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MINUTES

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:05 P.M.

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

Absent:

CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATOR

City Designated Representatives: City Manager and his designees pursuant to Merit System Rules and Regulations (James Keene, Pamela Antil, Lalo Perez, Melissa Tronquet, Joe Saccio, Molly Stump, Walter Rossmann, Nancy Nagel, Dennis Burns, Mark Gregerson, Kathryn Shen, Dania Torres Wong)

Employee Organization: Palo Alto Police Officers Association (PAPOA)

Authority: Government Code Section 54957.6(a)

2. CONFERENCE WITH LABOR NEGOTIATORS

City Designated Representatives: City Manager and his designees pursuant to Merit System Rules and (James Keene, Pamela Antil, Lalo Perez, Joe Saccio, Kathryn Shen, Dania Torres Wong, Eric Nickel, Geo Blackshire, Catherine Capriles, Amber Cameron, Melissa Tronquet, Mark Gregerson, Nancy Nagel, Molly Stump, Walter Rossmann)

Employee Organization: International Association of Fire Fighters (IAFF), Local 1319

Authority: Government Code Section 54957.6(a)

The City Council reconvened from the Closed Sessions at 7:05 P.M. and Mayor Shepherd announced there was no reportable action.

STUDY SESSION

3. Update of the Climate Protection Plan.

Mayor Shepherd introduced Gil Friend, Chief Sustainability Officer as being well-known and a pioneer in the sustainability field. Staff would provide next steps for the Council as part of the Staff Report. The Council should ask questions and remain open to the possibility of scheduling a follow-up session.

MINUTES

Gil Friend, Sustainability Manager, reported the City made impressive progress, but faced daunting challenges in the years ahead. With boldness and pragmatism, the City could provide a benefit to the community and make an important contribution to the region. Recent plans and policies spanned everything from procurement to integrated pest management to the Climate Plan. Carbon neutral electricity was achieved which was rare among cities around the country. Sustainability was important to improve the quality of life, to build prosperity, and to enhance resiliency for current and future generations. The City's plan for reducing carbon emissions was ahead of schedule in that emissions were reduced by 29 percent from 2005 figures. Aggressive efficiency programs, resource conservation programs, use of landfill gas, and decreases in transportation contributed to the reduction of carbon emissions. Energy efficiency improved with both electricity and natural gas. There were great gains in residential resource efficiency. Emissions from City operations decreased approximately 53 percent, which was well ahead of targets. Natural gas use declined; electricity use declined 0.5 percent; it was not clear if water use was declining. Efficiency improved; however, overall resource demands remained high and would be a challenge in coming years. The challenges for sustainability were in transportation and natural gas. Staff projected continued reductions in emissions, but those amounts were not sufficient to meet the goal for 2050. Staff proposed setting clear and bold goals and viewing sustainability as an innovation driver to improve the City's quality of life and financial position. Staff suggested the use of integrative planning and normative planning along with the City's Open Data and Open Government processes to share and obtain information regarding best practices and funding opportunities. The many pieces of sustainability could be grouped into three domains: resources, infrastructure, and behavior. Electric vehicles were certainly in the City's future, perhaps even a car-free City that provided access and mobility without sacrifice. Sustainability principles and policies should be embedded in everything from procurement systems to financial management systems. Staff believed many small pilot programs could be implemented to change behavior. The process was to focus first on renewing the Climate Action Plan, to broaden it into a sustainability roadmap, to review the impact of spending, and then to institute experimental sessions with multiple stakeholders to grapple with questions about reducing transportation impacts. The provisional plan was to develop a Request for Proposal (RFP) for a consultant for the Climate Action Plan in the current quarter and to engage a consultant in the latter half of the year. In the first half of the following year, Staff would develop the draft Climate Action Plan and present it to the Council late in the second quarter.

MINUTES

Staff proposed periodic retreats with the Sustainability Board and additional Study Sessions with the Council as milestones and ideas developed. Key questions to remember were: how good was good enough; what would it take specifically in terms of policy, technology, investment, innovation, and behavior to actually reach goals; was the City going to choose a future from those being offered or create its own future; and would the City improve on past performance or make history.

Stephen Rosenblum encouraged the use of battery storage on all scales particularly in individual houses so that people could use photovoltaic arrays to generate as much power as possible. Stored power could be utilized when the grid went down or to charge electric vehicles at night.

Sven Thesen agreed the City needed boldness and pragmatism. The next steps were to make electricity 100 percent renewable; institute tiered rates for natural gas as soon as possible; and provide rebates for heat pumps.

Bruce Hodge, Carbon Free Palo Alto, stated mitigation and adaptation were crucial and necessary. The City should replace its existing energy infrastructure with an electricity-based infrastructure with energy from renewable sources such as solar and wind. The City should plan for increased drought conditions, a less reliable water supply, and increased storm surges and flooding. He called on the entire community to engage directly with the climate issue.

Walt Hays expressed gratitude for the Council's support of sustainability and pledged his personal commitment to support City initiatives.

Wynn Grcich spoke regarding geoengineering of weather as a weapon of war. Chemical sprays caused Alzheimer's and made the ground acidic.

Sandra Slater stated the Intergovernmental Panel on Climate Change (IPCC) report was devastating. Palo Alto had to show people that culture could change and had to create an environment of change.

Arthur Keller believed much of the sustainability work would happen in parallel with the Our Palo Alto process. Work on the Climate Action Plan could be assisted by understanding the interaction among sustainability efforts, the Our Palo Alto process, and City Boards and Commissions.

Council Member Klein felt a sense of urgency regarding the Climate Action Plan and hoped Staff would provide suggestions for programs in 60 to 120 days rather than waiting to present the Climate Action Plan. He inquired whether the built environment consumed 25 percent of energy.

MINUTES

Mr. Friend reported estimates ranged from 25 to 50 percent depending on the source.

Council Member Klein suggested Staff and the Council should consider methods to improve the built environment to achieve energy savings.

Mr. Friend added that the impact of the built environment on transportation and the need to move were linked.

Council Member Klein stated the community had to accept that there would be significant impacts. Staff should consider how people adapted to changes, particularly sea level rise.

Mr. Friend commented that adaptation was not just a matter of the Bay. Sea level rise affected water supplies and power supplies. The City was exposed in a variety of ways to changes, and Staff needed to plan for those. Staff would not wait for the Climate Action Plan to begin experimenting and presenting logical programs. His concerns were making measurable gains and measurable learning quickly. The key to sustainability work would be engaging the community.

Council Member Holman believed the City should measure the diversion of building materials from recycling. Even though salvage was a part of the Construction and Demolition (C&D) Ordinance, it was not promoted or required. The community was using energy to recycle materials that could be reused, causing the manufacture of more materials and the transportation impact of new materials. The Council should revise the C&D Ordinance to consider the impact on the environment. There was a large market for salvaged materials. With respect to transportation and traffic, the community looked to the Council to reduce the impact of new development and to manage transportation. The Council should consider a greater reduction of single-vehicle occupancy and zoning for parking, transportation and traffic.

Council Member Schmid remarked that the selection of housing sites was one of the most important decisions the Council would make over the next five years and would have a tremendous impact on transportation. He inquired whether Mr. Friend could provide guidance regarding the effect on greenhouse gas (GHG) emissions of moving 250 new housing units from south El Camino Real to Downtown or California Avenue.

MINUTES

James Keene, City Manager, noted the Council had a process to discuss that component. The Housing Element fit into the larger question of development in general. The larger questions would be discussed within the Housing Element, Our Palo Alto, and the Comprehensive Plan.

Mr. Friend stated the question was where to place housing. Another question was where to place amenities and transportation services in the future. Staff needed to review both of those issues systematically.

Vice Mayor Kniss felt the community wanted to depend more on transit that was not car related. The community had an issue of resisting density, which would be one of the Council's most difficult decisions. A number of long-term issues were in contention with each other. Salvage of building materials was a real opportunity.

Mr. Friend was unsure whether business opportunities for salvage existed in Palo Alto. He understood people's reluctance to make enormous investments in their homes; however, those investments could yield higher returns than not making investments. Staff's role was to provide education and services to make changes attractive to people. A conversation among people who disagreed often resulted in some common ground. Staff could utilize that common ground to design policies and programs. Reaching common ground was possible if Staff engaged the community in the right way.

Council Member Price was intensely interested in networks of sharing and learning information. Smart growth, the Housing Element, and height limits were the kinds of issues that the community was debating; however, the Council did not have sufficient time to study the issues in depth. The City should work on issues in pieces and be strategic in building a future for Palo Alto. If the City was too tightly focused on sustainability, then it might not achieve meaningful results.

