



CITY OF PALO ALTO CITY COUNCIL DRAFT MINUTES

Special Meeting
February 2, 2013

The City Council of the City of Palo Alto met on this date at the Palo Alto Art Center at 8:30 A.M.

Present: Berman, Burt, Holman, Klein, Kniss, Price, Scharff, Schmid, Shepherd

Absent:

Mayor Scharff announced the first part of the meeting would concern Priority setting. In the past, the Council had broader Priorities that were similar to goals. The Council wanted Priorities that required particular, unusual and significant attention and that were achievable within three years. Following that discussion, the Council would discuss guiding principles, core values and meeting management.

ORAL COMMUNICATIONS

Art Kramer felt parking in Downtown was the main issue. Two parking garages had more than 200 available parking spaces. He suggested the Council provide parking placards to merchants, so that merchants could issue them to their employees.

1. Discussion and Possible Adoption of Council Priorities for 2013.

Council Member Klein reported the Council adopted a new process for setting Priorities. In the fall of 2012, the Council issued a notice regarding the Priority setting process and requested suggestions from the public. That notice set forth the new definition of Priority. Each Council Member and Council Member-elect were asked to submit three proposals for Priorities for 2013. He, Council Member Schmid and the City Manager grouped the suggested Priorities into categories. Each Council Member would have the opportunity to discuss the categories.

Council Member Schmid noted everybody had a chance to provide input before the meeting. The first part of the meeting allowed public comment

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and Council Member comments regarding proposed Priorities. The second half of the meeting allowed Council Members to shift, change, adjust or move Priorities. The process would end with a vote to rank Priorities.

Council Member Klein explained that the process was changed, because many people felt Council Members were not properly prepared in the past. Finances would not qualify as a Priority, because it had to be considered every year. The Council requested Priorities are items it could accomplish in three years. Additional new rules were having no more than three Priorities for a year, and no Priority would remain on the list of Priorities for more than three years.

James Keene, City Manager noted much of the conversation was a matter of semantics. Priority and category might not be the correct terms. Over the past few years, the Council acknowledged the difficulty in differentiating a Priority from a guiding principle. The Council considered environmental sustainability a guiding principle or core value. The Council needed an in-depth retreat regarding guiding principles and core values, and suggested meeting by April 2013 for that discussion.

Mayor Scharff explained the Council would continue to address issues that were not Priorities. If an issue was not placed on the Priority list, the Council would address the issue as needed.

Council Member Kniss hoped the Council would determine core values before setting Priorities and taking action. It seemed as though a number of these issues fit together and could have been placed in a single category. She inquired whether the topics were separated because Council Members noted them separately or was the goal to list as many topics as possible.

Mayor Scharff indicated Council Members would have six minutes to state their preference for placing Priorities in categories.

Mr. Keene stated the Council would make those adjustments after the break.

Molly Stump, City Attorney reported that any time an item came before the City at the Staff level or to the Council for decision, Staff needed to determine if Council Members or key Staff would have economic interests that could be impacted by the decision. A number of Council Members and key Staff had economic interests of one type or another in or near Downtown, which was a potential Priority. Staff analyzed that situation under the applicable legal standards and determined that all Council Members and Staff could participate in the current discussion. There were some potential projects that were not intended to be the focus of discussion.

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For both Brown Act and conflict purposes, she encouraged the Council to avoid a detailed discussion of individual projects and focus on overall Priorities and direction. Staff would revisit conflict analysis as particular items come to the Council. At some point, one or more policy makers could have a disqualifying conflict. At that point, the legal procedure was for that person to recuse himself and take no part in the decision. Staff would address that issue if it arose in the future.

Jeff Hoel felt Staff's position with regard to fiber to the premises evolved from supporting to not supporting fiber to the premises. It was time for a new approach to allow for more public input.

Richard Brand believed planning was important. The Council should consider comprehensive planning, and the secondary and tertiary effects of development. Housing was a major issue for the Council. A comprehensive plan was critical to development of issues and preparing for Council meetings.

Andy Poggio supported fiber to the premises, because the City was taking a risk by not doing anything; it would attract start-up businesses and retain existing businesses; it could earn revenue similar to the other utilities; for-profit corporations should not dictate the City's actions; and additional bandwidth provided more capabilities such as three-dimensional printing.

Ray Bacchetti, Project Safety Net Steering Committee requested the Council continue an emphasis on youth well being. Progress had been significant, but there was more to do. The Project Safety Net vision needed more time to operate at the front of the City's consciousness. With the Council's emphasis, youth well being would take its place among the core values much sooner.

Jill O'Nan, Vice Chair of Human Relations Commission (HRC) stated the Human Services Resource Allocation Program (HSRAP) impacted many of the issues on the Council Priority list. Over the past ten years, Council funding had been maintained or cut. She encouraged the Council to increase HSRAP funding to keep the community healthy and vibrant.

Herb Borock recommended the Council set dark fiber business as a Priority. The dark fiber utility was different from the other utilities in that it was not subject to Proposition 218. The Council should consider the dark fiber business itself rather than implementation of it. Dark fiber business should be the head of the technology Priority with other technology items flowing from it.

