 focused on attraction. So that is the difference between the two as Commissioner Burt pointed  
6 out.

7  
8 I also wanted to mention we sent these to you by email earlier today. So if you had a chance to  
9 check your email you would have had a preview of these.

10  
11 I would just start and go through the first action plan focusing in retention. It is really broken  
12 down into the first page is the land use and transportation issues, the issues that would fall  
13 typically within the Planning and Transportation Commission's purview. A strong area that  
14 came out of the discussions at that Committee was a need to review our signage requirements in  
15 the ZOU they were viewed as counterproductive to promoting visibility in various locations,  
16 both in Downtown on El Camino and in other retail areas. There was a strong recognition that a  
17 lot could be done to provide more compatible interface between commercial districts and  
18 neighborhoods. Like many communities on the peninsula and in the Bay Area in general we  
19 have the challenging land use configuration where you have commercial in many cases abutting  
20 directly against single-family neighborhoods. So there is always a tension between commercial  
21 operations that perhaps might sometimes go into the evening hours and provide some negative  
22 effect. So the zoning code update was viewed as an area that additional lighting and landscape  
23 requirements could be put in place that would ease the tension between residential and  
24 commercial by having new development provide more consideration to the offsite effects of  
25 commercial and retail.

26  
27 The Committee also looked at possible redevelopment areas and focused on the need to, and  
28 since this was a retention oriented Committee, to retain our large sales tax generators that we  
29 currently have, Fry's and the Fry's area was identified as an area that should be looked at for  
30 possible tools to utilize to ensure that the sales tax generation of Fry's is retained beyond its  
31 scheduled termination date of 2019 and some analysis on that has already occurred. While we  
32 don't believe that the findings are present to form a redevelop area in this area as the  
33 Commission knows you must make state required findings of blight. We don't believe that  
34 blight conditions exist in this area to justify redevelopment. There are other tools that the City is  
35 exploring to retain and incorporate Fry's into possible redevelopment of this area in the future  
36 that would be done on a private basis.

37  
38 Then our Economic Development Coordinator is working with El Camino areas to promote our  
39 El Camino Design Guidelines. As you know ARB has El Camino Design Guidelines for the  
40 south part of town and our Economic Development Staff is in meetings with merchants and  
41 owners to highlight these and make them noticeable to anyone thinking about renovation or  
42 rehabilitation of their existing uses.

43  
44 The next page speaks to the infrastructure, the networking infrastructure, business and merchant  
45 associations looking at the suggestion that one area be selected as a target that would be used as a  
46 way to engage that particular merchant community. That is really happening in the California

1 Avenue area currently. The City Planning, Economic Development and Public Works are  
2 working at Council direction with some seed money provided by Council to look at making  
3 urban design improvements in the California Avenue area and those discussions are ongoing.  
4 Then there is the acknowledgement of the issues of homelessness and the support the City has  
5 given to the Opportunity Center as a way to provide the types of services that give options to our  
6 homeless community to ensure that they are provided a maximum amount of services so that  
7 they can make appropriate choices.

8  
9 Then a large area was focused on parking in the business districts in both primarily California  
10 Avenue and in the Downtown area. Staff has been working with the Downtown Parking  
11 Committee, the Business Improvement District for improved signage. There was some  
12 temporary signage that went up prior to the holiday season. Some permanent signage is  
13 currently being considered by the Parking Committee for the two new structures. Those were  
14 identified as difficult to find primarily because there is not perpendicular signage that by the time  
15 you notice the entrance you are by it already and the tendency is to perhaps just keep on going.  
16 So we want to give people a place to park and get them there early. So that work is currently  
17 ongoing.

18  
19 We have redone the parking directional signs Downtown to make them more visible so that  
20 visitors who may not be familiar with Palo Alto would have better trail blazing signs to locate  
21 parking facilities. Then in conjunction with that same effort we have also provided some  
22 promotional materials, maps, several ads have been run in conjunction with the opening of the  
23 Downtown shopping season and the opening of the new parking structures. A tremendous  
24 amount of marketing was built into that program.

25  
26 Then second to last is the business registry. This was an area of discussion that revolves around  
27 the fact that the City does not have a requirement for businesses to register annually as most have  
28 either a business registry or business license tax. We are one of two cities in the state to not have  
29 that. The recommendation of the Action Committee was that a basic fee recovery, cost recovery,  
30 in the range of \$20.00 to \$25.00 be considered. As you perhaps already know the Council has  
31 already given direction on that and Staff is in the process of preparing a recommendation to  
32 return to the City Council.

33  
34 The next item deals with the City's ongoing relationship with the Chamber of Commerce and the  
35 Shop Palo Alto efforts is a way to get our local community aware of the importance of shopping  
36 locally equating locally generated sales tax directly to services that are provided in other areas as  
37 sales tax income is a major source of revenue to provide those services.

38  
39 Then lastly is an outreach campaign that is underway by our Economic Development  
40 Coordinator as a hands-on guide to opening a small local business in town. So that is the first set  
41 of actions. Many of them as I mentioned are currently ongoing efforts that Staff is pursuing  
42 currently within our existing work plan. Do you want me to stop at this point and take  
43 questions?

44  
45 Chair Burt: Yes, I think it might be good to break it up in two. I also should mention that I  
46 neglected to give a little more context to what we are doing tonight. As I understand it tonight

1 we are going to have this opportunity for prelim review of the Retail Action Committee's plans  
2 and then I believe the outcome of our last joint meeting with Council was the intention that we  
3 would have an actual study session on the retail plan and go into it in greater depth. But we  
4 wanted to have this review prior to our next joint meeting with the Council so that we just go  
5 into it with a little more background. Is that correct, Steve?  
6

7 Mr. Emslie: Yes, thank you. Thank you for doing that I could have also been more illustrative.  
8 That is the reason is to give you kind of a background so that you would be prepared for your  
9 upcoming meeting with the City Council.  
10

11 Chair Burt: So just that we can tackle this in bite sizes I suggest that we go ahead and have our  
12 questions and comments on the Retail Retention Committee which Director Emslie has just  
13 summarized and then he would then give a summary of the Retail Attraction Committee Reports  
14 and we could have questions and comments on that if that sounds okay with the Commission.  
15 Anyone have questions or comments on the Retail Retention Committee Report? Karen.  
16