Council Member Scharff inquired whether Staff issued an RFP on February 14, 2014.

Mr. Friend reported an RFP would be issued in the second quarter, sometime in the next 2 1/2 months.

Council Member Scharff asked if Staff was currently drafting the RFP.

Mr. Friend answered yes.

MINUTES

Council Member Scharff requested Staff update the Council on a regular basis throughout the RFP process. He inquired whether Mr. Friend was advocating goals similar to San Francisco's goals.

Mr. Friend did not have an official recommendation. Renewable energy, no waste, and no persistent toxic accumulations were good guidelines for starters. Turning those guidelines into policies and a timeline was a separate conversation.

Council Member Scharff expressed concern that the use of the phrase "100 percent renewable" would lead the community to believe 100 percent renewable energy was possible. 100 percent renewable energy was not possible in Palo Alto, unless the City eliminated the use of hydroelectric power which was not a renewable energy source. Eliminating hydroelectric power would be mistake. Palo Alto's goal should be 55 percent renewable energy, and the City was close to that goal.

Mr. Keene asked if Council Member Scharff was referring to electricity generation.

Council Member Scharff responded yes. There was no renewable equivalent or reasonable fuel switching for natural gas. Staff should be more precise so that they did not create unrealistic impressions.

Mr. Friend was not proposing that as a goal at the current time, but it was worth review. If the City was close to its goal, then he inquired whether that goal was good enough or could the City do even better. The answers to fuel switching were not conclusive. Rather than prematurely judging those questions, he preferred to review them to determine if he could push the boundaries.

Council Member Scharff had serious concerns about landfill gas as a good renewable energy source. If the City reached its goal of 55 percent renewable energy, then he was unsure whether the goal could be higher. Perhaps the City should move away from use of landfill gas. He did want to see the Climate Action Plan earlier than in one year, because the Council would need to discuss difficult policy issues.

Council Member Berman agreed that GHG emissions needed to be reduced. He was impressed by the \$500,000 annual savings resulting from reducing GHG emissions in City operations by 53 percent. He asked if there was a reason for 2012 GHG emissions for solid waste facilities and wastewater facilities being much lower than in 2013.

MINUTES

Shiva Swaminathan, Senior Resource Planner explained that regulations required the City to compute future emissions at 33 percent of the amount captured. The more emissions captured, the higher assumed future emissions would be.

Mr. Keene expected greenhouse gas emissions to fluctuate as Staff refined methodologies.

Council Member Berman believed the City's successes would result in reaching the State's goal of reducing GHG emissions by 2030.

Mr. Friend reported Staff would set a goal and then determine the actions necessary to reach that goal. At that point, Staff would return to the Council to turn the concept into an engineering and policy plan with budgets. As quickly as possible, he wanted to move from a conceptual discussion to multiple scenarios for Council discussion.

Council Member Burt noted the slides contained a great deal of valuable information not covered in the presentation, and inquired whether Council Members would receive a streamlined version of the presentation.

Mr. Keene advised that the full presentation would be placed on the City's website.

Council Member Burt noted the previous year the Council was provided with baselines against 2005 and 1990; however, the presentation did not contain baselines against 1990.

Mr. Friend reported Slide Number 10 was a comparison to the 2005 baseline and Slide Number 11 was a comparison to the 1990 baseline. The State imputed an emissions number for 1990 for communities that did not have actual data. The State's figure was different from the actual data for Palo Alto. Caution should be used when referencing comparisons to other communities.

Council Member Burt inquired whether the 1990 base was calculated or imputed.

Mr. Friend explained that it was measured and imputed. The utility component was measured because Palo Alto had its own utilities. The transportation numbers were partly imputed because no one knew how to measure exactly transportation impacts. A number of other measures were relatively small compared to those.

MINUTES

Council Member Burt asked if other cities, such as San Francisco, were comparing 1990 or 2005 baselines.

Mr. Friend indicated most cities estimated against the 1990 baseline. Cities without data assumed the 1990 baseline was 15 percent below the 2005 baseline. In Palo Alto's case, the 1990 baseline was considerably higher than the 2005 baseline.

Council Member Burt envisioned a high percentage of automobiles being some form of clean vehicles by 2040 or 2050. He was interested in the reductions provided by transportation independent of land use decisions, because of the City's carbon neutral electricity supply and the increase of bicyclists and pedestrians. Regarding the built environment, the City allowed new construction projects to utilize natural gas; however, some projects had moved to all electric. He inquired about revisions to the Building Code that would foster a fuel switching environment.

Mr. Friend reported Staff was working on a new Green Building Ordinance. Staff was setting goals approximately 15 percent higher than State goals in terms of energy performance. He understood Council Member Burt was suggesting Staff consider eliminating natural gas from construction projects.

Council Member Burt noted other cost considerations of appliances and use of energy.

Mr. Friend added that one precedent was the requirement of electric charging infrastructure in new construction.

Council Member Burt was disinterested in the State goals in that he did not want to compare Palo Alto to State goals. He wanted Staff to determine what Palo Alto could do efficiently. The City did not have commercial building grading systems that would drive behavior. Social pressure in the corporate environment and the workforce would drive change if information was shared. Potential home buyers received disclosure regarding termites and insulation, but not energy efficiency. Such a disclosure could have a big impact.

Mr. Friend advised Staff discussed those measures and others in an attempt to create a portfolio of strategies to address different points in the building scheme.

Council Member Burt asked when Staff would present strategies to the Council.

MINUTES

Mr. Friend would provide that information to the Council.

Mr. Keene remarked that Staff was obtaining a sense of the Council's attitude regarding challenges and of the areas on which the Council wanted Staff to concentrate. In relatively short order, Staff could return to the Council with proposals for action. Any programs initiated in the next year would not meet the ultimate goal.

Council Member Burt did not want a year to pass before Staff presented proposals to the Council as a number of Council Members had been asking for initiatives for a number of years. He inquired whether the reference to a car-free city meant a vision of a city with no cars or a vision of a city where people did not need cars.

Mr. Friend responded the latter, people did not need cars. He preferred doing things in a way that made them better, more attractive, more convenient, more economical, more fun, and more satisfying.

Council Member Burt believed there was the potential for the press and residents to misinterpret things if they were not stated with adequate clarity. Cost savings would be important for broad community support.

Mayor Shepherd was interested in having products come into Palo Alto that were not heavily manufactured and not recyclable. She did not mind if Staff considered and imported actions taken in other cities. She wanted to see a comparison of savings with other communities. There were many opportunities for sustainability in Palo Alto.

SPECIAL ORDERS OF THE DAY

4. Resolution 9401 entitled "Resolution of the Council of the City of the City of Palo Alto Expressing Appreciation to Eduardo Martinez for His Service as Planning and Transportation Commissioner."

Council Member Schmid read the Resolution into the record.

Fred Balin indicated Mr. Martinez had intelligence, an architectural background, a low-key and witty manner, ethics, and drive. Mr. Martinez made presentations supported by reason and information. Mr. Martinez made a significant contribution to the City of Palo Alto.

Arthur Keller, Planning and Transportation Commissioner, thanked Mr. Martinez for serving on the Planning and Transportation Commission.

MINUTES

Council Member Holman thanked Mr. Martinez for serving on the Planning and Transportation Commission. Mr. Martinez was intelligent, gracious, thoughtful, and forthright.

Eduardo Martinez thanked the Council for the honor. The City needed to reinvent the Architectural Review Board (ARB) in that Board Members did not criticize other architects or made only marginal comments. He recommended every project begin with a site plan and a program from the applicant and a discussion with the ARB about neighborhood character. If the community could suspend its beliefs and consider developments without preconceptions, then it would come closer to coming together as a community.

MOTION: Council Member Schmid moved, seconded by Council Member Klein to adopt the Resolution expressing appreciation to Eduardo Martinez for his service on the Planning and Transportation Commission.

MOTION PASSED: 9-0

5. Selection of Candidates to Interview for Two Unexpired Terms (Martinez -- October 31, 2017, and Panelli -- October 31, 2016) on the Planning and Transportation Commission.

MOTION: Vice Mayor Kniss moved, seconded by Council Member Berman to interview all candidates for the Planning and Transportation Commission.

MOTION PASSED: 9-0

6. Appointment of Candidates to the Human Relations Commission, Library Advisory Commission, and Public Art Commission.

First Round of voting for two positions on the Human Relations Commission with terms ending April 30, 2017:

Voting For Mehdi Alhassani: Berman, Burt, Holman, Klein, Kniss, Price, Scharff, Schmid, Shepherd

Voting For Matthew Mori:

Voting For Daryl Savage: Berman, Burt, Holman, Klein, Kniss, Price, Scharff, Schmid, Shepherd

MINUTES

Donna Grider, City Clerk, announced that Mehdi Alhassani with 9 votes and Daryl Savage with 9 votes were appointed to the Human Relations Commission for three years with terms ending April 30, 2017.