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Council Member Burt stated the lists had a mixture of Priorities, core values, and actions. He suggested Infrastructure Strategy and Funding as a Priority, because Infrastructure alone was a subject. There was a need for a strategy and funding over the next three years. Technology was a subject; therefore, he suggested Technology Innovation as a Priority. Technology Innovation would improve efficiency in City government; reduce costs; improve City services; conserve resources; and allow fiber to the premises. His third Priority concerned the subject of Downtown. The Council discussed neighborhood parking issues, parking garages, traffic, a development cap, Downtown transportation demand management (TDM) programs, and the Intermodal Center at 27 University Avenue. Trying to make one of those a Priority was not appropriate. His core values for the City were sustainable City finances, emergency preparedness, environmental sustainability, youth well being, valued quality of life, and civic engagement.

Council Member Klein welcomed Council Member Burt's delineation of core values; and agreed that once core values were established, they would not be on the Agenda in the future. In response to Council Member Kniss' question, he, Council Member Schmid and the City Manager used their best judgment to determine the categories. One purpose of the meeting was to refine the descriptions. His first Priority was Downtown and Parking, because the community told the Council to focus on that. He heard the community talk about Infrastructure, and hoped to have a revenue measure on the ballot in 2014 in order to develop many of the needed projects. He would include Cubberley as part of Infrastructure. His third choice for a Priority was Science and Technology or Technology and the Connected City. Technology determined how the City would respond to the 21st century. The Council and community needed to work harder to think about maintaining the City's reputation as a vibrant technology center. Council Members would have the opportunity to refine the wording and definition of the categories.

Council Member Berman felt Infrastructure was an important Priority. Topics not analyzed by the Infrastructure Blue Ribbon Commission (IBRC) should be considered. The Council was moving toward a revenue-generating measure; therefore that met the new definition of Priority. Cubberley should be a part of the Infrastructure discussion. He was wary of narrowing the topic into only a revenue-generating measure in 2014, because that might not include other important Infrastructure aspects that the Council needed to consider. His second Priority was Land Use and Transportation with an emphasis on parking, but that would fit under Downtown and Parking. Parking, traffic, and planning of new development were aspects of the Downtown issues. Those issues impacted residents' quality of life and the Council needed to address them in a comprehensive manner. He removed

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his third Priority, City Finances, from consideration, because that was a core value rather than a Priority. He had a few ideas for a third Priority, but he wanted to hear the conversation before deciding. With respect to reducing the number of Priorities from five to three, he believed the Council should move to three Priorities in the following year.

Vice Mayor Shepherd felt Priorities were items in the Council's work plan for the next one to three years. She requested Downtown Districts be inserted under Downtown and Parking, but fiber to the premises remain where it was. She wanted to move her Priority of Making the Connection to Downtown Districts and Parking, because the public needed to make connections to public benefits from development projects. Recent developments had challenged the charm of Palo Alto. Connectedness should be part of Downtown Parking and public benefits. She wanted to ensure regulations made that connection. The exploration of undergrounding or submerging/trenching Caltrain should be added to Connections, because Caltrain assisted the east-west connection of Palo Alto. She was uncertain where the following topics should be placed. Funding HSRAP grants was critical. The Council needed to separate Staff's work on community events from work with HSRAP non-profit agencies and friends groups. Leadership Palo Alto needed to become sustainable; and she wanted the City to make that connection with them. Core values included civic engagement, education, environmental sustainability, youth and family, and innovative and research.

Mr. Keene inquired whether the transit and shuttle components should be removed from the Connecting category and moved to the Downtown issue.

Vice Mayor Shepherd responded yes. She also wanted Downtown and Parking changed to Downtown Districts and Parking.

Mr. Keene asked if architectural standards, connections to public benefits, undergrounding Caltrain, and HSRAP should be placed in the Connections category.

Vice Mayor Shepherd did not see a category that addressed them specifically. She requested trenching be added to Infrastructure but not with the Infrastructure Committee.

Council Member Klein noted Vice Mayor Shepherd had offered more than three Priorities.

Mayor Scharff indicated a discussion of the number of Priorities would be held later in the meeting.

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Mr. Keene stated other topics could be presented that would align with Vice Mayor Shepherd's comments and that would result in new Priorities or categories. He suggested the remainder of the Council speak before making a final determination.

Council Member Kniss felt Palo Alto was a special community in that residents had similar core values. The core values defined the residents of Palo Alto. While campaigning, she heard citizens state the major problems were traffic, condition of streets and sidewalks, bike safety, Downtown parking, Cubberley, fiber to the home, and the Council giving too much credence to developers. She wanted to know how Kansas City and Chattanooga dealt with fiber to the premises, because Palo Alto could learn from other cities. Her Priorities included Infrastructure; although, she was not sure how it was defined. She supported more attention to streets and sidewalks as part of Infrastructure. She was committed to technology and passionate about health. She wanted to see more topics dealing with overall health.