17 Vice-Chair Holman: Can I get just a little bit of clarification because the agenda that went out  
18 say Planning Director's Report on Status of Retail Action Plan so I am wondering how much, we  
19 can ask questions I guess, but I want the City Attorney to weigh in on how much we can  
20 comment?  
21

22 Mr. Larkin: You can comment on the land uses portions of the plan. So those first pages of both  
23 plans relate to land use items and I think that there was sufficient notice that there would be at  
24 least some discussion on it so general comments. I think that you might want to save some of the  
25 detail for when you have the joint meeting with the Council.  
26

27 Chair Burt: Don, would that be land use or transportation?  
28

29 Mr. Larkin: Yes, land use or transportation. There is a parking section I am told.  
30

31 Chair Burt: Great.  
32

33 Vice-Chair Holman: Would that include processes having to do with land use?  
34

35 Mr. Larkin: I am not sure what you mean by processes.  
36

37 Vice-Chair Holman: Well, the Commission often times comments on the processes,  
38 streamlining processes for instance went through us.  
39

40 Mr. Larkin: Sure, yes, that would be okay.  
41

42 Chair Burt: Lee.  
43

44 Commissioner Lippert: Well, I would like to start off with signage having been a former  
45 member of ARB and we dealt with signage I think as a majority of the projects we reviewed.  
46 Have the guidelines been amended in such a way that signage applications can be reviewed more

1 as a Staff level approval? Have the guidelines been tightened up so they can be on a Staff level  
2 versus having to review by the full Board?  
3

4 Mr. Emslie: Yes, some of that was done when we went through and updated the findings and the  
5 definition of major and minor projects that you did about two years coming July. So a lot of that  
6 has been done but that's in general not specific to signage. So there is a little bit more definition  
7 as to what Staff's authority is. Until this recommendation came the ZOU did not include the sign  
8 ordinance. We, on this recommendation, agreed to include a review of the sign ordinance at the  
9 end of the ZOU process. So that will be coming to you as one of your last actions in the zoning  
10 code update as a comprehensive look at the sign regulations.

11  
12 Vice-Chair Holman: Chair Burt left the room for a couple of minutes. Are there any other  
13 questions or comments? Commissioner Garber.

14  
15 Commissioner Garber: Just so I am clear, both of these reports the Attraction and the Retail are  
16 dated as of today so one is not old and one is not new.

17  
18 Mr. Emslie: They are the work product of two consecutive committees convened by the Mayor.

19  
20 Commissioner Garber: But they are current.

21  
22 Mr. Emslie: They are current. These are the most up to date versions of these.

23  
24 Commissioner Garber: Thank you, for the moment.

25  
26 Chair Burt: Karen.

27  
28 Vice-Chair Holman: Having to do with signage. Is some of this going to be phased in and  
29 would for instance sandwich boards be a part of the sign ordinance or would that be something  
30 that could be implemented sooner? I hear from a number of retailers that sandwich boards would  
31 be very, very helpful to their businesses and I have seen them used unsafely and I have seen  
32 them used very safely. I have seen them used aesthetically successfully and aesthetically not so  
33 successfully. So if would Staff would comment on that.

34  
35 Mr. Emslie: I think sandwich boards are really separate from the sign ordinance because our  
36 purview really is on private property and permanent signs. Sandwich boards are typically  
37 located in the public right-of-way so that is really more of an encroachment issue and the  
38 conditions on which you are going to allow something in the public right-of-way. So that would  
39 really be dealt with separately than the zoning code update.

40  
41 Chair Burt: I had a couple of questions and comments. On the signage I might have mentioned  
42 this previously but in a trip overseas in the last year and a half I saw a remarkable clarity in  
43 signage and they weren't overwhelming in size but they were color coded so that hotels with an  
44 arrow and maybe a designation of which hotel were of one color, shopping districts might be  
45 another, historic areas or other sightseeing kinds of things another. I would certainly encourage  
46 us to look at those things. Now how does that relate to Planning and Transportation? One aspect

1 that will come back is that there are a lot of ways for us to reduce trips in this community.  
2 Having people not drive around in circles is one of them so as much as that at first blush might  
3 sound like a stretch I think as we look for ways that not only enhance the visitor's ability to find  
4 what they are looking for in Palo Alto but also to do so in an efficient manner. Karen.

5  
6 Vice-Chair Holman: The comments seem to be heavy on this end of the dais tonight. Regarding  
7 redevelopment is there any focus on south El Camino Real and particularly on the west side  
8 without identifying and particular parcels given that Barron Park is so lacking in any kind of  
9 retail services?

10  
11 Mr. Emslie: We cast a very wide net. We really looked at everything from Page Mill down to  
12 past Meadow and probably all the way up to Charleston on both sides of El Camino in doing our  
13 analysis of whether or not blight conditions existed in that area. They are not coming back  
14 favorably as having blight conditions that would meet the legal test of being able to support a  
15 redevelopment district for that area. But there are other options obviously redevelopment is only  
16 one tool. There are other options for looking at ways of locating services in that area.

17  
18 Vice-Chair Holman: You well anticipated the next question so thank you. If nobody else is  
19 going to jump in right now the parking that is referenced in a few places, has anything happened  
20 to improve the possibility or likelihood of having a cooperative effort between private property  
21 owners who have excess parking particularly in the evening when the restaurants are busy and  
22 during events where the public and private sector might joint together to use those private  
23 parking lots that are underutilized? Has anything happened to proceed or progress with that  
24 area?

25  
26 Mr. Emslie: We think it is a sound idea of getting essentially property owners together and  
27 having either formal or informal agreements but I am not aware of any efforts in that particular  
28 direction but it is certainly something that is a sound idea that makes most efficient use of our  
29 resources as much as possible.

30  
31 Vice-Chair Holman: Any thought about when that might be taken up?

32  
33 Mr. Emslie: We can certainly bring it up to Staff. We have a whole multi-department group that  
34 is focused on implementing these and we certainly will put it on their agenda for discussion and  
35 possible assignment for someone to follow up on.

36  
37 Chair Burt: Dan and then Lee.