First Round of voting for three positions on the Library Advisory Commission with terms ending April 30, 2017:

Voting For Alan J. Bennett: Klein, Kniss, Price, Schmid

Voting For Doug Hagan: Berman, Burt, Holman, Klein, Kniss, Price, Scharff, Shepherd

Voting For June Loy: Berman, Price, Scharff, Schmid, Shepherd

Voting For Don McDougall: Berman, Burt, Holman, Klein, Kniss, Scharff, Schmid

Voting For Jack Sweeney: Burt

Donna Grider, City Clerk announced that Doug Hagan with 8 votes, Don McDougall with 7 votes, and June Loy with 5 votes were all appointed to the Library Advisory Commission for three years with terms ending April 30, 2017.

First Round of voting for four positions on the Public Art Commission with terms ending April 30, 2017:

Voting For Christine M. Kelly: Burt, Holman, Price, Scharff

Voting For Jim Migdal: Berman, Schmid

Voting For Jeanine Murphy: Klein, Kniss, Shepherd

Voting For Amanda B. Ross: Berman, Burt, Holman, Klein, Kniss, Price, Scharff, Schmid, Shepherd

Voting For Dara O. Silverstein: Berman, Burt, Holman, Klein, Kniss, Price, Scharff, Schmid, Shepherd

Voting For Nia Taylor: Berman, Burt, Holman, Klein, Kniss, Price, Scharff, Schmid, Shepherd

MINUTES

Donna Grider, City Clerk, announced that Amanda Beard Ross with 9 votes, Dara Olmstead Silverstein with 9 votes, and Nia Taylor with 8 votes were all appointed to the Public Art Commission for three years with terms ending April 30, 2017.

Mayor Shepherd noted candidates Christine Kelly and Jim Migdal were not available for interviews with the Council.

MOTION: Council Member Scharff moved, seconded by Mayor Shepherd to interview Jim Migdal and Jeanine Murphy on May 13, 2014.

Ms. Grider suggested interviews be scheduled for May 7, 2014.

MOTION PASSED: 9-0

AGENDA CHANGES, ADDITIONS AND DELETIONS

Mayor Shepherd announced that the City Manager removed Agenda Item Number 7 from the Consent Calendar.

James Keene, City Manager, advised the item would be continued to April 29, 2014.

CITY MANAGER COMMENTS

James Keene, City Manager, reported Palo Alto Police Department Mobile, a mobile app, was launched by the Palo Alto Police Department to provide citizens with immediate access to the latest news, crime maps, and urgent alerts. The International Association of Chiefs of Police selected Lieutenant Zach Peron to be a visiting fellow at its Center for Social Media. The Ideas component of Our Palo Alto would begin with events scheduled for April 23, April 28, April 30 and Bike-Alongs. Federal Government representatives assessed the City's management of organizations funded through Community Development Block Grants (CDBG) and confirmed that funds supported eligible activities and low- and moderate-income individuals and families. The Mayor officiated an awards ceremony for recipients of the City's Pilot Microenterprise Assistance Program. The Great Race for Saving Water event was held the previous Saturday and more than 350 people attended. The City cosponsored the PV 60 Birthday Bash where the City won an award for proactive promotion of solar photovoltaic systems. The City submitted public and protected information to Google regarding Google's fiber program; however, Staff would present an item to the Council on April 29, 2014. The Palo Alto Apps Challenge had nine finalists who would be presented to the community on April 27, 2014.

MINUTES

ORAL COMMUNICATIONS

Wynn Grcich advised there was less fluoride being placed in water. If more people spoke against fluoridation of water, it could be stopped.

William Rosenberg suggested the City institute a disposal fee for Styrofoam packaging to discourage its use. Suitable alternatives to Styrofoam were available.

MINUTES APPROVAL

MOTION: Vice Mayor Kniss moved, seconded by Council Member Berman to approve the minutes of February 24, 2014.

MOTION PASSED: 9-0

CONSENT CALENDAR

Council Member Klein recused himself from Agenda Item Number 12 as his wife was on the Faculty of Stanford University.

Mayor Shepherd recused herself from Agenda Item Number 9 as her husband maintained an office in Downtown.

MOTION: Vice Mayor Kniss moved, seconded by Council Member Price to approve Agenda Item Numbers 8-13.

7. ~~Policy and Services Committee Recommendation of Approval of the Updated Guidelines, Procedures and Selection Processes for the City of Palo Alto Cubberley Artists Studio Program (CASP, formerly the Cubberley Visual Artists Studio Program) in Preparation for the Spring Release of a new Application and Selection Process.~~
8. Resolution 9402 entitled "Resolution of the Council of the City of Palo Alto Establishing a Local Solar Plan to Provide Four Percent of the City's Total Energy Needs by 2023."

MINUTES

9. Preliminary Approval of the Report of the Advisory Board for Fiscal Year 2015 in Connection with the Palo Alto Downtown Business Improvement District and Adoption of Resolution 9403 entitled "Resolution of the Council of the City of Palo Alto Declaring its Intention to Levy an Assessment Against Businesses within the Downtown Palo Alto Business Improvement District for Fiscal Year 2015 and Setting a Time and Place for a Public Hearing on May 12, at 7:00 PM or Thereafter, in the City Council Chambers."
10. Resolution 9404 entitled "Resolution of the Council of the City of Palo Alto Refunding Accumulated Net Revenue from the Suspended Full Needs Portion of the PaloAltoGreen Program to Program Participants".
11. Resolution 9405 entitled "Resolution of the Council of the City of the City of Palo Alto Establishing the PaloAltoGreen Gas Program Using Certified Environmental Offsets and Approving Three New Rate Schedules: Residential Green Gas Service (G-1-G), Residential Master-Metered and Commercial Green Gas Service (G-2-G), and Large Commercial Green Gas Service (G-3-G)."
12. Approval of Stanford University Medical Center Annual Report and Compliance with the Development Agreement.
13. Resolution 9406 entitled "Resolution of the Council of the City of Palo Alto Summarily Vacating Public Easements Which have been Relocated at 888 Boyce Avenue."

MOTION PASSED for Agenda Item Numbers 8, 10-11, and 13: 9-0

MOTION PASSED for Agenda Item Number 9: 8-0 Shepherd not participating

MOTION PASSED for Agenda Item Number 12: 8-0 Klein not participating

MINUTES

ACTION ITEMS

14. Council Review and Direction on the Planning and Transportation Commission Recommended Draft California Avenue Area Concept Plan and Authorization to Submit an Application for the Valley Transportation Agency Priority Development Area Planning Grant Program for the Preparation of a Master Plan for the Fry's Property, as Identified in the Concept Plan.

Hillary Gitelman, Planning and Community Environment Director, reported the Agenda item was responsive to the Council's March 2014 request to review the work of the Planning and Transportation Commission (PTC) regarding the California Avenue Area Concept Plan (Plan). The Council also expressed concern regarding drafting a site-specific master plan for the Fry's property in advance of receiving an application for development from the property owner. Staff requested Council comments and questions regarding the draft Plan and sought approval to apply for a grant to fund preparation of a site-specific planning document. The process to create a Plan for California Avenue fed directly into the expanded environmental review and engagement process for the Comprehensive Plan. At the May 5, 2014 meeting, the Council would discuss the Comprehensive Plan policy document recommended by the PTC. At that time, Staff would provide responses to questions they could not answer during the current discussion. Staff would return to the Council in early August 2014 for an extended discussion of the visioning process and in early 2015 provide draft materials. Staff provided a replacement map and table at-places.

Andrew Hill, PlaceWorks, advised that the Plan area was bounded by Cambridge Avenue, Lambert Avenue, El Camino Real, and Caltrain tracks. In addition to Caltrain service, the area had a number of bus lines and shuttle service. There were a number of large vacant or underutilized parcels prime for redevelopment. A residential enclave was centered on Olive and Pepper Avenues. Surrounding the Plan area were single-family neighborhoods. The Regional Community Commercial designation was applicable to the business area around California Avenue.

Council Member Holman noted the Fry's site was zoned multifamily residential.

MINUTES

Ms. Gitelman indicated the Fry's site was designated as Service Commercial (CS) on the existing condition map because of current uses of the site; however, it should be multifamily residential.