Council Member Schmid stated Priorities should make a difference within a year. Downtown was growing dense, and parking and traffic problems had increased. This year, the Council should seriously consider the issues of density through a development cap, parking study for the Downtown, and traffic density in the area. His first Priority was Downtown Parking. Part of the Downtown Priority would be sidewalks, streetscape, art, and mandatory retail on the ground floor for Downtown. His second Priority was working in partnership with private, faith-based organizations on the issues of homelessness, vehicle dwelling, below-market-rate housing, youth well being, and senior housing. Third, the Infrastructure issue had three important aspects: daily Infrastructure of streets, sidewalks, and buildings; an opportunity at Cubberley to create a viable future; and Technology including fiber to the premises.

Council Member Holman agreed with Council Member Burt that Infrastructure should be Infrastructure Strategy and Funding. In the category of Downtown and Parking, traffic had to be the key element. Livability and urban design could be grouped with Healthy Communities/Healthy Cities for a third Priority. She referenced the World Health Organization's Healthy Cities Program. She proposed that the Council set four Priorities, and her fourth Priority would be Technology

Council Member Price revised her list to remove Environmental Sustainability, because it was part of the core values. The Council would have a meaningful discussion of core values in the future, because core

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values should be the foundation for the discussion of Priorities and action items. She proposed the Council consider crafting a Mission or Vision Statement encompassing all adopted plans. She suggested Downtown Districts and Parking be changed to Downtown Districts: Urban Design and Transportation. Within that category were parking, the Cap Study and other parking strategies, a vision of the Downtown Districts, traffic and mobility. She concurred with comments by Council Member Schmid regarding Infrastructure, and would include the issue of civic facilities. Technology fit within Infrastructure. Technology was a means to achieve greater goals, utility, and vision for the City. The third item was the issue of youth well being. She favored the general concept of Healthy Communities, but viewed it as Community Health and Youth Well Being. Community Health and Well Being was the only topic that dealt directly with people. Work performed in this area had broader applicability to the health, mental health, and behavioral health of citizens.

Mayor Scharff supported Infrastructure as the first Priority. Infrastructure meant acting on the IBRC report, preparing for a possible revenue bond, and Cubberley. Infrastructure concerned creating a sustainable Infrastructure plan into the future. Before the Council asked the public for a bond measure, it had to demonstrate a commitment to a sustainable Infrastructure program. The Downtown area was very important as a second Priority, and he supported the inclusion of California Avenue. Walkable streets, livable neighborhoods, and increased enjoyment of commercial areas could be included in the Downtown Districts. The third Priority should be Technology, because technology could enhance the City's job performance and interaction with citizens. Focusing on technology for a few years would reap broad dividends. HSRAP was a worthy goal, but removing it from the budgetary process was a mistake. He expressed concern that having a fourth Priority would dilute the Council's focus, given the extent of issues under Infrastructure and Downtown Districts.

Mr. Keene noted Council Member Kniss had stated she had one Priority remaining. Staff was unclear about all of Vice Mayor Shepherd's Priorities.

Council took a break from 10:40 A.M. to 11:06 A.M.

Mr. Keene noted Council Member Holman identified four Priorities and Council Member Kniss identified two. Council Members took action that eliminated the other category, unless Council Member Kniss' third Priority fell there. The Council had two issues to discuss: inclusion of livability and urban design in the Downtown category, and the actual titles for the categories.

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Council Member Kniss asked Mr. Keene to indicate the top three Priorities at the current time.

Mayor Scharff indicated that all nine Council Members wanted Infrastructure and Downtown and Parking. There were issues around titles. Technology and the Connected City appeared to be the third Priority; however, the Council needed to discuss having three or four Priorities.

Mr. Keene reported nine Council Members supported Infrastructure, nine Council Members supported the Downtown category, six Council Members supported Technology and the Connected City, and three Council Members supported Healthy Communities/Healthy Cities. The only variation was Council Member Holman had four Priorities and Council Member Kniss had two Priorities.

Council Member Holman clarified that she suggested Livability and Urban Design could be collapsed under Healthy Communities/Healthy Cities, just as Mayor Scharff suggested it could be collapsed under Downtown.

Council Member Price felt the Council had not resolved the issue of whether Technology was a subset of Infrastructure or freestanding.

Mayor Scharff suggested the Council discuss Infrastructure as a whole.

MOTION: Council Member Kniss moved, seconded by Vice Mayor Shepherd to name Infrastructure as a Council Priority for 2013.

Council Member Kniss believed that nine Council Members speaking to the topic indicated it was a Priority. The Council had to define Infrastructure.

Vice Mayor Shepherd indicated the Council only needed to decide on a name for the Infrastructure category, and inquired whether the Motion should state a name.

Mayor Scharff believed the Council could name the category Infrastructure, acting on the IBRC report, preparing for a possible revenue measure, or have a sustainable Infrastructure plan.

Council Member Kniss suggested Infrastructure was the Priority, and Council Member Klein's comments were action items for Infrastructure. It seemed cleaner to leave the name as Infrastructure and to discuss action items at the appropriate time.

