

ACTION MINUTES

Special Meeting
September 19, 2011

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:04 P.M.

Present: Burt, Espinosa, Holman, Klein, Price, Scharff, Schmid, Shepherd, Yeh

Absent:

STUDY SESSION

1. Potential Topics of Discussion for the Joint Study Session Meeting with the Planning and Transportation Commission (PTC).

The agenda for the session included a presentation by the PTC members that covered: (1) the past 20 months in review, (2) Commission priorities, (3) efforts on the Comprehensive Plan and Housing Element, (4) a request for Council to describe its priorities for the PTC, and (5) Future study session topics. The Council Members concurred that the Comprehensive Plan and Housing Element efforts were a priority, and they were eager to work with the PTC to develop guidance for concessions related to the State Housing Density Bonus law. Council Members discussed a wide range of topics including: Staff providing Council with a list of priority projects, the status of parking lot issues, forming a vision regarding desired densities, population growth and its affect on housing units, streamlining rather than expanding the Comprehensive Plan, creating policies for projects in case of market forces driving development, the Rail Corridor, separating the Comprehensive Plan and Housing Elements, taking a subregional approach with the Housing Element, the importance of corridors versus city limits, expanding the Commissions responsibilities to handle other responsibilities, the climate adaptation study, alerting Council to conflicts in policy choices, maintaining quality of life (services, daycare, retail) while adapting to change, getting

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ahead of issues (e.g. Infrastructure issues - including mobile communication), the Housing Elements relationship to the US Census, holding a joint study session with the Commission focused on strategic thinking for housing options as related to infrastructure funding, and the need for more regular updates.

SPECIAL ORDERS OF THE DAY

2. Proclamation Honoring Audrey Rust, President of the Peninsula Open Space Trust, for Her Outstanding Service to the Community and Leadership in the Preservation of Open Space Lands.
3. Proclamation Recognizing Sea Otter Awareness Week.

CONSENT CALENDAR

MOTION: Vice Mayor Yeh moved, seconded by Council Member Shepherd to approve Agenda Item Nos. 4-10.

4. Approval of a Contract Amendment with AV Integrators, Inc., for Additional Work Required to Complete the Council Chambers Audio and Visual Equipment Upgrades.
5. Resolution 9200 entitled "Resolution of the Council of the City of Palo Alto Adopting the Affidavit of Loss and Indemnity Agreement with American Stock Transfer & Trust Company, LLC and Authorizing the City Manager to Sign the Affidavit and Agreement".
6. Resolution 9201 entitled "Resolution of the Council of the City of Palo Alto Summarily Vacating a 10-foot Portion of an Original 30-Foot Dedication for Street Purposes Easement at 945 Matadero Avenue."
7. Budget Amendment Ordinance 5128 in the Amount of \$52,108 and Approval of a Contract with Petrotek in an Amount Not to Exceed \$147,108 for Design and Construction of Replacement Fuel Pumps and Related Equipment at Foothills Park (CIP VR-92006).
8. Recommendation from the Policy & Services Committee on Proposed Changes to the City Council Procedures and Protocols.
- 9.. Request for Authorization to Enter into a Contract with the Law Firm of Liebert Cassidy & Whitmore in an Amount Not to Exceed \$185,000 for Legal Services Relating to IAFF, Local 1319 Interest Arbitration and

Approval of Budget Amendment Increasing the Budget of the Office of the City Attorney by \$185,000.

10. Request for Authorization to Increase the Existing Contract with the Law Firm of Stubbs & Leone by an Additional \$100,000 for a Total Not to Exceed Amount of \$185,000 for Litigation Defense.

MOTION PASSED: 9-0

AGENDA CHANGES, ADDITIONS, AND DELETIONS

MOTION: Council Member Holman moved, seconded by Council Member Shepherd to move Agenda Item No. 14 up and continue it to the October 3, 2011 City Council Meeting.

14. Public Hearing: Consideration of an Appeal of an Architectural Review Approval, a Tentative Map for Condominium Purposes, and a Record of Land Use Action, (1) Approving a Mitigated Negative Declaration, (2) Upholding the Director's Architectural Review Approval of a Three Story Development Consisting of 84 Residential Units within the Upper Floors, 50,467 s.f. Ground Floor Research and Development area, Subterranean and Surface Parking Facilities, and Offsite Improvements, with Two Concessions Requested Under State Condominium Purposes on a 2.5 Acre Parcel at 195 Page Mill Road and 2865 Park Boulevard.

MOTION PASSED: 9-0

ACTION ITEMS

11. Public Hearing: Pursuant to Proposition 218 - Resolution 9202 entitled "Resolution of the Council of the City of Palo Alto Amending Water Utility Rate Schedules W-1, W-3, W-4 and W-7 for a Water Rate Increase."

Public Hearing opened at 7:46 P.M.

Public Hearing closed at 7:57 P.M.

MOTION: Council Member Klein moved, seconded by Council Member Price to adopt a Resolution amending the Water Utility Rate Schedules W-1, W-3, W-4 and W-7 for a Water Rate Increase.

MOTION PASSED: 9-0

12. Public Hearing: Pursuant to Proposition 218 - Resolution 9203 entitled "Resolution of the Council of the City of Palo Alto Amending the Utility Rate Schedules R-1, R-2, and R-3 for a Refuse Rate Increase; Adoption of a Budget Amendment Ordinance 5129 for Fiscal Year 2012 to Adjust Projected Revenues and Expenses in Refuse Fund and Authorize Short Term Loan from General Fund to Refuse Fund."