Mr. Hill stated much of the Plan area was located in the Pedestrian Transit Oriented Development (PTOD) Combining District. The PTOD Combining District allowed higher density residential uses within walking distance of transit while protecting and preserving historic resources and surrounding lower density uses. In and around the Plan area were a number of separate planning initiatives recently completed or underway; the Bicycle and Pedestrian Transportation Plan, the California Avenue Streetscape Improvement Project, the Rail Corridor Study, the ongoing El Camino Real Design Guidelines Update, and the Grand Boulevards Initiative. The impetus for creating the Plan was the need to develop a vision for sustaining and improving the California Avenue Business and Retail District; the need to manage change in areas that could accommodate change while preserving and enhancing the quality of life in existing neighborhoods; and the need to address parking, pedestrian and bicycle connectivity, and open space and park amenities. The draft Plan was developed with extensive public involvement and opportunities for community input. The contents of the Plan reflected community comments. Three subareas within the Plan were identified that accommodated a degree of change. Outside the three subareas, Staff heard a strong desire for neighborhood preservation. Vision and key concepts for each subarea were developed based on community input. Concepts were refined based on input from the Council and the PTC. All input was translated into the goals, policies, and programs contained in the draft Plan. The Plan was intended to assist the public and decision makers with framing the context for future planning decisions in the Plan area. The Plan contained goals, policies, and programs specific to the area in general and specific to each subarea. Generally, existing Comprehensive Plan land use designations applicable to the area were preserved with two exceptions. First, a mixed use designation would be applied to the Fry's site. Second, a new Technology Corridor Overlay would be applied along Park Boulevard. The first goal of the Plan was to manage change in areas that could accommodate change while preserving the quality of life in neighborhoods and preserving the existing commercial character of California Avenue. The second goal, specific to the California Avenue subarea, was to preserve the existing commercial character of California Avenue. The third goal, specific to the Park Boulevard subarea, sought to build on the nascent cluster of technology-oriented businesses along Park Boulevard and to promote Park Boulevard as an important hub of innovation and entrepreneurship for new companies.

MINUTES

The fourth goal, also specific to the Park Boulevard subarea, was to promote bicycle and pedestrian safety along Park Boulevard. The fifth goal, specific to the Fry's site, was to foster transformation of the Fry's site into a walkable, human-scale mixed-use neighborhood, if Fry's elected to vacate the site.

Ms. Gitelman reiterated that Staff requested Council questions and comment regarding the Plan and sought a Motion to authorize Staff to apply for a grant to prepare additional site-specific planning for the Fry's site.

Adina Levin, Friends of Caltrain, suggested planning policies for the California Avenue area should support pedestrian and bicyclist traffic, reduce the number of vehicle trips, and include a Residential Parking Permit Program. Transportation policies might include shuttles through the Caltrain catchment area, transit passes, and ZIP cars.

Sandra Slater supported the Plan. Reducing the need for workers to commute into Palo Alto was a benefit. Denser housing near job and transit centers allowed for balance while decreasing the need for transportation. Walkable communities were more likely to support local retail centers.

Robert Moss noted the Staff Report hardly mentioned traffic or groundwater contamination. The majority of people living in the area would not utilize public transportation. Development of high-density housing over a contaminated area was a concern. He questioned whether the Council could encourage smaller developments in the area.

Eric Rosenblum indicated the project supported intelligent development. He encouraged the Council to consider greater residential development rather than more retail development. The Plan promoted a pedestrian-friendly community and aligned with the Comprehensive Plan. He disagreed with Mr. Moss' statement that people living in the area would not use public transit.

Mehdi Alhassani believed the Plan aligned with the pedestrian-friendly, transit-oriented development envisioned in the Comprehensive Plan. Adding housing where jobs were located would ease regional commutes, traffic, parking, and greenhouse gas (GHG) emissions. He supported more residential development to ease the City's current housing deficit. The Council should consider increasing the Floor Area Ratio (FAR) to allow for more housing while ensuring the preservation of character.

MINUTES

Herb Borock stated at some point the Council needed an Agenda Item related to programs to be studied in the Environmental Impact Report (EIR). He opposed applying for the grant, because the purpose of the grant was to increase employment development. The number of jobs generated by the land use designation would overwhelm the amount of housing.

Mayor Shepherd inquired whether five minutes for each Council Members' comments would provide sufficient information for Staff.

James Keene, City Manager, remarked that Staff could capture Council comments through observing the session and reviewing the Minutes. The item was a preview of the Council's reaction to the Plan before Staff presented it to the public for comment. The Council was not acting on the Plan, simply informing Staff about its concerns.

Council Member Burt felt five minutes would be a brief opportunity for the Council to provide comment on a significant development. Five minutes was not sufficient time for the Council to properly consider significant decisions. If the Council wanted to make changes when the Plan returned in a year's time, the process could be too far advanced to make changes.

Mr. Keene reported the Council could comment on the Plan at the current time and again at the Comprehensive Plan discussion in May 2014 or schedule another session on the Plan. The Council should vet the Plan before presenting it to the public; however, the Council should not complete the Plan prior to obtaining public input.

Council Member Burt recommended the Council agendaize a meeting on the topic separate from discussion of the Comprehensive Plan.

MOTION: Council Member Burt moved, seconded by Council Member Holman to: 1) take up the California Avenue Concept Plan tonight, 2) schedule an additional Council meeting specifically on the Concept Plan, and 3) allow for a vote to take place tonight on the VTA grant.

Mayor Shepherd inquired whether Council Member Burt was suggesting the Council discuss applying for the grant at the current time and postpone discussion of the Plan to a separate time.

Council Member Burt asked when the grant application was due.

Ms. Gitelman responded April 28, 2014.

MINUTES

Mr. Keene understood the grant was a separate issue from discussion of the Plan.

Council Member Burt did not believe a significant discussion regarding the grant would meet the time constraints of the Agenda.

Mayor Shepherd requested input from the City Manager.

Mr. Keene reported the Council could bifurcate the item for an in-depth discussion. The Council had previously mentioned the possibility of a Wednesday meeting to discuss a single item. A discussion should be held soon.

Council Member Burt remarked that a brief discussion at the current time would inform the grant consideration. He inquired about subsequent grant opportunities.

Ms. Gitelman understood the Council felt some urgency to have site-specific planning prior to an application being filed for development of the Fry's site. If a grant application was not submitted on April 28, 2014, the City would have to wait for the next grant cycle to submit an application.

Council Member Burt explained that the Motion did not determine whether the Council would take action on the grant. The Council had not had an opportunity to review the significance of the very large up-zoning for the area. Many responses provided at-places did not address questions, and some were inaccurate.

Council Member Holman stated the Plan had been eight years in the making, and the Council could not rush through its review. Council comments regarding the Plan would inform whether the City should apply for the grant. Applying for the grant seemed to commit the Council to a policy direction.

Mr. Keene remarked that Council Members knew the area pretty well, knew the forces at play, and could see the recommended changes. There might be a good policy reason to determine whether the City wanted to apply for the grant or not. He would not suggest the Council direct Staff to disregard the grant, because there might be sufficient agreement to pursue it.

Council Member Scharff expressed concern regarding limiting comments to five minutes. Because the topic was important, Council Members should be allowed sufficient time to provide all their comments. It was inappropriate to limit comments to five minutes as there was not a Council policy.

MINUTES

SUBSTITUTE MOTION: Council Member Scharff moved, seconded by Council Member Price to move forward focusing on VTA grant with 5 minutes discussion per Council Member and decide to continue the discussion with a hard stop at 10:45 P.M.

Council Member Scharff suggested the first round of comments be limited to five minutes. However, Council Members should have sufficient time to address Substitute Motions. At the end of the discussion, the Council could determine whether another session was needed.

Council Member Price concurred with Council Member Scharff's comments. It was important to keep the topic moving.

Vice Mayor Kniss requested a definition of "item" as stated in the Motion.

Council Member Burt answered the California Avenue Area Concept Plan.

Vice Mayor Kniss inquired whether the Motion was to postpone the Plan to a separate time and to discuss the grant at the current time.

Council Member Burt clarified that the Council would provide preliminary input and agendaize an additional meeting regarding the Plan and allow a vote at the current time regarding the grant.

Vice Mayor Kniss understood the Motion contained three parts: 1) comment briefly on the Plan at the current time; 2) discuss another time for continuing discussion of the Plan; and 3) discuss the grant.

Mayor Shepherd advised that the Council was speaking to the Substitute Motion.

Vice Mayor Kniss would support the Substitute Motion, but wanted to include additional parameters. Because of time constraints and the need to take up Agenda Item Number 17, she suggested a time certain of 10:45 P.M. for ending discussion of the current item.

Council Member Scharff agreed with a time certain for ending discussion.