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Council Member Burt wanted to avoid a subject as a focused Priority for a one to three year period. Actions which were granular were different from a Priority describing actions to be taken in one to three years. Two alternatives were suggested, one of which was Infrastructure Strategy and Funding.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to name the Priority "Infrastructure Strategy and Funding."

Council Member Schmid recalled Council Member Price's comment regarding inclusion of Technology in Infrastructure. Most action items under Technology dealt with communications.

AMENDMENT: Council Member Schmid moved, seconded by Council Member Price to add Technology as a subcategory of Infrastructure Strategy and Funding.

Council Member Schmid stated the potential action items under Infrastructure included buildings, streets, sidewalks, and many of the utilities. A rich sense of Infrastructure would include streets, sidewalks, buildings, Cubberley, and fiber to the premises.

Council Member Price viewed Technology included facilities and the means to advance technology goals. Technology did not warrant a separate category. Technology was a logical and related item under the broad category of Infrastructure.

Council Member Klein did not support the Amendment. Infrastructure and Technology were two very different things. Staff listed proposed action items as potential item actions. The Council had not adopted those action items. Infrastructure was hard items; buildings rather than electrons. Infrastructure dealt with the here and now; Technology was moving into the future. This Amendment would create a category that was too large, and nothing would be accomplished. The Council would not be well served to combine the two.

Vice Mayor Shepherd agreed with Council Member Klein. Technology was a stand-alone category, given the focused interest defined as a Priority. Including Technology within Infrastructure would burden the category.

Council Member Burt recalled one of the Council's problems in previous years was attempting to assign an action to a single Priority. Fiber to the premise did have a hardware component, so it could be argued that fiber to

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the premise belonged under Infrastructure. It was important to consider the purpose of technology areas as opposed to the particular project that would implement it. There would be some overlap with physical parts, but Technology did not belong under Infrastructure. Keeping Infrastructure and Technology separate was more appropriate while acknowledging that some actions would fulfill both Infrastructure and Technology.

Council Member Kniss wanted to keep the Motion clean. She agreed with Council Member Klein's comments regarding hard versus soft components. Technology was difficult to define.

Council Member Berman disagreed with Council Member Price's comments. The category would be jumbled if Technology was combined with Infrastructure. Technology and Infrastructure should be separate.

Council Member Holman felt Technology fit under Infrastructure, because of terminology and the physical components of Technology. When the Council considered funding options, having these together would help the Council prioritize and gauge the community's willingness to support a bond measure.

Jeff Brown inquired whether Council Member Burt requested that the Priority category name be shifted from Infrastructure to Infrastructure Strategy and Funding.

Mayor Scharff answered yes, and his Amendment was accepted by the Maker.

Mr. Brown inquired whether the new name meant action items would be to develop a strategy and culminate in acceptance of a strategy or a funding source rather than completion of Infrastructure projects.

Mayor Scharff replied no. The category was broader than that.

Council Member Burt explained the category did not replace Infrastructure projects contained within the Capital Improvement Program. The Priority was a focus beyond the Infrastructure plan.

AMENDMENT: 3-6 Berman, Burt, Klein, Kniss, Scharff, Shepherd no.

Council Member Schmid stated the process was different, because Council Members were voting on each Priority as it was presented rather than determining a list of potential Priorities before voting on them. He preferred to discuss each potential Priority prior to deciding which Priorities he favored.

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AMENDMENT: Council Member Schmid moved, seconded by Council Member Price to postpone selecting Council Priorities on any single item until the full list of Council Priorities is agreed on.

Council Member Berman requested a clarification of the process for determining Priorities.

Mayor Scharff explained the Council would vote on Infrastructure as a Priority, and then voting on the other issues raised by the City Manager. Discussion and voting would move from Infrastructure to Downtown, and then to a third Priority. The Council would also vote on whether or not there should be four Priorities.

Council Member Berman reiterated that at some point the Council would vote on three or four Priorities.

Mayor Scharff agreed.

Council Member Price supported Council Member Schmid's comment.

Council Member Schmid noted the Council voted no regarding consolidation of Technology and Infrastructure. Some of the other categories might be consolidated. He wanted to know which categories were consolidated or redefined before making a final selection of Priorities.

Council Member Price felt Council Member Schmid's method was a rational and logical method for proceeding.

Council Member Klein suggested the Council vote on all of Priorities pending a final decision, and then have one vote at the end.

Mayor Scharff would accept the approach of using a parking lot for temporary approvals as used during Finance Budget Hearings.

AMENDMENT TO AMENDMENT: Council Member Klein moved, seconded by Council Member Price to make Motions regarding individual Priorities hold until a final Motion can be made adopting the list of 2013 City Council Priorities as a whole.

AMENDMENT AS AMENDED PASSED: 9-0

MOTION RESTATED: Council Member Kniss moved, seconded by Vice Mayor Shepherd to name "Infrastructure Strategy and Funding" as a Council

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Priority for 2013 and to make Motions regarding individual Priorities hold until a final Motion can be made adopting the list of 2013 City Council Priorities as a whole.

MOTION AS AMENDED PASSED: 9-0

Council Member Kniss clarified that Priorities would be placed in a parking lot, and then the Council would select the top Priorities at the end of discussion.