38  
39 Commissioner Garber: Sorry it has taken me awhile to hook into this given that it has only been  
40 a couple of hours that we have had these things. Relative to retail attraction what impact or how  
41 do these particular actions and key issues address some of the things that are currently before the  
42 Planning Commission or will be before the Planning Commission? I am thinking specifically of  
43 Alma Plaza or the work that is going on in the San Antonio and Charleston areas.

44  
45 Mr. Emslie: Do any of these have? I think they tend to be more forward-looking and more  
46 zoning code based rather than project based. I think the Committee did avoid, even though those

1 projects came up and there was discussion I think ultimately the Committee decided to take a  
2 little higher view and not get involved in taking a position on one project or another.

3  
4 Commissioner Garber: So they looked at those project to draw out the issues that would have  
5 impact over them whether they are being considered or in place and being impacted by new  
6 regulations, policies, etc.

7  
8 Mr. Emslie: Yes.

9  
10 Commissioner Garber: One other very mechanical question recognizing that resources on your  
11 Staff are becoming attenuated you have some timeframes in here will those timeframes have to  
12 be reconsidered in some cases?

13  
14 Mr. Emslie: Yes, you can see we are already behind in a couple of these. The commitment is  
15 that the retail signage would follow so obviously that is behind and as we are nearing the  
16 completion of the ZOU I don't expect the signage to be tackled before the end of the year. Many  
17 of the others are ongoing and efforts that will continue to move forward. We did miss a couple  
18 of the deadlines but recent actions have happened say for example on the Business Registry we  
19 got definitive Council direction just last month so while we are not right on target work is still  
20 completing. So I think there is something going on virtually every one of them either on an  
21 ongoing basis or working to its conclusion as close to if not perhaps a little bit behind schedule.

22  
23 Chair Burt: Lee.

24  
25 Commissioner Lippert: Looking at Explore Redevelopment Tools without naming specific  
26 properties there are properties that are condemned. What ability do we have to put pressure on  
27 those condemned properties to redevelop?

28  
29 Mr. Emslie: Well any property that is condemned or a hazard the City obviously has its police  
30 powers to be able to compel the building to be made safe and not to become an attractive  
31 nuisance. So we would certainly have that authority. Without a redevelopment project area that  
32 met the legal test we cannot offer the kinds of tax increment incentives that cities with  
33 redevelopment districts can. So our tools are more limited in terms of offering incentives. The  
34 incentives have to be really more land use based through either zoning incentives or bonuses or  
35 other non-monetary, non-redevelopment oriented tools.

36  
37 Commissioner Lippert: What happens when a property owner's property is condemned and they  
38 just allow it to just sit? Without naming a specific property it is out there every day.

39  
40 Mr. Emslie: I think I have an idea. We cannot compel a building that is not in redevelopment to  
41 be reoccupied or be redeveloped in a way. We can compel the owners to maintain it in a safe  
42 manner. That means if the building is open for access the building has to be closed up. If the  
43 building had any dangerous components to it like broken glass or things of that nature the City  
44 can compel them to fix it but we cannot without redevelopment compel them in any way to take  
45 constructive action to rehabilitate the building. Our powers are limited to making sure that it is  
46 maintained in a safe manner.

1  
2 Mr. Larkin: There are code enforcement options and other legal options the City can take but I  
3 think to play off of what Steve said is we can make the building safe we can't make it into  
4 something it isn't. We can do the actions to make the building safe and to abate the nuisance but  
5 you can't turn a warehouse space into a retail space through code enforcement.  
6

7 Commissioner Lippert: When is a building that is condemned determined to be blighted?  
8

9 Mr. Emslie: When you say condemned to me that means essentially it is a very formal process  
10 that the City takes in order to take possession of the building. I don't know of any buildings that  
11 we have taken action to actually condemn and use eminent domain authority to acquire. So we  
12 might be using the condemned word like lower case that basically it is abandoned. There is a  
13 difference between abandoned and condemned. A condemned building is one that a public  
14 agency acquires in the public's interest. There are no buildings that we have acquired through  
15 that process in the recent past. I am sure we have done it in the past but it has probably been  
16 quite a long time. So if a building is in a blighted condition it would most likely be a subject  
17 property that would have the City take a look at the possibility of adding that in redevelopment  
18 but you can't do, you can but it is just practically infeasible to do it on a site by site basis, in  
19 order to make redevelopment work it has to be an area or district with numerous buildings in  
20 blighted conditions in order to have the findings to be able to support that. So you couldn't do it  
21 on a building-by-building basis you need to have a broader area with many buildings in that  
22 condition to be able to make those findings.  
23

24 Chair Burt: I had a couple questions. One we touched on the South El Camino area and I just  
25 wanted to emphasize in the land use section of the Comp Plan we have an entire section on South  
26 El Camino really guided around Policy L-35 and L-36 and a whole series of programs. It just  
27 occurs to me that we are placing too little emphasis there. I know that when we had the long  
28 SOFA Coordinated Area planning process we recognized that with the Zoning Ordinance Update  
29 we would not immediately be able to go into the other I think two coordinated area plans that are  
30 envisioned within the life of this Comprehensive Plan. I guess I would like to encourage Staff to  
31 look at whether there is some abbreviated process or something that could give a more  
32 comprehensive targeted and sooner emphasis on achieving as many of the South El Camino  
33 objectives and possible.  
34

35 Then the second thing is on our City website we don't have any linkage to our yet to come about  
36 business registry but is there any linkage to our commercial establishments on our City website?  
37

38 Mr. Emslie: There has been some discussion of that and I am not probably up to speed enough  
39 to talk about that. It is probably more appropriate that our IT Department talk about it. There  
40 are some issues about having commercial links and so forth on a public website in terms of  
41 market conditions and other kind of constitutional things. Don might want to weigh in on that  
42 but there are some issues about putting commercial businesses on the City's website.  
43

44 Chair Burt: Well, maybe I'll just say to the extent that it is legally feasible I think it would be a  
45 really beneficial component of our updated City website. I will just leave it at that. Just to  
46 emphasize also that once again there is a transportation component to it and the more people are

1 able to know where they want to go and can go directly there rather than from store to store  
2 looking for something the fewer car trips and the more successful retail work that they may have.  
3 Karen, you had something?  
4