Mayor Shepherd explained that she was attempting to manage the meeting so that Council Members could have equal time to comment. Staff simply could not answer all Council questions at the current time and requested time to research issues prior to providing responses. She would support the Substitute Motion as it aligned with original plans to manage the meeting.

MINUTES

Council Member Klein called point of order. He understood Council Member Scharff accepted the language proposed by Vice Mayor Kniss.

Mayor Shepherd indicated the Substitute Motion was amended to reflect an ending time of 10:45.

Council Member Schmid added that the Substitute Motion should include a round of discussion limited to five minutes per Council Member.

SUBSTITUTE MOTION PASSED: 7-2 Holman, Schmid no

Mayor Shepherd noted the focus had been on California Avenue and was now expanding to the California Avenue area. She liked the designation of the three subareas. The subarea containing the North County Courthouse should be highlighted so that the Council could decide how to feature that. She understood the community suffered angst regarding development of the Fry's site. If a developer submitted an application for the Fry's site in the near future, the development would be subject to the current Comprehensive Plan and zoning. She would support the grant application because it would save the City money. There was a process for a context-sensitive approach; therefore, she requested Staff provide their definition and use of a context-sensitive approach. She also requested Staff provide information regarding the impacts to the California Avenue area of bullet train stops at the California Avenue Caltrain Station. The City was applying for Santa Clara Valley Transportation Authority (VTA) grants not to receive transportation funds, but to save City funds.

Council Member Schmid remarked that the California Avenue area was a PTOD District, the California Avenue Transit Hub, a priority development area, and a focal point of the Rail Corridor Study. Each of those things emphasized mixed use. The area could support a vision of smart development, a mix of commercial and retail and residential. The existing Housing Element indicated 20 percent of housing units should be located in the area, which was not logical. The Plan should assist the Council in determining the number of mandated housing units placed within the area; however, the Plan did not mention that. Placing at least one third of mandated housing units in the California Avenue area would make sense. If mandated housing units were not located in the California Avenue area, then they would be located in areas with no planning. The Council needed to know the percentage of mandated housing units that should be placed in the California Avenue area. The California Avenue area was one of the best places in Palo Alto for dense housing.

MINUTES

Council Member Klein did not believe the Mayor had the authority to limit comments to five minutes. He favored shorter meetings, but the Council had a great deal of work to accomplish. He was concerned that no attention was being paid to the financial impact. Fry's had been one of the City's leading generators of sales tax. The Council needed to know Fry's plans and the landowner's plans and to consider a successor to Fry's. The assumption seemed to be that another generator of sales tax would not replace Fry's if Fry's vacated the site. That would be a financial blow for the City. He did not accept the jobs/housing imbalance as an article of faith. The City needed housing. Jobs tended to congregate in particular places, and housing moved to the periphery. He looked forward to an in-depth discussion at a special meeting.

Council Member Burt was cautious regarding applying for a grant as past grant opportunities had been contrary to the Council's policy inclinations. He wanted to know the constraints that would be placed on the City and the City's commitments if it was awarded the grant. He inquired whether the Master Plan would have to meet VTA requirements which might not align with the Council's vision.

Ms. Gitelman reported the City would develop the scope of work and direct the project, and VTA would select the consultant. VTA would be responsible for administrative duties, but the City would direct the project. Staff was seeking permission to apply for the grant and would return to the Council with a scope of work.

Council Member Burt noted the application indicated the City would commit to certain things in the California Avenue area in order to receive the grant.

Ms. Gitelman explained that the City was applying for the grant and eligible for the grant, because the area was designated as a Planned Development Area.

Council Member Burt inquired whether the City would only commit to preparing a plan for the Planned Development Area.

Ms. Gitelman responded yes. When Staff returned to the Council for review of the scope of work, the Council could direct Staff not to proceed. Applying for the grant was not an irrevocable decision.

Council Member Burt commented that that was an important fact not contained in the Staff Report. The original vision for the area was a PTOD District where the predominant traffic was pedestrian and bicycle and where housing was increased.

MINUTES

The draft Plan would increase commercial as much or more than housing, while decreasing retail at both the Fry's site and automotive sites. He did not agree with a technology overlay on top of the automotive overlay. Along the entire technology overlay the FAR would be 1.5, and the Fry's site would have a 2.0 FAR. Those were major up-zonings without real consideration.

Mr. Keene indicated Staff would return to the Council quickly with accurate FARs.

Council Member Burt requested Staff confirm zoning for the technology overlay as light industrial or general manufacturing and the FAR for each designation. FARs were not provided for many of the designations. There was not sufficient time for him to address his many concerns regarding Staff's responses to written questions.

Council Member Scharff could not identify areas where a ground-floor retail requirement would apply. He suggested Staff require a certain percentage of ground-floor retail on the Fry's site as ground-floor retail created a walkable and service feeling. He agreed with Council Member Klein regarding the jobs/housing imbalance; however, the issue was getting people out of their cars. Anecdotal evidence seemed to indicate people rented homes near a Caltrain station or near their work. To address the issue, the Council should consider making a portion of the area rental housing. Regarding a technology corridor with a focus on start-up businesses, the Council should consider limiting the amount of office space available for businesses. One large office building would be occupied by one large company rather than several small start-ups. He asked if the technology corridor would have significant up-zoning.

Ms. Gitelman reported there was an increase in FAR along the technology corridor.

MOTION: Council Member Scharff moved, seconded by Mayor Shepherd to authorize Staff to submit an application for a priority Development Area Grant to the Santa Clara Valley Transportation Authority for the preparation of a Master Plan of the Fry's property.

Mayor Shepherd announced remaining Council Members could provide comment before discussion of the Motion.

Council Member Berman felt the City needed more housing, and the California Avenue area was ideal for additional housing. The Plan contained two priorities: safety on Park Boulevard for bicyclists and pedestrians and maintaining the small-town feel of the business district.

MINUTES

He concurred with Council Member Scharff's comments regarding having diversified business entities throughout the area. The intersection of Page Mill Road and Oregon Expressway needed improvements; however, the Council had not discussed that. A table discussing changes in FAR in the different areas would be helpful. He supported the Motion.

Council Member Holman wanted to understand the City's commitments as required by the grant. She wanted to ensure the City was not committing to any outcome in terms of the level of intensification that the VTA envisioned for the community.

Elena Lee advised that the grant process included developing a Memorandum of Understanding (MOU) between the City and VTA. The City would determine the parameters of the project and approve the scope of work for the consultants. The City would retain a great amount of control over the process. Staff conversed with VTA to obtain clarification regarding the control the City would have.

Council Member Holman asked if the Council would approve the MOU.

Mr. Keene replied yes.

Council Member Holman noted the response to a written question regarding parkland needs did not address creation of a park or significant open space. The Council needed drawings to understand the appearance of proposed development. She could not identify any buffer zones or even references to buffer zones. She requested Staff provide existing Comprehensive Plan designations and existing zoning for the areas. The Plan seemed to be a redevelopment document and missed many opportunities.

Council Member Price felt positive and hopeful concerning the Plan. She supported the City applying for the VTA grant. The Plan was not a prescriptive set of activities. The Council would have many chances to respond to information provided by Staff. Council Member questions were valid, but issues would arise and be revised as the Plan was refined and as discussions continued. She aligned herself with comments of the green planning network. She was unsure whether the Council could correct the jobs/housing imbalance. She inquired whether a Master Plan would preclude a site-specific plan for the Fry's site.

Ms. Gitelman reported the grant would be utilized to develop a site-specific Master Plan for the Fry's site.

MINUTES

Council Member Price asked if the goal of combining high standards for design and appropriate incentives would be included in a specific planning process to address the guidelines for development and realization of the goals for the subareas.

Ms. Gitelman proposed covering only the Fry's site in the site-specific plan. The remainder of the area would be covered by the Plan, other policies in the Comprehensive Plan, and by zoning.

Council Member Price understood the details would focus on the Fry's site as a significant mixed-use site. The current language of the Plan provided Staff with a great deal of flexibility. To support a grant application, the Council needed more intensive information.

Vice Mayor Kniss believed critical elements were economic analysis and data. She worried about mixed-use zoning, because it had not always been successful in the community. She strongly supported the grant.

Council Member Scharff was relieved to know the Council was not making a commitment by applying for the grant. He did not want the community to think that applying for the grant predetermined the outcome. The City was saving money by applying for the grant.

Mayor Shepherd stated many people believed the Council prepared a Housing Element in order to receive grants. The Council had to prepare a Housing Element because it was State mandated. The grant focused on an area of community angst. She wanted the California Avenue area to be designed more specifically.