Mayor Scharff added at some point the Council would vote on the number of Priorities. Infrastructure was in the parking lot as a Priority, and the Council would have to vote to remove Infrastructure from the parking lot if the Council did not want it as a Priority.

MOTION: Council Member Burt moved, seconded by Council Member Schmid to establish as a Council Priority for 2013, subject to the final vote, "The Future of the Downtown Districts."

Council Member Burt indicated the Motion covered both the Downtown and California Avenue areas. The term Districts was broad enough to encompass the related issues of neighborhood parking, parking garages, traffic, Downtown Cap Study, TDM and transit, development of the 27 University Avenue Intermodal Center, and PCs (Planned Community), as well as the issues around California Avenue.

Council Member Schmid understood the discussion of Downtown centers to include sidewalks, ground floor retail, public spaces, art, and streetscape.

Mayor Scharff reported some of those items were included, and inquired whether that was part of Council Member Schmid's second.

Council Member Burt stated the Council should not attempt to delineate actions. The topics he mentioned were for reference only at this point in time. The topics were not incorporated into the Motion, but they were likely to be areas of consideration.

Mayor Scharff asked if that was his reason for omitting parking from the list of actions.

Council Member Burt reported that was his reason for not speaking to any particular action. The Council would address actions later.

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Mr. Keene suggested the Council reference the fact that actions would be discussed later.

Council Member Klein felt the name was wrong, because citizens did not talk about Downtown Districts. They talked about Downtown and California Avenue.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to change the language "Downtown Districts" to "Downtown and California Avenue."

Council Member Klein questioned whether to include California Avenue. In reality the Council would spend more time on Downtown than on California Avenue. He did not believe the Council would treat them equally.

AMENDMENT: Council Member Price moved, seconded by Council Member Holman to change "The Future of Downtown and California Avenue" to "Downtown and California Avenue Districts: Urban Design and Transportation."

Council Member Price stated that wording would clearly align action items. The Council was discussing current issues as well as planning for the future. The revised name provided a statement as to the kinds of issues that would fall within it as action items.

Council Member Schmid understood the original Motion contained the Future of Downtown Districts, but he did not hear that in the Amendment.

Council Member Price indicated he was correct. She did not consider current and future as part of the action items within the Priority.

Council Member Schmid clarified that the Motion omitted the term future.

Council Member Price agreed.

Council Member Holman supported the inclusion of California Avenue. Amending the Priority name was much clearer and provided the original points of Downtown and Parking. Transportation covered both parking and traffic.

Council Member Kniss would have included parking, and noted traffic and parking consistently came up during the campaign.

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AMENDMENT TO AMENDMENT: Council Member Kniss moved, seconded by Council Member Price to add "Parking."

Council Member Price said that transportation included traffic mobility and parking strategies.

Council Member Burt believed Priority names should not attempt to describe everything included in it. The problems were present, but the actions were about the future. The Priority concerned contending with today's problems while looking to the future. He would not support the Amendment. Parking was a key Priority.

Vice Mayor Shepherd felt the Future of Downtown Districts referred to the demise of Downtown, but that was not the intention. She asked Council Member Burt to repeat his wording.

Council Member Burt accepted into the primary Motion the title The Future of Downtown and California Avenue.

Vice Mayor Shepherd stated the other title addressed issues more specifically; however, she was concerned about the Urban Design component.

Mayor Scharff indicated The Future of Downtown was broad and forward thinking. The Urban Design and Transportation title omitted several issues. He would accept either title.

Council Member Kniss suggested the Council agree the Priority title was a problem, park the Priority, and request Staff provide a potential title for Council discussion. She wanted to work consensually rather than voting on everything.

Mayor Scharff preferred to vote, because it was hard to move forward consensually.

SUBSTITUTE MOTION: Council Member Kniss moved, seconded by Council Member Burt to make this a City Council 2013 Priority pending the final vote, and to have the City Manager work on the specific verbiage over lunch and have Council revisit when reconvened.

SUBSTITUTE MOTION PASSED: 6-3 Berman, Klein, Schmid no

Mr. Keene explained one purpose of a Priority was to express to the public the items that were important. A Priority was also meant to inform the use

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of resources during the course of the year. He suggested a simple Priority title with subheadings between the title and action steps.

Mayor Scharff announced a discussion of whether to have three or four Priorities.

Council Member Holman recommended the Council discuss the third and/or fourth Priorities before discussing whether to have three or four Priorities.

Mayor Scharff opened the discussion on Technology.

MOTION: Council Member Kniss moved, seconded by Council Member Klein that Technology and the Connected City be a City Council Priority for 2013.

Jonathan Reichental, Chief Information Officer supported the idea of a Connected City. This could bring more community into enriching Palo Alto's democracy if done in the right way. If the community's expertise was used to help build applications, then the cost of developing technology and delivering innovative technologies could be reduced. The Connected City Priority was well aligned with the brand of Palo Alto, which was moving forward with the best technology and what it could do for individuals and society.

Council Member Kniss noted Palo Alto was branded as a high tech city. This would be a good Priority to have for the next two to three years.