5 Vice-Chair Holman: Yes, a follow up to Commissioner Burt's question and comments just then.  
6 I do understand there are some constraints and issues when trying to promote businesses but  
7 could we not, and I have not looked at the website in a little while, but could we not promote the  
8 various areas listing what types of businesses that are there and perhaps that is more  
9 comprehensive than it used to be.  
10

11 Mr. Larkin: I think at this point I would just state that Staff is well aware of it and we are  
12 looking into ways that we can do that on the website.  
13

14 Vice-Chair Holman: Okay.  
15

16 Chair Burt: If Commissioners didn't get the word the Council I believe just funded an update to  
17 the City website so this is appropriate timing for these discussions to occur after having gone  
18 from first to worst I think, first in the country to have a City website and now we are going to get  
19 up near the top again. Karen.  
20

21 Vice-Chair Holman: I had just two other comments here quickly. We were talking about retail  
22 retention in this action plan. I don't see where the support of existing uses that attract shoppers  
23 and diners is. The focus appears to be on those uses that in and of themselves, as I read it  
24 anyway, have a retail sales tax component to them. I am wondering about the other uses like  
25 theaters and that sort of thing that do support those businesses and attract those shoppers and  
26 diners.  
27

28 Then on the other is having to do with process. It says something about outreach here and it  
29 says, develop a publication if you are opening a retail business in Palo Alto. There is another  
30 segment to this I would suggest that has to do with existing businesses. That is a simpler and  
31 streamline process and step-by-step instruction on where to go for building improvements would  
32 be very helpful as I hear people in the retail sector comment. Then just as an adjunct to that  
33 permitting for events too I understand is pretty complex to get through.  
34

35 Chair Burt: Thank you. Dan.  
36

37 Commissioner Garber: I just want to come back and emphasize San Antonio because as I think  
38 about it the issue that I want to come back to and emphasize is not just simply the project that is  
39 currently under consideration there but San Antonio is a retail corridor that extends some ways.  
40 It is a part of the City that is not homogenous or it is a part of the City that doesn't have a  
41 character that has been thought of with some sensitivity. So again I am just thinking that not  
42 necessarily in the context of this but having the opportunity to look at that area of the City as an  
43 opportunity to attract retail, to improve the physical surrounding environment, etc., I think is  
44 something worthwhile that the City should get to at some point or another. Thank you.  
45

1 Chair Burt: Dan, your comment causes me to recognize that we have just touched on the retail  
2 aspects of San Antonio as they relate to new housing development and population densities that  
3 are going in there. We had talked about the absence of neighborhood serving retail in that area  
4 and that is one component but then Dan's comments have caused me to really recognize what a  
5 stepchild San Antonio is in our planning process. We have talked about it at least in South El  
6 Camino we have talked about doing something. On San Antonio we aren't even talking about it  
7 and I am glad you brought that up because I think we need to bring that more to the forefront in  
8 the future. Lee.

9  
10 Commissioner Lippert: Regarding the parking in Downtown but particularly focusing on  
11 California Avenue the public parking lots there are underutilized. Does it make sense to have a  
12 parking time limit in those zones where we really want to promote two things, number one,  
13 people coming to California Avenue and parking and taking the train and number two, coming to  
14 California Avenue parking and doing their shopping there as long as it takes?

15  
16 Mr. Emslie: I don't know specifically that that's being looked at but I do know that is a topic of  
17 the current efforts that CAADA is engaged in with the City because part of the urban design  
18 element is to make more efficient use of parking so that they can do certain urban design  
19 elements that would enhance the pedestrian experience. So I know that would be very topical  
20 and we will mention that to them when we next get together.

21  
22 Chair Burt: Karen, last question and then we will move on to the Attraction Committee Report.

23  
24 Vice-Chair Holman: Yes it is one last question. Recently the Council has either made a  
25 conditional use or eliminated housing in some of the zones in Palo Alto for reasons that were  
26 vetted there. Again, I don't see as a part of this action plan looking at some of the other areas  
27 where perhaps we might consider what uses are replacing retail, services and other income  
28 producing uses.

29  
30 Mr. Emslie: That is on the next one if we want to move into that. That is in the Traction Action  
31 Plan is the housing trumping of commercial uses.

32  
33 Vice-Chair Holman: Would it not also be appropriate to be a part of the retention?

34  
35 Mr. Emslie: Absolutely it just so happened that that is where it fell. It doesn't mean that if it is  
36 on one list or the other it is still being worked on.

37  
38 Chair Burt: Good point. I am glad it is there. I wonder just from a standpoint of as you are  
39 taking these documents and not treating them maybe in the future as so much the chronological  
40 distinction of one was done one year as a retention plan and another the following year as an  
41 attraction plan if there are things that are really retention oriented maybe it would be appropriate  
42 to truly make the first one an updated retention plan and the second one purely attraction of some  
43 synthesis.

1 Mr. Emslie: Yes, it is very difficult to separate attraction and retention in general. The  
2 conditions that make it attractive for someone to stay are also the same conditions that may  
3 attract somebody to relocate. So there is an awful overlap. It is just an artificial division.  
4

5 Chair Burt: So Steve would you like to go through a summation of the most recent Mayor's  
6 Committee, which is the Attraction Plan.  
7

8 Mr. Emslie: Following up and responding to Commissioner Holman's comments that the  
9 Council had recently, in December of last year, brought into effect a conditional use permit for  
10 housing in industrial zones and Staff is currently working on imposing that same requirement for  
11 all of our C districts, all of our commercial districts would provide the same discretionary review  
12 for housing in any of the commercial districts. That is slated to come back to you by this spring.  
13 So we will be making that recommendation.  
14

15 The auto dealers the Commission has recently and the Council has as of last Monday approved  
16 the auto dealer overlay for the east side of 101 so that is something that is continuing to move  
17 forward. This is an area too that has some overlap because in our previous report we did talk  
18 about the strategy for retaining Fry's in Palo Alto. So this is one that falls in the attraction side  
19 of things.  
20