MOTION PASSED: 9-0

Mr. Keene reported the Council provided many helpful comments covering many topics. Staff would need more time to research and to organize information. The Council was attempting to prepare the Plan for release to the public and for integration with the EIR. He wondered whether a follow-up session in a few weeks would be acceptable.

Ms. Gitelman advised Staff was attempting to structure conversations to embark on the next phase of the Comprehensive Plan. If the Council could provide its questions to Staff, then Staff would respond at the May 5, 2014 Study Session. After that discussion, perhaps Staff could judge the amount of time needed to embark on the next phase.

MINUTES

Council Member Schmid called point of order. The Motion had a third component of determining a date for a follow-up session.

Mayor Shepherd understood the City Manager stated it was Staff's intent to return to the Council.

Mr. Keene reiterated that a two-hour Study Session was scheduled for the Comprehensive Plan and would include the California Avenue Area Concept Plan. At the end of that meeting, the Council could determine if more time was needed. Land use for the majority of the City would remain the same at the end of the Comprehensive Plan discussion. Land use in a few areas would change. As the Council reviewed the Comprehensive Plan, it could determine areas for more intensive focus.

Council Member Burt questioned whether the Council would have a separate discussion of the California Avenue Area Concept Plan.

Mr. Keene reported at the end of the May 5, 2014 meeting, the Council could discuss whether another session was needed. Staff was committed to ensuring the Council released the Plan to the public when it was ready.

15. Public Hearing -- Council Adoption of an Ordinance Modifying: 1) Chapter 18.16 of the Palo Alto Municipal Code (PAMC) to: (a) Address Sidewalk Width and Building Setbacks (Setback and "Build-To" Line Standards and Context Based Design Criteria) along El Camino Real, and (b) Reduce the Allowable Floor Area Ratio on CN Zoned Sites Where Dwelling Units are Permitted at 20 Units Per Acre; and 2) PAMC Chapter 18.04 to Adjust the Definition of Lot Area and Add a Definition for "Effective Sidewalk". Environmental Assessment: Exempt from the Provisions of CEQA per Section 15305 (Minor Alterations in Land Use Limitations) **(STAFF REQUESTS ITEM BE CONTINUED TO APRIL 29, 2014)**

Council Member Scharff reported he would be in Washington, DC with the Utility Department the following week. As an author of the original Colleague's Memorandum, he would appreciate the Council continuing the item until he could be present.

MOTION: Council Member Scharff moved, seconded by Council Member Price to defer item until after May 5, 2014 or later.

Molly Stump, City Attorney, suggested the Council select a date certain for noticing purposes.

MINUTES

Mayor Shepherd recommended the Council vote on the Motion. If the Motion passed, then the Council would discuss a date certain.

Council Member Price concurred with Council Member Scharff's comments. As a courtesy to the authors of the original Colleague's Memorandum, it was appropriate for them to be present for the discussion.

SUBSTITUTE MOTION: Council Member Klein moved seconded by Council Member XXX to hear this item on April 29, 2014.

SUBSTITUTE MOTION FAILED DUE TO THE LACK OF A SECOND

Council Member Schmid inquired whether the item could be heard soon after April 29, if the Motion passed.

Mayor Shepherd reiterated that the Council would discuss a date certain if the Motion passed. The item would have to re-noticed.

Council Member Holman advised the Motion on the board stated "continue the item to May 5 or later," while Mayor Shepherd indicated the Motion was to remove the item from the April 29 Agenda.

Council Member Klein stated the item was never scheduled for April 29; the Council was attempting to move the item to the April 29 meeting. He recognized the courtesy Council Member Scharff requested; however, continuing an item on the basis of Council Member attendance was a dangerous precedent. If the Council routinely granted this type of request, it might never accomplish its work. Many meetings were held with fewer than nine Council Members present.

Mayor Shepherd supported Council Member Klein's comments. She would support the Motion as a courtesy to the maker. All Council Members cared deeply about the item.

MOTION PASSED: 8-1 Klein no

James Keene, City Manager, reviewed upcoming Council Agendas. June 2, 2014 appeared to be the best date.

MOTION: Mayor Shepherd moved, seconded by Council Member Price to continue the public hearing on Agenda Item Number 15 to June 2, 2014.

MOTION PASSED: 9-0

MINUTES

INTER-GOVERNMENTAL LEGISLATIVE AFFAIRS DISCUSSION AND ACTION

16. Resolution 9407 entitled "Resolution of the Council of the City of Palo Alto in support of Measure AA (Midpeninsula Regional Open Space Bond)."

Yoriko Kishimoto, former Palo Alto Mayor and Midpeninsula Regional Open Space District Director, reviewed the Mission and the history of the Midpeninsula Regional Open Space District (District). The District acquired 62,000 acres and opened and operated 220 miles of trails. Public comments indicated they wanted more public access, more open space, and more restoration. Proposed projects in and around Palo Alto included: work on the Bay trail; improvement projects at Windy Hill; restoration and improvement of Alpine Road as a trail; construction of a welcome center; and improved transit access at Rancho San Antonio. Measure AA sought authorization for the District to issue up to \$300 million in Bonds over the next few decades. The impact on the taxpayer would not exceed \$3.18 per year per \$100,000 of assessed value.

Council Member Holman noted the project would affect Palo Alto because it supported corridors for wildlife.

MOTION: Council Member Holman moved, seconded by Council Member Price to adopt the Resolution in support of Measure AA on the June 3, 2014 ballot.

Council Member Holman noted many Council Members had supported Measure AA individually.

MOTION PASSED: 9-0

17. Discussion and Approval of Caltrain Draft Environmental Impact Report Comment Letter.

Richard Hackmann, Management Analyst, reported the Caltrain Electrification Project (Project) was proposed via overhead contact system or catenary wires. The Project proposed to increase the number of trains from five to six per peak hour per direction and to restore service at the Atherton and Broadway Stations. The trains would continue to travel at speeds of up to 79 miles per hour.

MINUTES

A Notice of Preparation (NOP) was issued on January 31, 2013, to which the City of Palo Alto responded in March 2013. Caltrain released its Draft Environmental Impact Report (DEIR) in February 2014, and comments were due by April 29, 2014. Staff anticipated the Final Environmental Impact Report (EIR) would be released in the fall of 2014 with certification in the winter. California Environmental Quality Act (CEQA) requirements included identification of an environmental baseline; analysis of direct, indirect and cumulative impacts; comparison of impacts to significant criteria; identification of feasible mitigation for significant impacts; consideration of alternatives; and review of reasonable worst-case assumptions. Goals of the project were to improve Caltrain system performance; increase service; reduce fuel costs; reduce environmental impacts; and create a system compatible with the blended system. Key project benefits were improved air quality, increased service and capacity, and reduced regional traffic congestion. Project concerns were tree removal, impacts of catenary wire installation, electromagnetic fields, and local traffic impacts. The City's NOP letter identified 19 areas for additional analysis. The proposed EIR letter identified seven areas for additional analysis: impacts on local traffic, catenary wire installation, pedestrian accessibility, ridership estimates and Caltrain service impacts, construction impacts, visual impact of Paralleling Station 5 (PS5), and impacts on historic resources. As stated in the DEIR, utilization of Electric Multiple Units (EMU) was not recommended because they did not meet the project purpose of providing electrical infrastructure compatible with High Speed Rail (HSR); and the environmental improvements and operational improvements of EMUs were not as great those of an electrified system. The DEIR indicated longer trains and platforms provided increased capacity, but did not meet the project purpose of providing increased service. Project benefits and impacts should be weighed in the context of the Palo Alto Corridor as a whole. Comments should be focused on items the City needed to address in the Final EIR.

Adina Levin, Friends of Caltrain, suggested electrification of Caltrain could provide additional service in the California Avenue area. The City's plans for Transportation Demand Management (TDM) Programs and reduction of vehicle trips depended heavily on increased Caltrain service and capacity. With electrification, longer platforms would enable significantly greater capacity. She concurred with the suggestion to have a mitigation fund related to grade separations.

Sven Theisen suggested the letter contain language at the beginning indicating the City supported electrification of Caltrain as quickly as possible. Electrification of Caltrain would reduce Palo Alto's carbon footprint.

MINUTES

Roland Lebrun questioned Caltrain's plan to give higher priority to electrification of the line than to a complete fleet replacement. Replacing the entire fleet would substantially reduce operating costs. Caltrain should focus on a complete fleet replacement in three years regardless of the electrification project.

Elizabeth Alexis, Greenmeadow Community Association and Californians Advocating Responsible Rail Design (CARRD), provided a simulation of the PS5 Alternative 1 to be placed at the entrance to Greenmeadow. PS5 Alternative 1 was directly visible from the park and community center which was the heart of the neighborhood. It should be moved and not located directly in the right-of-way. Caltrain should install low noise barriers and consider burying electrical wires near the corridor.