Council Member Klein stated the City had not considered technology in an organized and coherent way. Palo Alto's economy would be increasingly technological. This is playing to our strength. This was a method for Palo Alto to continue to grow without imposing the burdens of traffic and parking.

Council Member Berman agreed with Council Member Klein's comments, and supported this as a Priority. Connected City was a confluence of Palo Alto's present and future. The Council should take advantage of the opportunity and momentum to make the City better and to make services less expensive and more efficient.

Vice Mayor Shepherd felt networking connected the community and accessed opportunities to make life better. The connection between civic engagement and technology was a method for citizens to reconnect with the city. The Connected City should include people over the age 50 or 60. She suggested an alternative title of Networked City.

Council Member Kniss preferred Connected City.

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Council Member Burt agreed fully with the thrust of Connected City being a Priority. Technology was a subject. The Council meant information technology, but technology also included clean technology, medical technology, and transportation technology. Technology did not describe information technology. An alternative would be Innovation and Information Technology as the Priority.

Council Member Kniss requested time to consider his points.

Mayor Scharff indicated the discussion could return later.

Council Member Kniss stated Palo Alto Technology sent a clear message when discussing a Connected City.

Mayor Scharff understood Council Member Kniss did not accept the change in title.

Council Member Burt suggested the Council revisit the title when discussing Priorities in the parking lot.

Council Member Schmid agreed with comments made about the Connected City and its importance for the future. The Council had not discussed Healthy Communities, yet it was being asked to vote on the third Priority without knowing if there would be three or four Priorities. He found it difficult to vote on this Priority.

Council Member Holman continued to support having four Priorities. In the past, the Council considered weighted voting. She inquired whether the Council would have the opportunity for weighted voting.

Mayor Scharff answered no, unless the Council chose to have weighted voting.

Council Member Holman supported Technology as Priority, and inquired whether a vote for Technology would be a vote against Healthy Communities/Healthy Cities. She suggested the Council consider weighted voting and whether to have three or four Priorities after the break.

Mayor Scharff wanted to finish this Motion first. The City had not invested in technology, and technology would be important to the City in terms of productivity and moving the City forward.

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Council Member Price inquired whether the Motion would place the Priority of Technology and the Connected City in the parking lot.

Mr. Keene explained that Council Members were not bound by their vote at this stage. Council Members could vote differently when the parking lot was revisited.

MOTION PASSED: 9-0

Council Member Holman suggested the Council discuss the other potential Priority, because Staff needed time to work with it.

Mayor Scharff stated the Council would adjourn for lunch and continue the discussion afterward.

Council took a break from 12:16 P.M. to 12:45 P.M.

Mr. Keene announced the Art Center Director would lead a tour of the Art Center at the end of the Retreat.

Council Member Burt added a Teen Leadership Program was being held concurrently in the Art Center.

Mayor Scharff opened the discussion to the final Priority of Healthy Communities.

MOTION: Council Member Holman moved, seconded by Council Member Price that "Healthy Communities" be a City Council Priority for 2013.

Council Member Holman agreed with Council Member Price's comment that this was the only Priority dealing with people. She read from the Healthy Cities Initiative. This Priority provided the Council with a focus for the other Priorities and a means to measure the Council's actions. There were many things the Council could do to support a Healthy Community.

Council Member Price stated this Priority spoke to the human condition. The City generally did not provide direct services; however, it had the capacity to support non-profit and community-based organizations. The City needed to include a Priority that addressed living conditions and aspirations of the members of the community. Many items contained in the Packet were related to physical well being. The Council should be mindful of behavioral health issues. Healthy Communities served as a Priority and as a reminder of the additional work that was needed. The Council had a social

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responsibility to take political action and/or to provide resources to improve the community.

Council Member Burt believed a portion of the Healthy Communities was contained in the youth well being initiatives. Quality of life might be included in this Priority. These were important issues, but he was unsure whether he would support adding Healthy Communities to the Priorities. However, it was important to include it in the discussion.

Council Member Klein would not support the Motion. The Council should have three Priorities, and the three Priorities previously included in the list were more important. While he supported some of the individual programs, he did not believe they were Priorities. If Healthy Communities was considered a Priority, then it should be refined because the topics were the responsibility of other agencies.

Vice Mayor Shepherd considered Healthy Communities to be a core value rather than a Priority. The Finance Committee could determine how to restructure funding for HSRAP. She would not support Healthy Communities as a Priority.

Council Member Kniss questioned whether the Council wanted to vote on more than three Priorities as it had not agreed on the Priorities. She expressed concern that Healthy Communities would be lost if it was not a Priority. It was a core value and should be an inherent part of how the community operated. She would not support the Motion.

Mayor Scharff clarified that a Substitute Motion to limit the number of Priorities to three was in order.

Council Member Kniss did not wish to move that at the current time.

Council Member Schmid stated the reason for making Healthy Communities a Priority was a decline in City funding for social services. The City provided funding, property, and zoning for social services. This Priority dealt directly with people and supported the community. He supported Healthy Communities as a Priority.