21 The red team has been formed. It is basically an informal committee of the appropriate  
22 regulatory staff, Fire, Building, Public Works and Utilities Planning in general get together when  
23 there is some interest in either a business expanding or relocating. We will make contact and  
24 bring the folks to them to help flesh out issues for the owner in terms of issues that they have in  
25 terms of their construction project.  
26

27 The pilot business association for Midtown I don't think that has gotten quite off the ground yet  
28 but it certainly should start shortly.  
29

30 Looking at our existing shopping centers and enhancing their competitiveness both the Stanford  
31 Shopping Center and the Town & County we are in active negotiations with both of those  
32 owners. They are two new owners on both of those centers and they do have some interest in  
33 continuing to position both of those centers in a way that deals with the vastly increased  
34 competition that we have in our area that wasn't there just a few short years ago.  
35

36 On the next page we have the support to the local business and merchants associations. Again,  
37 work with the California Avenue area and coordinating the projects that is ongoing. We have the  
38 appropriate Staff and dialogue with CAADA subcommittee, the BID the Business Improvement  
39 District is in its second year. We are continuing to utilize that resource to disseminate  
40 information and to strengthen services of the Downtown such as the Clean Streets program that  
41 is a two-for in a way because it does involve engaging our homeless community in a positive  
42 way. The Wi/Fi area for Downtown Palo Alto I know that that's something that our Utilities  
43 Staff continues to explore both through that and in the fiber optic program.  
44

45 Incentives on the third page these are kind of more in response to our lack of a redevelopment  
46 project area. There are façade programs that could be funded through outside sources, through

1 the community development block grant program. Then also as I mentioned earlier we have  
2 done some specific redevelopment area project analysis on the Fry's and unfortunately the  
3 conditions don't seem to be leading up to blight conditions that would enable a redevelopment  
4 agency to proceed but it has represented a great deal of data that will prove useful in offering  
5 other land use solutions to the owners of properties in that area.

6  
7 The outreach, the Council and Staff have in the past met with major sales tax generators on a  
8 regular basis and that will continue. Those meetings are being setup. The business registry as I  
9 mentioned as recently been dealt with by Council. Then lastly the inter-departmental economic  
10 development team has been formed and its mission statement adopted and monthly meetings  
11 have already begun. That is the group that we will bring back. Many of the follow up  
12 suggestions of the Commission this evening will go to that inter-departmental group.

13  
14 Chair Burt: Thank you. Commissioners, questions or comments? Lee.

15  
16 Commissioner Lippert: I have a question with regard to the Zoning Ordinance Update and  
17 putting the conditional use permit requirement on the LM zone. Isn't the LM zone more really  
18 of an industrial zone than a retail generating zone?

19  
20 Mr. Emslie: Yes but don't overlook the fact that many of our industrial operations can generate  
21 significant amounts of sales tax through their business-to-business sales tax. So if products are  
22 exchanged between businesses they can often be subject to sales tax and sometimes those can be  
23 quite large transactions if it is equipment or some sort of large purchase that can mean a lot of  
24 sales tax. So preserving our industrial areas is equally important sometimes as it is retail. So  
25 there are hidden areas where sales tax is generated.

26  
27 Chair Burt: Karen.

28  
29 Vice-Chair Holman: Just if I might add to that there is also the necessity of having those kinds  
30 of industrial areas because they support even the locating of some of the income producing  
31 businesses in Palo Alto because we need these businesses to support their operations. So it is  
32 that way as well.

33  
34 Chair Burt: Well if I might follow on that same subject. It was I guess about a year and a half  
35 ago that the Planning Commission had made a request to Staff that Staff approach Council and  
36 ask the Council – we recommended that the Council give direction to Staff to pursue  
37 opportunities to incentivize business-to-business tax and it was my understanding that this retail  
38 attraction committee had waded into that area but I really don't see anything that is specifically  
39 looks at the B-to-B tax issue. I think it has been one of our more overlooked ones. We certainly  
40 are going to have a better tool to understand that as soon as we have the business registry. Right  
41 now we really don't have a very good means to know what sorts of business and which  
42 businesses are generators of B-to-B tax and therefore how to incentivize them. Steve, do you  
43 have any feedback on that issue?

44  
45 Mr. Emslie: It certainly was an area of significant discussion at the committee and the  
46 importance of which was very well recognized. It would be my take on it that the multi-

1 department because it does crossover a number of different departments. It is not just one area. I  
2 think that the fact that there is the economic development team that has been put together is  
3 really the appropriate way to push that because it really goes beyond Planning's authority and it  
4 does involve the cooperation of other departments. So I think with the impetus of the  
5 Commission and certainly bringing up again to the Council you can continue to highlight that  
6 and it will tend to get focus at our economic development team and you should see some  
7 recommendations or actions come out there.

8  
9 Chair Burt: One of the considerations is we are going through the Zoning Ordinance Update we  
10 aren't really addressing issues that might compliment the B-to-B attraction because we just  
11 haven't had any set of incentives provided to us as alternatives. I would hope that that be  
12 integrated within the ZOU before we are done. Lee.

13  
14 Commissioner Lippert: I just want to clarify something here. With regard to B-to-B sales there  
15 are two kinds of B-to-B sales. There is the sale of tangible merchandise, which does generate  
16 sales tax, and then there is the sale of merchandise incorporated into products for resale, which  
17 does not generate sales tax, and land use doesn't distinguish the two.

18  
19 Chair Burt: I am fully aware of those distinctions and what we are referring to in this whole  
20 discussion as well as the previous Planning Commission discussions prior to a year and a half  
21 ago is B-to-B sales tax generators. There potentially are ways in which land use policies can  
22 incentivize those and Steve I think way back two years ago you had said that there are certainly  
23 cities that do things to incentivize sales offices that generate B-to-B tax that some cities do some  
24 things to encourage those activities.

25  
26 Mr. Emslie: Obviously it is very strange how sales tax is collected but you can have a locus for  
27 collection of sales tax that has nothing to do with the process or the sales. It can be an  
28 administrative office or a sales office, accounting office in a large multinational corporation that  
29 just happens to be the sight. So cities have exempted those types of offices from FAR  
30 calculations as an example of that but that is very true it does and it is the broken tax laws we  
31 have in this state. It could change someday but right now it is what we have to deal with as how  
32 sales tax are calculated and how they are attributed. I can't probably say too much but probably  
33 the biggest area of this potential B-to-B is in the Research Park. There are and have been and  
34 will continue to be discussions with our neighbors, the Stanford Research Park folks, about what  
35 they can do to encourage when they do their leasing to encourage that type of thing too. So in  
36 addition to actual regulation there is also ways to work with the owners. That I can assure is  
37 very much ongoing but that is something that wouldn't necessarily come back to the  
38 Commission.