Stephen Rosenblum stated the most important thing about the project was grade separations. One additional train per hour at the cost of \$1 billion was not cost effective. The project should not proceed without grade separations.

Herb Borock noted the City's Guiding Principles indicated there should be two environmental impact reports; one for the modernization project and one for any subsequent improvements related to HSR. Litigation could stop HSR. In the letter, the City should raise the issue of the prejudicial abuse of process by having a Caltrain DEIR that assumed HSR in the same right-of-way.

Council Member Price remarked that the letter should be more forceful regarding the aesthetics and design of the catenary wire system. With a more thorough assessment of options, the City could have an improved design. She agreed with public comments regarding grade separations, as they were important for operating efficiencies, safety, and aesthetics. She requested Staff include a discussion of grade separations, but not within the impacts on local traffic. A fund to assist with implementation of future corridor improvements was critical. She requested Staff rephrase "could" to be a recommendation and include a sentence regarding safety related to pedestrian accessibility. She inquired whether the letter recommended a tree mitigation fund to make the City whole for the number of trees removed.

Mr. Hackmann indicated Staff's thought was to have trees replaced. The first priority was to place trees on or near the corridor. The second priority was to place trees in an appropriate place near the corridor.

MINUTES

Council Member Price asked if the letter recommended an age or size of replacement trees.

Mr. Hackmann advised that the long-term success of the trees placed some limitation on the size at which they could be replaced.

Council Member Scharff believed ridership estimates were low, which would create greater impacts. In addition, proposed TDM programs in adjacent cities could also affect ridership. He inquired whether the letter should address ridership estimates.

Mr. Hackmann reported in the context of the EIR, Caltrain would move from five to six trains per hour. Increased population along the corridor and increased use of the service were key reasons to support the project.

Council Member Scharff noted Palo Alto's and other cities' efforts to implement TDM Programs. Those programs would result in Caltrain capacity issues. Caltrain needed to plan for that now. Increased ridership due to TDM Programs were not mentioned in the EIR. He asked if the letter should raise ridership issues.

Aaron Akin, Assistant Director of Planning and Community Environment, suggested Staff include language to request further analysis given TDM measures proposed along the Peninsula and to request Caltrain consider the extent that future HSR requirements would constrain future capacity.

Council Member Scharff inquired whether other issues should be added to the letter.

Mr. Akin reported Staff attempted to be comprehensive and included Council Member Burt's comments. Staff could add language regarding a critical analysis of ridership estimates based on current policies of cities throughout the Peninsula.

Council Member Scharff asked if Staff agreed with Council Member Price's request to change "could."

Mr. Akin agreed to change "should" to "shall."

MOTION: Council Member Scharff moved, seconded by Council Member Klein to approve the Draft Environmental Impact Report comment letter with the following changes: 1) taking a look at ridership estimates up and down the peninsula, 2) clear and demonstrative language (should to shall), and 3) the future impacts of High Speed Rail.

MINUTES

Council Member Klein wanted to strengthen language regarding consideration of the center pole alternative. Placing the supports for the catenary system in the center would lessen the impact on trees. He suggested Staff review the letter from the Atherton arborist. Trimming trees should not mean butchering them. Language regarding El Palo Alto should be strengthened. The letter did not reference the fact that El Palo Alto was California Historical Site Number 2. The letter should include a section regarding the possibility of a court ruling resulting in the termination of HSR.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to: 1) add centerfold alternative, support for the Catenary system in the middle, 2) further attention to appropriate procedures for trimming trees, 3) protection of El Palo Alto tree, and 4) analyze affects if California Supreme Court rules to end High Speed Rail.

Council Member Burt did not hear Staff respond to substantive recommendations from the public.

Mr. Hackmann inquired whether Council Member Burt had a particular comment in mind.

Council Member Burt assumed Staff would respond to those comments that had merit. One comment concerned evaluation of fixed location horns or wayside horns to reduce noise impact.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to evaluate fixed location/wayside horns to reduce noise impacts.

Mr. Aknin reported the Final EIR would review that in more detail if it was noted in the letter.

Council Member Burt noted the loss of trees would result in increased noise from freight trains. Low-level berms were utilized to address wheel noise and were a well-established practice. He suggested the letter state that the City would approve the most environmentally beneficial relocation of trees. He concurred with Council Member Price's point regarding safety for pedestrians. The EIR within the system and in Palo Alto should analyze platform lengths. He asked if Staff had objections to including those items.

Mr. Aknin had no concerns. Caltrain would respond that some issues, such as platform lengths, were beyond the scope of the EIR.

MINUTES

Council Member Burt remarked that the responding argument should be that restraining the capacity of the system would increase road traffic and create additional environmental impacts.

Mr. Hackmann advised that Staff proposed moving PS5 toward San Antonio Road.

Council Member Burt recommended Staff strengthen the language regarding PS5.

Council Member Holman suggested the first paragraph be changed to read "conceptually supports the operational improvements of Caltrain service provided that all impacts can be eliminated or effectively mitigated to levels acceptable to the City of Palo Alto." "Eliminated" should be added because PS5 should be eliminated, not just mitigated. She inquired about visual impacts to the Julia Morgan Building as it was located just past the train station.

Mr. Aknin could add the Julia Morgan Building to the list of structures contained within the letter.

Council Member Holman suggested eliminating the parenthetical phrase in the penultimate paragraph on the last page to strengthen the Greenmeadow issue. She also suggested revising "this could" to "this would contribute to a direct impact." Mr. Borock raised the question of objecting to the DEIR definition of the project being compatible with HSR.

Mr. Aknin indicated the Staff Report addressed the issue. Caltrain could perform a phased EIR or two separate EIRs. Caltrain chose to perform separate EIRs. Staff and the consultant believed this was a reasonable approach, because there was an in-depth analysis of HSR. There would be an additional level of review once HSR proceeded.

Council Member Scharff inquired whether "acceptable to the City of Palo Alto" was an appropriate legal standard in an EIR. The letter referenced an impact that could not be mitigated.

Mr. Aknin noted several intersections had significant and unavoidable impacts.

Council Member Scharff explained that the letter stated some impacts could not be mitigated; therefore, he could not accept Council Member Holman's proposed change.

MINUTES

Council Member Holman asked if Council Member Scharff agreed to include in the Motion that impacts could be eliminated or effectively mitigated.

Council Member Scharff replied no. The letter stated that certain impacts could not be eliminated or mitigated.

AMENDMENT: Council Member Holman moved, Council Member Schmid seconded to add in the 1st paragraph, line 3 of the letter that "impacts can be eliminated or effectively mitigated".

Council Member Holman felt this language was a stronger position for the City. The City expected Caltrain to make an effort to not only mitigate but also to eliminate impacts. Where impacts could not be eliminated, the City expected effective mitigation. In EIRs, the City often did not speak strongly or forcefully to eliminating impacts.

Council Member Schmid recalled Council Member Price suggested traffic impacts be more forcefully stated. Stronger wording would be more effective in this instance.

Council Member Holman noted the change was to the first paragraph of the letter.

Council Member Klein remarked that the proposed language would undermine the City's position as it was not a credible statement.

Vice Mayor Kniss and Council Member Berman left the meeting at 11:45 P.M.

AMENDMENT FAILED: 2-5 Holman, Schmid yes, Berman, Kniss absent

Mayor Shepherd asked if extending station platforms would require separate EIRs for each platform.

Marian Lee, Caltrain explained that Caltrain performed an environmental assessment to determine whether a project required a full EIR. Given the location, size, and challenges of platforms, she assumed extending platforms would need a full environmental document.

Mayor Shepherd inquired about a reason for not including platform extension in the current EIR.

MINUTES

Ms. Lee reported platforms were not within the scope of the project. Caltrain was asked to size and package the project to provide effective and improved service to the community. Additional improvements were needed, but no funding was available.

Council Member Burt added that Caltrain did not have to limit the environmental analysis to the project for which it had funds.

Ms. Lee clarified that the original project was subject to Federal clearance. For the Federal process, Caltrain was required to have a sufficient funding plan for the project which must match the scope of the project.

Council Member Burt asked if Caltrain was required to have funding in order to achieve a Federal environmental clearance.

Ms. Lee explained that Caltrain was required to have a reasonable funding plan that matched the scope of the project for Federal clearance.

Mayor Shepherd recalled that PS5 was located in the same place in both the 2003 and current EIR and requested an explanation for it not being relocated.