Council Member Holman agreed in essence Healthy Communities was a core value. Healthy Communities was broader than a Priority in that it defined areas of action. In that way, it was a Priority.

MOTION FAILED: 4-5 Berman Holman, Price, Schmid yes

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Mayor Scharff reported the Council had three Priorities in the parking lot; therefore, a vote was in order.

MOTION: Council Member Kniss moved, seconded by Council Member Klein to have three Priorities versus four for 2013.

Council Member Klein inquired whether the Council would vote on having three Priorities and then vote on the Priorities in the parking lot.

Mayor Scharff answered yes.

Council Member Burt inquired about the Motion on the floor.

Mayor Scharff indicated the Motion was to have only three Priorities for 2013.

Council Member Burt asked if the Motion was to vote on the specific Priorities.

Mayor Scharff answered no.

MOTION PASSED: 6-3 Holman, Price, Schmid no

Mayor Scharff opened discussion regarding the Priorities in the parking lot.

Council Member Kniss requested the City Manager restate the Priorities.

Mr. Keene reported the Council would adopt Priorities and ultimately identify action items for each Priority. The concept was to have action items for topics rather than including topics in the Priority title in order to understand the range of the Priority.

MOTION: Council Member Schmid moved, seconded by Council Member Price to have weighted voting on the three Priorities.

Mayor Scharff inquired whether the Motion was to have Council Members vote by ranking their first, second, and third Priorities.

Council Member Schmid responded yes. A first place vote would award three points to the Priority, a second place vote would award two points, and a third place vote would award one point.

Council Member Price felt this process would help shape Staff's work plan and share the Council's thinking with the community.

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Council Member Klein would not support the Motion, because it created unnecessary division among the Priorities. The Priorities had relatively equal weight; although, some would require more work than others.

Mayor Scharff agreed with Council Member Klein. The Council did not need to indicate which Priority was more important.

Council Member Berman believed all the Priorities were important, and did not want a competition to occur among the Priorities.

MOTION FAILED: 2-7 Price, Schmid yes

MOTION: Council Member Klein moved, seconded by Vice Mayor Shepherd to approve the three Council Priorities "Infrastructure Strategy and Funding, the Future Downtown and California Avenue Districts: Urban Design, Transportation, Parking, and Livability, and Technology and a Connected City."

Council Member Klein reiterated the titles of the Priorities.

Council Member Holman inquired whether the intention of the Motion was to collapse Livability and Urban Design into the Downtown and California Avenue Districts.

Mr. Keene indicated that was the intent.

MOTION PASSED: 9-0

2. Discussion of Guiding Principles and Core Values.

James Keene, City Manager reported the Council indicated this would be a brief discussion, with an in-depth discussion to follow in March or April 2013.

Mayor Scharff felt the current discussion would best serve the Council by framing the discussion for the later Retreat.

MOTION: Vice Mayor Shepherd moved, seconded by Council Member Kniss to postpone this Item and have an "in-depth discussion of guiding principles and core values" at the second Retreat.

Vice Mayor Shepherd liked the process for setting Priorities. There was not sufficient time to have a substantive discussion of core values.

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Council Member Kniss felt a discussion of core values was important. She looked forward to an extensive discussion of core values at a later time.

Council Member Schmid indicated it was helpful for Council Members to suggest three Core Values prior to the Retreat.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER to have Council Members send three suggestions in writing to the Mayor.

Council Member Burt requested that a subcommittee synthesize suggestions for core values.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER to return to the Policy and Services Committee to develop a process.

Council Member Holman was unsure why only three suggestions for core values should be submitted.

Vice Mayor Shepherd had not limited the number of suggestions to three.

Mayor Scharff noted Council Member Schmid requested three suggestions.

Vice Mayor Shepherd did not wish to limit suggestions to three.

Council Member Schmid withdrew the limit of three suggestions. Policy and Services Committee could determine the process.

Jeff Hoel stated the Council was identifying chronic Priorities as core values. The Council should choose one term, either core values or guiding principles. The community's core values included education, transparency in government, innovation, controlling its destiny, taking prudent risks, and leadership.

MOTION PASSED: 9-0

3. Discussion and Potential Action Regarding Meeting Length and Other Meeting Management Matters.

Council Member Klein reported Council Members had attempted to shorten and increase efficiency of meetings. There was some success through having shorter and more direct Staff presentations. The Council had little control over the amount of time consumed by public speakers. Limiting

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Council Member comments earlier in the Retreat demonstrated that Council Members could limit their remarks. Many government agencies limited the length of time their elected officials could speak. The Mayor properly enforced the rule of ending meetings at 11:00 P.M. absent unusual situations. Beginning meetings earlier was not a solution. The goal of the memorandum was to open discussion with no expectation of Council action.

Council Member Kniss inquired whether the three-minute time limit for certain situations could be changed.

Donna Grider, City Clerk reported the time limit was located in the Council Procedures and Protocols. The time limit for Oral Communications was three minutes up to 30 minutes.

James Keene, City Manager inquired whether Council Member Kniss was inquired about the time limit for the Council or the public.