Public Hearing opened at 8:27 P.M.

Public Hearing closed at 8:30 P.M.

MOTION: Council Member Shepherd moved, seconded by Vice Mayor Yeh to adopt a Resolution amending the Utility Rate Schedules R-1, R-2, and R-3 for a refuse rate increase, adopt a Budget Amendment Ordinance for Fiscal Year 2012 to adjust projected revenues and expenses in the Refuse Fund, and authorize a short term loan from the General Fund to the Refuse Fund.

MOTION PASSED: 9-0

13. Council Direction in Response to Sustainable Communities Strategy (SB375) Alternative Scenarios and Update of Regional Housing Needs Assessment (RHNA) Process *(continued from September 12, 2011)*.

MOTION: Council Member Scharff moved, seconded by Vice Mayor Yeh to approve Staff's recommendation for 1) a third party peer review, conducted by the State Legislatures or a group of regional cities, of the State and regional population and employment projections, 2) reach out to State Legislatures to pursue this issue at a State and Regional level to include the following steps: set up meetings with State Legislatures and interested cities to outline the need for independent analysis of the projections and economic matrix underlying the alternative land use scenarios and to inform them of other critical issues; coordinate with cities who share Palo Alto's concerns and identify sub-regional cities that might be interested in trading housing allocations; direct Staff to prepare summaries of key issues for presentation to State legislators, other cities, the regional agencies, and extend outreach to the community for better understanding of the implications of these scenarios; and frame mobile transportation greenhouse gas emissions,

AMENDMENT: Council Member Shepherd moved, seconded by Council Member Burt to continue drafting a response letter over the upcoming six weeks while simultaneously taking steps to form Standing Committee of Council Members and one School Board Member subject to the Brown Act regarding regional housing allocation issues centered around SB375.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND THE SECONDER for the new Committee to be made up of four Council Members appointed by the Mayor.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND THE SECONDER for the new subcommittee to begin after the end of 2011.

AMENDMENT PASSED: 6-3 Holman, Yeh, Price no

MOTION AS AMENDED PASSED: 9-0

COUNCIL MEMBER QUESTIONS, COMMENTS, AND ANNOUNCEMENTS

Vice Mayor Yeh thanked Senator Simitian for the successful work on a bill regarding the enforcement oversight of the Renewable Portfolio Standard Legislation he introduced under the California Resources Board

Council Member Klein spoke regarding the Bay Area Water Supply and Conservation Agency (BAWSCA) meeting. He stated the Water Supply improvement Project was in the full construction phase and about half complete. The Calaveras Dam component of the project started recently. The cost of the project was currently running at about \$20-25 million per week and remained under budget. The entire project was on schedule to be completed in-full in 2016. He reported that water usage in the region continued to decline. He stated that BAWSCA was operating at a profit with a budget of \$2.5 million and a surplus which exceeded guidelines. This would result in a refund to all of the member agencies. A refund check in the amount of \$9,228 would be sent to Palo Alto by the end of the 2011.

Council Member Shepherd reported she attended the Santa Clara Valley Transportation Agency (VTA) Policy Advisory Commission as an Alternate. She reported that rail usage had increased by 1.6%. The Caltrain system usage had increased to over 40 thousand riders per day. The Caltrain bus system usage was up 2.5%. There was now wi-fi access on all light-rail trains. The VTA Board recommendation for the transportation improvement programs in Santa Clara County had been approved. She reported from the City School Liaison Committee meeting stating that seven points regarding Cubberley had been discussed: 1) the Palo Alto Unified School District (PAUSD) and the City of Palo Alto should have an ability to work collaboratively, 2) PAUSD and the City Council would benefit from a better understanding of the history and context of the evolution of the current Cubberley conditions, 3) PAUSD needed a better understanding of applicable City policies particularly regarding zoning, 4) PAUSD needed to communicate

facilities expansion policies, 5) any future discussions regarding Cubberley needed to be transparent and open to the public, 6) the Cubberley process needed to include community advisors, and 7) interest based negotiations should be used. She reported on a letter sent to the City by President of the County Board of Supervisors Dave Cortese outlining A-G Academic Standards. The letter caused concerns by City School Liaison Committee about maintaining local control of the PAUSD academic requirements. She reported that a Colleague's Memo from Council Member Shepherd and Vice Mayor Yeh would be placed on the City School Liaison Committee Agenda for September 29, 2011.

Council Member Price said the Silicon Valley Leadership Group has completed extensive surveys regarding the issues raised around Transportation Management Programs such as shuttles, telecommuting, and bicycling. She said she participated in the Quakeville event held in the City recently which was a great success.

Mayor Espinosa reminded Council Members they had a Study Session with Supervisor Liz Kniss the following day. The Palo Alto Institute was launching the first Palo Alto International Film Festival on September 29 which would run through October 2, 2011. The second annual Bike Palo Alto event was scheduled for October 9, 2011. The event was expanding to include additional neighborhood associations. He encouraged Council Members and the public to attend. More information could be found at www.paloaltogreenteams.or/greenteams. He stated that the annual Thanksgiving morning Turkey Trot was scheduled and that InnVision requested help in the days previous to Thanksgiving to prepare for the event.

ADJOURNMENT: The meeting was adjourned at 10:23 P.M.