Ms. Lee advised that the 35 percent design of the electrification system was completed in 2008. For the current environmental document, Caltrain essentially scrubbed that design to ensure all assumptions remained correct. Caltrain did not redesign the existing design. For Greenmeadow, Caltrain added alternatives.

Mayor Shepherd inquired whether she was referring to the California Avenue alternative.

Ms. Lee indicated the environmental document provided two alternatives; Staff provided a third alternative. Caltrain would work with Staff to address the location of PS5 in the final document.

Mayor Shepherd asked if PS5 would be relocated in the final document.

Ms. Lee reported that the final document did not have to state a preferred alternative, but simply review all options. Caltrain would consider comments regarding a third option recommended by Staff.

Mayor Shepherd asked if there was a strong likelihood PS5 would be relocated.

MINUTES

Ms. Lee reiterated that Caltrain would review alternatives and attempt to relocate it.

Mayor Shepherd stated her main concern was the location of PS5.

Ms. Lee explained that Engineers laid out the location of the paralleling stations with an understanding of how the electricity needed to flow between the traction power systems. Engineers would need to perform due diligence to determine whether PS5 could be relocated.

Mayor Shepherd did not believe Caltrain would work effectively in Palo Alto without grade separations. There was not a visual impact to the Julia Morgan Building. A catenary system with telephone poles rather than metal poles was better visually. Perhaps each community could have some choice of poles.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to: 1) make grade separation language stronger and not lost within point on, 2) any discussion of grade separation should ensure that the electrification project would not preclude potential improvements to the corridor, and 3) all opportunities created for additional pedestrian access should emphasize safety for the public.

Mr. Aknin indicated a request to analyze pedestrian safety was acceptable.

MOTION AS AMENDED PASSED: 7-0 Kniss Berman absent

18. Discussion and Direction to Staff on Additional Action the City Should Take on the Metropolitan Transportation Commission's Proposed Changes to the Regional Measure 2 Program Specifically Related to Dumbarton Rail Funding.

Richard Hackmann, Management Analyst, reported at the April 9, 2014 Metropolitan Transportation Commission's (MTC) Programming and Allocations Committee (PAC) meeting, Staff did not get the impression that MTC believed setting aside money for the Dumbarton Rail Project was a good use of funds. Staff did get the impression that PAC felt allocating \$20 million for the Caltrain Electrification Project was a reasonably fair trade-off for Bay Area Rapid Transit (BART) not having to repay the \$91 million Dumbarton loan in the future. PAC focused on projects under construction or under construction in the near future rather than identification of funding for projects much further in the future.

MINUTES

At the current time, it was unlikely that any significant changes to the plan would be made. If the Council directed Staff to make comments beyond those already submitted, comments would be most effective if made in the context of the existing plan.

Mayor Shepherd inquired whether Staff was seeking Council input for a second letter to MTC.

Mr. Hackmann clarified that the Council could allow the April 9, 2014 letter to stand as written. Another option was for the Council to clarify or elaborate regarding the April 9 letter such that those comments would be provided to MTC in the form of a letter.

Adina Levin, Friends of Caltrain, indicated there was a current need for Dumbarton transit. Increased Dumbarton and Caltrain service was good; however, \$20 million versus \$90 million was not logical.

Roland Lebrun suggested a phased implementation was a way forward. The current funding outlook for the project stood at \$300 million. Assuming the Regional Measure 2 Program (RM2) funds were divided evenly between the Peninsula and the East Bay, the Peninsula would be left with a total of \$167.5 million. The prime issue that needed to be addressed was leadership.

Richard C. Brand felt parking issues in Palo Alto were related to the transport link across the Bay. Getting people onto trains and out of cars would resolve many of the parking issues in Palo Alto.

Herb Borock was concerned that the April 9 letter supported \$20 million for Caltrain electrification when the Council's adopted policy was that the City could not determine whether to support electrification until all potential impacts are identified and studied and mitigation measures implemented. It was inappropriate for the Council to support \$20 million for Caltrain electrification.

Council Member Burt noted that the program required funds to be used for projects located within the Toll Bridge Corridor. BART's route to Warm Springs did not seem to be located in the Toll Bridge Corridor. He asked if the Council should question whether MTC was acting consistent with their own program guidelines.

Mr. Hackmann explained that the corridor was defined more broadly than the corridor over the Bay.

MINUTES

Council Member Burt suggested the Council raise the issue as it would rally Peninsula cities around a common position. He advocated for the Council to include language that funds should be used for purposes within the corridor.

James Keene, City Manager, read information provided by Ms. Levin regarding the original decisions and the project.

Council Member Burt inquired whether the information referred to the Peninsula Rail Corridor.

Mr. Keene understood it to reference the corridor across the Bay.

Council Member Burt asked if the Santa Clara Valley Transportation Authority (VTA) discussed the proposal and took a position on it.

Mr. Hackmann advised VTA had not taken a position opposing the loan forgiveness.

Council Member Burt asked if VTA took a position supporting it.

Mr. Hackmann understood VTA did.

Council Member Price reported the last official action by the VTA Board regarding the corridor was approval of the 2013-2015 Budget in June 2013. The Dumbarton Rail Corridor item was zeroed out with a carryover appropriation of \$141,000. That amount was decreased from the original budgeted amount of \$2.4 million. PAC agreed that VTA would not support money allocated to the project. The VTA Board voted in that manner. She did not believe VTA had taken a specific position on the item recently.

Council Member Burt inquired about the position Council Member Price took as the City's representative to the VTA.

Council Member Price noted the vote occurred prior to her joining the VTA Board.

Council Member Burt asked what position she took as a member of PAC.

Council Member Price believed the majority of PAC agreed with the staff recommendation.

Council Member Burt asked what position Council Member Price took as the City's representative.

MINUTES

Council Member Price did not remember that vote specifically.

MOTION: Council Member Burt moved, seconded by Council Member Scharff to authorize the Mayor to send a letter to include two elements to the letter: 1) funds should serve the Peninsula Corridor and 2) funds should be evaluated for purposes that would increase the capacity of Caltrain including platform lengthening. Substitute the word "modernization" for "electrification".

Mr. Hackmann noted the environmental review of the Caltrain Electrification Project was moving in parallel with funding of the proposed Caltrain Electrification Project. The \$20 million was not identified for Caltrain modernization; it was identified for the specific proposed electrification project.

Council Member Burt suggested the letter state modernization, and VTA could interpret it.

Council Member Klein asked if the Motion would authorize the Mayor to send a letter similar to the City Manager's letter with additions as set forth.

Council Member Burt responded yes.

Council Member Scharff felt the Council needed to discuss the issue of electrification and modernization very soon. These issues should be presented to the Council earlier so that the Council could discuss them and take positions as needed. He would have liked to discuss the issues with the City's representative to MTC prior to the votes being taken.

Mr. Keene reported Staff brought the item to the Council's notice as soon as they learned of it. He wrote the April 9 letter at the last minute to place something in the record before the PAC meeting.

Council Member Holman inquired whether a second letter should state that the City supported the \$20 million allocation to Caltrain.

Mr. Keene asked if Council Member Holman meant to limit the City to the \$20 million. He interpreted the letter to indicate the City was interested in more than \$20 million.

Council Member Burt suggested the letter state the City would support \$20 million at the current time. The City wanted MTC to evaluate additional support for the corridor in the future.

MINUTES

Mr. Keene indicated Staff could phrase the letter to make the case that the City could make improvements cost effectively.

Council Member Burt recalled that two years previously the City requested Caltrain evaluate the lengths of existing platforms. Finally Caltrain agreed to consider it in the future. It took three years for Caltrain to consider level boarding.

Council Member Holman inquired whether it was appropriate to state that the City supported \$20 million to the current point in time.

Mr. Keene advised Staff would make a larger case with other examples and argue for more.

Council Member Holman asked if the letter would be consistent with the Council's concerns regarding the Caltrain Draft Environmental Impact Report (DEIR).

Mr. Keene indicated Staff would phrase it as "on the funding side."

Council Member Price inquired whether the Motion revised language concerning the repayment condition for the \$91 million.

Mr. Hackmann clarified that the Motion requested the contribution of \$20 million and the repayment of the \$91 million loan, with that funding going towards Caltrain's consideration of platform lengthening and other things.

Mayor Shepherd recalled the City requested Caltrain consider platform length in the original comment period. At the PAC meeting, Caltrain explained that they could not consider platform length without having funding for such a project.

MOTION PASSED: 7-0 Berman, Kniss absent

COUNCIL MEMBER QUESTIONS, COMMENTS AND ANNOUNCEMENTS

None

ADJOURNMENT: The meeting was adjourned at 12:34 A.M.

MINUTES

ATTEST:

APPROVED:

City Clerk

Mayor

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