Council Member Kniss answered for the public. She inquired whether the Mayor could alter the time limit for public speakers on an Agenda Item.

Molly Stump, City Attorney stated the Chair had wide discretion to control the Council's portion. The public needed to be provided an opportunity to speak, and the method to limit that was to reduce the amount of time to 2 minutes or even 1 minute.

Council Member Kniss disagreed with Council Member Klein's comment regarding beginning meetings earlier. She assumed Staff would rather work through the dinner hour and end earlier. The Council's attention began to wander after 11:00 P.M. Most of the public was finished with Council meetings by 11:00 P.M. If an Agenda Item had been discussed in Committee, then it should not need an extensive discussion at the Council.

Vice Mayor Shepherd indicated the problems she observed were informing the public about information contained in the Staff Report; Council Members wandering outside of questions during the questioning period; questions and comments not pertaining to the Agenda Item; and revising Motion language when the revision would not alter Staff's work product.

Council Member Price suggested Council Members focus on making thoughtful and brief comments related to the core issue. People's work schedules determined when meetings could begin. She did not enjoy PowerPoint presentations, and suggested Staff highlight key concepts rather than reading each slide. The Council should consider time limits for Council Members in order to work more efficiently.

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Council Member Schmid noted the number of meetings exceeding six and seven hours in 2012 far exceeded the length of meetings in 2008. Seven hour meetings were not productive for the City or citizens. Limiting the question period was the most appropriate area for change. Submitting questions and receiving responses in advance of Council meetings would save time. Because the Council had the Staff Report and the public had access to it, Staff presentations could be limited to a certain amount of time. A voluntary time limit on Council Members expressing their positions on and interpretation of issues would be helpful. The Council should not focus time limits on the Council's decision period. Limiting public participation and comments was the last place for change.

Council Member Burt encouraged Colleagues to study the Council Procedures and Protocols, which answered some of the comments made today. The Procedures and Protocols could be changed within the year. Agenda Items with a unanimous Committee vote moved to the Council's Consent Calendar without discussion. Council Members did use the question period for commentary. It would be good to supplement the question period with written questions and responses that could be made available to the public. Having nine Council Members added to the difficulty of focusing meetings. He suggested the Council begin to discuss the number of Council Members. One problem with reducing the number of Council Members was representation on Committees. The use of Council liaisons would liberate more Council time for obligatory responsibilities.

Council Member Holman stated Agenda management was a critical component of meeting length. Typically, the Council received good Staff Reports; however, sometimes the Staff Reports generated questions instead of answering them. Staff presentations should provide enough information so that the public understood Council actions. Placing time limits on Council Members was problematic, because Council Members with expertise would have more to add to the dialog. The most important component and critical aspect of meetings was Council actions.

Council Member Berman would not favor reducing public comment, because local government must be available and responsive to its residents. It would be interesting to have a conversation regarding the number of Council Members. It was the Council Members' responsibility not to comment on each issue.

Council Member Klein expressed concern about the length of meetings, because people's attention and efficiency decreased with six and seven hour meetings. Of the meetings called before 6:00 P.M. in 2012, 16 extended

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beyond 11:30 P.M. Council Members did not have to speak on each issue. They could simply state they agreed with a previous Council Member's comments. The Council should have a Motion on the floor before discussion opened. Perhaps the Mayor or Council Members could call a point of order. He suggested the Mayor have the authority to note when Council Members spoke too long. Council Members needed to move the previous question more often in order to end debate. He was concerned about the length of meetings and deciding issues when the public could be present. Significant issues should be decided in the 7:30 P.M. to 10:00 P.M. timeframe. Having Motions on the screen and Council Members correcting language of the Motions was slowing down the meetings.

Council Member Price disagreed with Council Member Klein regarding having Motions on the screen. Council Members were following the language better; however, the process could be refined.

Mayor Scharff indicated the question period should be limited to questions rather than opinions. For issues of strong community concerns, he usually held the question period first, followed by public comment, and then Motions. Most Council Members could speak in less than five minutes. As Mayor, he wanted the ability to suggest Council Members end their comments. The Chair had to balance the situation with efficiency. He felt three Council Members should be required to remove an Item from the Consent Calendar. The Council Policy and Procedures indicated that allowing a Council Member to speak a second time meant the remaining Council Members could also speak a second time. He would like to have discretion to allow a short question without worrying about the remaining Council Members speaking.

Council Member Kniss inquired about the Council's method for placing Agenda Items on the Consent Calendar.

Mayor Scharff reported if the Committee had four votes supporting the Agenda Item, then it was placed on the Consent Calendar. He would not follow that process in unusual circumstances. More Agenda Items could be placed on the Consent Calendar if only three Committee votes were required.

4. Wrap-Up and Next Steps

James Keene, City Manager reported Staff would schedule a follow-up Retreat with the Council. The Council's direction was to have a focused discussion on action items for the Priorities and a discussion of core values. Staff would refine Council comments in order to prepare for the action items.

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Staff would consider developing a publication for the public to provide more body and texture to the Priorities.

ADJOURNMENT: The meeting was adjourned at 2:10 P.M.