39  
40 Chair Burt: Dan.

41  
42 Commissioner Garber: So I am still playing catch up here. It sounds like, I am just sort of going  
43 through all these different things, and if I were to categorize the different strategies that are being  
44 approached here they would include things like changing zoning or performance criteria,  
45 changing taxes or creating other incentives, organizing the constituents in any number of  
46 different ways, holding direct discussions with potential desired land owners, identifying non-

1 functional properties, various PR efforts including website signs, brochures, etc., issues that may  
2 address physical environment deficiencies and then finally infrastructure including Wi/Fi and  
3 broadband and things of that sort. Let me just focus on infrastructure for a moment. The only  
4 thing that is in these at the moment that talks about infrastructure is really Wi/Fi. Are there  
5 specific things that we should be thinking about relative to roads, broadband is the other topic  
6 that is the de jour topic here, are there others we should be thinking about that should be incented  
7 that would attract retail? And are there other sorts of infrastructure sorts of things that would  
8 have sort of fundamental impact to the way the City currently organizes retail in different areas  
9 or across the entire City? You can be as specific and as short as you want.

10  
11 Mr. Emslie: In the whole area of telecommunications it is one area that I don't have a whole lot  
12 of involvement but I do know is a significant area of discussion at the Council and a lot of it has  
13 been focused on whether or not we should operate our own fiber utilities. The antithesis to that  
14 argument has been well really wireless and broadband communication is really the wave of the  
15 future and that is the way you should go. So I do believe that the Council has kind of directed  
16 that we go out and consult with the telecommunications industry and ask for them to prepare  
17 some responses whether it be for wireless access, telecommunications access or land lines or  
18 fiber optics. So I think there will be some work done on enhancing our access in our business  
19 communities as well our city in general, our access to information technology.

20  
21 Chair Burt: Okay. Did you have one more, Karen?

22  
23 Vice-Chair Holman: Yes. There is something that I find that is not, you are right Steve, that a  
24 lot of the comments that apply to one would also apply to the other so we had a lot of those  
25 already. There is something that is missing though when it comes to either retail attraction or  
26 retail retention, which is the use of TDRs. It is mentioned in the Comprehensive Plan to use  
27 TDRs for redevelopment it even talks about redevelopment and/or community serving amenities.  
28 That isn't referenced here. So I hope we can get that in the mix.

29  
30 Then the other thing is there are businesses that are kind of between a rock and a hard place and  
31 all of this doesn't come under the jurisdiction of Palo Alto it would require conversations with  
32 other jurisdictions but businesses are sometimes put in a bind because it is either they are going  
33 to upgrade their building which will potentially increase their business but then their property  
34 taxes go up and they get hit with that. So it is a bit of a gamble and there are some programs at  
35 the state level where property taxes don't go up for a period of time after rehabilitation. I was  
36 wondering if there might be some means or some interest in pursuing that kind of avenue with  
37 some of the businesses that exist or if you are aware of, I am sure you are aware, that bind that  
38 sometimes businesses are in.

39  
40 Mr. Emslie: I am most acutely aware of that being done through redevelopment projects. That  
41 is where you can do that. You basically get to rebate back the incremental increase in property  
42 tax back to the owner as an incentive for them to do the work. So that is the whole principle on  
43 how that works. We don't have that we have an agency we don't have a project area and there  
44 may be others for historic buildings or seismic retrofits that I am not aware of.

1 Mr. Larkin: In general outside of a redevelopment agency that type of proposal would require an  
2 amendment to the California Constitution, which is probably not going to be initiated here, but is  
3 something we could look at long term.

4  
5 Vice-Chair Holman: I do understand certainly it is not just the jurisdiction of Palo Alto.

6  
7 Chair Burt: Okay. Lee, one more?

8  
9 Commissioner Lippert: I had one last question, which is not really outlined on this but I think it  
10 might be integral to it. You came from an economic development background before you came  
11 to the City of Palo Alto has anybody looked at incorporating economic development as part of  
12 Planning and Transportation's purview?

13  
14 Mr. Emslie: No.

15  
16 ***COMMISSION MEMBER QUESTIONS, COMMENTS, AND/OR ANNOUNCEMENTS.***

17  
18 Chair Burt: Our next item I think this is the appropriate place to address it is at your places is a  
19 draft agenda for our next study session with the City Council. Vice-Chair Holman and myself  
20 met with Mayor Kleinberg and Vice Mayor Kishimoto and reviewed what we had gone over in  
21 our last study session and then discussed alternatives. If I might summarize the sense of our  
22 meeting was that they were interested in further exploration of how the Planning and  
23 Transportation Commission can be moving from often a body that focuses on reacting to specific  
24 proposals that come before us toward being a vehicle that supplies the Council with long range  
25 planning recommendations that are proactive in nature. I think that is a common thread within a  
26 number of these items. I also would say that it is not the assumption that the study session with  
27 the Council, which is only going to be one hour, would provide an opportunity to go into in  
28 depth discussion of these issues. What I am anticipating is more talking about them conceptually  
29 and then looking for whether there is consensus within the Council to request or direct the  
30 Commission to increase their role in these functions over the next year or two. So I think that is  
31 the best description I would give about the common thread that exists here. I would also like to  
32 make one correction. I omitted on item number three it should have read, "long range land use  
33 and transportation planning by the Commission." So I would like to ask the Commissioners  
34 what they think of these items. I also should share that on the basis of past guidance from the  
35 City Attorney's Office we want to keep them as broad and general as possible so that it gives  
36 ample latitude to discuss any related items to these. So there are more specifics that could be put  
37 in here and we will just have to figure out whether this captures it well enough or not. Don, did  
38 you have a comment?

39  
40 Mr. Larkin: Just to clarify, the way the agenda for the study session will read will be a general  
41 description of discussion of topics of mutual interest and then there will be basically when it is  
42 finalized there won't be an agenda but a discussion points memo. That way the Commission  
43 won't be limited to discussing just the very specific items.

44  
45 Chair Burt: Great. Lee.

1 Commissioner Lippert: Do you have a specific way we would go about discussing the expanded  
2 role once the Council reaches some consensus in terms of us doing that? Would it be done at  
3 one of our regular meetings? Would we have a special meeting or would we have an expanded  
4 meeting?

5  
6 Chair Burt: My guess would be that it might be a basis for the prime focus of our next Retreat.  
7 We would then be able to have an informal opportunity to start doing some visioning on how we  
8 might approach these things if we do get that guidance. Any other comments or do these look  
9 satisfactory? Annette.

10  
11 Commissioner Bialson: Just so I can check that I understand what you are saying we would be  
12 the ones to after we had some maybe prioritization of these five suggestions by Council then we  
13 would have a Retreat in which we would discuss these items and get the input of Staff as to how  
14 much they could assist us in coming forth with actual proposals that we would look to Staff to  
15 support us in? Is that correct?

16  
17 Chair Burt: Well, I would expect it to be a two-way street at a Retreat where we would be  
18 conveying to Staff what we think is possible for us to do, what we think our priorities along with  
19 the guidance we would have received from Council and to get the feedback from Staff on how  
20 they think that could be integrated in the work plan going forward. For instance on the first item  
21 on the Comprehensive Plan Status Review and Major Mile Stones we are kind of halfway  
22 through the implementation of the Comp Plan. In theory we are more than halfway through. In  
23 reality my sense is we are kind of halfway through and it is about time to take a hard look at it.  
24 Steve, I think if I am remembering correctly this might be something that has been discussed  
25 with you a little bit as an example that we should take a midpoint check on this.

26  
27 Mr. Emslie: There have been some discussions and there will most likely be discussions with  
28 Council on this topic Monday.

29  
30 Chair Burt: So that is even after we do our joint session we will write in whatever their next step  
31 is. Annette.

32  
33 Commissioner Bialson: What I am concerned with is that we come up with some idea of how  
34 much Staff resources are needed in any of these five and make sure that we have sufficient  
35 resources that are available to us before we bite off any of these. So I would ask for some sense  
36 that we can realistically anticipate meeting some of the visions that would be required here.

37  
38 Chair Burt: I fully assume that that would be part of the sequence. Karen.

39  
40 Vice-Chair Holman: Just one. We had talked about a Retreat mechanism but hearing it talked  
41 about here I am wondering if a better mechanism is a Retreat or a study session for us to address  
42 some of these issues depending on what comes out of the joint session with Council.

43  
44 Chair Burt: I was presuming that our first step would be a Retreat to talk about them as a group  
45 and then if we then establish certain priorities study sessions may very well be the initial vehicle  
46 on a given topic. I don't know whether that will make sense. Lee.

1  
2 Commissioner Lippert: I have a thought. Our Retreats have a tendency of being just evening  
3 meetings that are dedicated to a focused topic or series of topics. It might actually work out  
4 better if we were able to agendize and have the Retreat on say a weekend day the way Council  
5 has it, maybe a Saturday morning where we could actually have a discussion and invite the  
6 public to also participate so it actually winds up being a little more fluid and we get to hear  
7 concerns from the community as well.

8  
9 Chair Burt: Annette.

10  
11 Commissioner Bialson: I don't mean to get into the process at this point but I was just  
12 expressing a concern that we bite off something that we can realistically have a sense that we  
13 will be able to accomplish and that Staff will support us on. I don't want to go into any more  
14 detail than that.

15  
16 Chair Burt: I would just like to support Lee's concept. I think that is an interesting way to  
17 potentially get into a little more depth in our discussion and have it be more open to the public.  
18 Karen.

19  
20 Vice-Chair Holman: I would also support Commissioner Lippert's suggestion. Being sensitive  
21 to levels of Staff I would also suggest or ask us to consider how addressing some of these might  
22 actually save in the long run Staff time and energies because the reason to do a midpoint check  
23 and a midpoint review would be to see if we are actually going in the right direction or not so we  
24 are not going counterproductive in our efforts and actually being more efficient.

25  
26 Mr. Larkin: I would just want to caution the Commission that discussion on this topic should be  
27 general and not be working towards a consensus or discussing the pros and cons of the particular  
28 suggestions but just clarifying so that you are prepared for the joint study session.

29  
30 Chair Burt: Dan.

31  
32 Commissioner Garber: So much for the anticipation of this question. I am just curious. A big  
33 general sort of overarching sort of question here. The Mayor has identified a couple of priorities  
34 that the Mayor is looking to have the City focus on over this coming year. Are there specific  
35 things that the Planning Commission should be thinking about doing in support of those  
36 objectives?

37  
38 Chair Burt: Dan, do you mean the Council objectives as opposed to the Mayor's? The Council  
39 has narrowed down to three Council objectives and then there have been some other stated goals  
40 of the Mayor.

41  
42 Commissioner Garber: I guess I am responding to the three that I heard that the Mayor stated.  
43 Those may not be endorsed by the Council or refined by or whatever they are.

44  
45 Chair Burt: At their most recent Retreat they narrowed their five priorities to three.  
46

1 Mr. Emslie: They don't relate to the Commission authority. They are infrastructure, emergency  
2 preparedness and financial planning. So they really don't lie in your area. They did address the  
3 Planning Commission's area. Land Use Planning was not diminished it was just one of those  
4 recognized ongoing priorities. It is always a priority. It is not something that we can choose to  
5 focus on because we need to give it continual effort.  
6

7 Chair Burt: I would just say that within those three I would see that item number one  
8 Comprehensive Plan has aspects related to infrastructure. Item two on retail has financial  
9 impacts. The land use also has potential financial impacts. The housing has infrastructure and  
10 financial impacts. The hotels certainly have financial impacts. So they may not be the primary  
11 focus of those three objectives but they have I believe some relationship to those three  
12 objectives.  
13

14 Okay, I think that covers this item. We have gotten guidance.

15  
16 Commission representative to the last City Council meeting, any report?  
17

18 Commissioner Garber: Yes, I have a report. I represented the Commission to the Council last  
19 week thanks to the kind consideration of Commissioner Holman. Two items were considered.  
20 The first was the TruMark properties and that passed unanimously as the Staff and Commission  
21 had recommended. I will highlight just two comments out of that discussion. One was the  
22 express desire for a continued comprehensive review of that neighborhood and the second is the  
23 creation of a new neighborhood association in the Palo Verde area of which the new president is  
24 Smita Hioshi, if I am pronouncing your name correctly, on East Meadow.  
25

26 The second item that was considered was the auto dealership overlay. This received a very  
27 active discussion by the Council. The discussion included the observation that the Baylands  
28 Master Plan was a draft but not yet adopted. The second item was a meticulous overview of the  
29 differences between what the original Staff recommendation was and what the Planning and  
30 Transportation Commission's recommendations were. The Council voted to unanimously  
31 support not only the Commission's recommendations but also included in it the area that is east  
32 of 101 along Embarcadero Road as well in contrast to what the Commission had brought forward  
33 as a recommendation. That ends my report.  
34

35 Chair Burt: Dan, is it correct that the one parcel on west El Camino was deleted by Council from  
36 consideration for automotive?  
37

38 Commissioner Garber: Yes, actually that came forward as a result of the Staff and the Council  
39 accepted the Staff's recommendation at that time.  
40

41 Mr. Emslie: There is one point of clarification. The Baylands Master Plan that Commissioner  
42 Garber was referring to is the design guidelines that we have been working on. We have had to  
43 pull back because we have taken on some other assignments in the interim so that is why that  
44 document is draft. The Baylands Master Plan is in effect it is part of the City's Comprehensive  
45 Plan. It was reincorporated as a part of the City's most current Comprehensive Plan. So we also  
46 provided that document to the Council too.

1  
2 Commissioner Garber: Thank you, Steve.

3  
4 Chair Burt: Karen.

5  
6 Vice-Chair Holman: There was one other condition I believe that finally made the determination  
7 of whether Council was going to support the overlay on Embarcadero or not and I am having a  
8 difficult time remembering exactly what it is but it had to do with the pads in the front landscape  
9 area. There was a condition that was added. We all know that it happened but we can't  
10 remember what it was for sure.

11  
12 Mr. Emslie: How about if we look it up and email you that answer tomorrow?

13  
14 Vice-Chair Holman: Okay, but there was one other condition. I remember one of the Council  
15 Members commenting that had that condition been suggested by any of us or Staff when it came  
16 to the Commission that it might have been a different vote here.

17  
18 Commissioner Garber: We will have to look. I thought that was discussed or at least brought up  
19 by possibly Council Member Barton. I am not recalling.

20  
21 Chair Burt: So I would also just like to comment that Commissioner Garber this having been his  
22 first go around representing the Commission has come back and done a literal job of reporting  
23 back to the Commission on those actions in a real thorough way. I think it is very helpful for us  
24 and something that I think we should continue to do. All of us as we represent the Commission.  
25 We have had this problem of not really having good feedback on what the heck Council has done  
26 with a lot of our proposals and this is very helpful.

27  
28 Commissioner Garber: May I continue a different report?

29  
30 Chair Burt: Yes.

31  
32 Commissioner Garber: I also did not attend this month's Palo Alto Housing Corporation  
33 meeting because it was an executive meeting and the other participants were excluded. So I will  
34 give you a report next month on that.

35  
36 Chair Burt: That brings up just a cleanup item. In addition to reports from the Commission rep  
37 to the Council there are some of the other Committees that Commissioners are on, either they are  
38 Commission subcommittees or they are other community committees. I think if the Commission  
39 agrees it would be good for us to on a period basis go ahead and give those brief reports. Then  
40 the flip side of that is that we have listed here a number of working groups for the ZOU that have  
41 not been active. The City Attorney has clarified for us that it is really best for us to have these  
42 subcommittees be ad hoc for short periods of time, not longer than six months in duration. So  
43 what we discussed at our pre-meeting was to drop from active listing any that aren't active  
44 committees at this time and then we can reconstitute them when it is seen fit. I think Zariah is  
45 going to get together with Staff to address that, is that right?

1 Mr. Andy Coe, Interim Deputy Director: We are getting them from John Lusardi. On this last  
2 day he will give us that information and help us update those working groups.

3  
4 Chair Burt: Okay. I think that wraps everything up.

5  
6 Our next regular meeting is March 8, 2006.

7  
8 ***NEXT MEETING:*** Regular Meeting of March 8, 2006.

9  
10 Chair Burt: Let's just review the changes to our upcoming agenda. Zariah, could you go over  
11 those for us? We have had several changes.

12  
13 Commissioner Cassel: We have five meetings in a row.

14 Mr. Coe: Maybe six because your April 12 is a regular scheduled meeting as well.

15  
16 Chair Burt: Okay, so we have next Monday our joint meeting with Council at six o'clock. Then  
17 we deleted the meeting on the 15<sup>th</sup> and we do not have one on the 22<sup>nd</sup>. The one that was to be  
18 March 1<sup>st</sup> that was to include Alma Plaza the applicant asked for an additional week. That has  
19 been pushed out to the 8<sup>th</sup>. Consequently items that were previously scheduled for the 8<sup>th</sup> were  
20 moved to the special meeting on the 15<sup>th</sup>. We have another catch up meeting on the 22<sup>nd</sup>. So  
21 between now and March 8<sup>th</sup> we do not have any regularly scheduled Commission meetings and  
22 then we have a flurry.

23  
24 Commissioner Cassel: That is because we have a regular meeting on the 29<sup>th</sup> and a special  
25 meeting on April 5<sup>th</sup> and they will probably have something on April 12<sup>th</sup> when that gets here.

26  
27 Chair Burt: Okay. Lee.

28  
29 Commissioner Lippert: I have a question. With regard to PTOD it seems to be with John  
30 leaving it did go to ARB, correct? Why is it not back on our radar here? Oh, it is.

31  
32 Chair Burt: Okay. Then at this time I would like to call this meeting adjourned. Thank you very  
33 much.

34  
35 ***ADJOURNED: 9:30 PM***