

Special Meeting
December 2, 2014

13. PUBLIC HEARING: Adoption of an Ordinance Establishing a Citywide Framework for Establishment of Neighborhood-Specific Residential Preferential Parking (RPP) Districts.167

14. PUBLIC HEARING: Resolution 9473 entitled "Resolution of the Council of the City of Palo Alto Establishing a Residential Preferential Parking (RPP) Program in the Downtown Neighborhoods.181

ADJOURNMENT: The meeting was adjourned at 12:05 A.M.189

MINUTES

THIS MEETING IS A CONTINUATION FROM DECEMBER 1, 2014

The City Council of the City of Palo Alto met on this date in the Council Chambers at 8:32 P.M.

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

Absent:

13. PUBLIC HEARING: Adoption of an Ordinance Establishing a Citywide Framework for Establishment of Neighborhood-Specific Residential Preferential Parking (RPP) Districts.

Mayor Shepherd advised that the objective of the proposed Ordinance was to preserve neighborhood quality of life by ensuring adequate parking for residents. A Residential Preferential Parking (RPP) Program was one of a number of management strategies the Council was actively considering to reduce traffic and to expand parking options. Staff recommended the Council adopt the framework Ordinance to establish an official policy for neighborhood-specific RPP Districts across Palo Alto. She failed to officially open the Public Hearing at the Council meeting held December 1, 2014.

Cara Silver, Senior Assistant City Attorney, recommended the Mayor open the Public Hearing following Staff's presentation and allow anyone in the audience to speak. The Council could consider public comment made the previous evening even though the Public Hearing was not technically opened.

Jessica Sullivan, Parking Manager, reported an RPP Program was a parking management strategy in that it helped regulate parking. Transportation demand strategies would assist in reducing the number of cars driving in the City. Parking supply programs would increase the amount of parking. The proposed framework was similar to that originally discussed. The Citywide Ordinance was meant to be an umbrella document which outlined general criteria that a neighborhood needed to meet in order to become an RPP District (District). The Ordinance also outlined the petition process; however, details of the process would be contained in a neighborhood-specific Resolution. Resolutions would be developed as part of the process for a neighborhood becoming an RPP District. Staff would develop administrative regulations if the Council adopted the Ordinance. The College Terrace RPP Program was the only existing true RPP Program in the City. It was designed to prioritize resident parking in the College Terrace neighborhood and was created through a detailed Ordinance.

MINUTES

The parking program for Crescent Park was not an RPP Program, because it regulated only resident parking. The objective of the Ordinance was to standardize development of RPP Programs in the future. Criteria for a neighborhood to be designated an RPP District were that non-resident vehicles interfered with resident parking, interference occurred frequently, interference disrupted neighborhood quality of life, and other strategies were not feasible or practical. The Planning Department would develop a standard application for neighborhoods to complete and submit. The City Council could also propose a neighborhood as an RPP District. The Planning Department and Director would review applications and make recommendations to the Planning and Transportation Commission (P&TC). After P&TC review of applications, Staff would begin community outreach. No later than September of each year, Staff would prepare Resolutions for presentation to the P&TC and subsequently the Council. A Resolution could provide a trial period of up to two years. The process also allowed for annexation and termination of Districts and for contract parking enforcement. Most cities utilized a neighborhood petition process; although, the number of signatures, percentage of signatures, and occupancy thresholds varied among cities.

Public Hearing reopened at 8:48 P.M.

Tommy Derrick supported adoption of the Ordinance. Staff's proposed Section 10.50.040 did not include some items proposed by residents. The Council was thought to have authority to designate an area in need of an RPP Program. Subparts (d) and (e) of Section 10.50 were not only not essential but also harmful.

Norman Beamer believed an RPP Program was clearly needed. Section 10.50.080, annexation, was necessary to prevent parking problems from moving to streets adjacent to an RPP District. Proper implementation of the annexation provision was not supposed to allow any non-resident commuter parking permits in annexed blocks.

Herb Borock felt the annexation provision should include timeframes for submission and review of applications. Permit holders should not subsidize low-wage workers; employers should pay full price for permits. The Ordinance was unclear as to when details of an RPP District would be proposed. He questioned the exemption of vehicles with disabled license plates. The Ordinance did not provide a means to identify vehicles parked for a school event.

Public Hearing closed at 8:59 P.M.

MINUTES

Hillary Gitelman, Planning and Community Environment Director, advised that it was possible for the proposed Ordinance to have language that was responsive to input from stakeholders and the P&TC.

Council Member Holman referred to Section 10.50.010 regarding parking programs that appropriately addressed each neighborhood's unique characteristics; the Comprehensive Plan mentioned parking not at the expense of neighborhoods. She inquired about the meaning of "appropriately address" and said parking programs could appropriately address the preservation of each neighborhood's unique characteristics. This idea was more consistent with the intention of the Comprehensive Plan. Section 10.50.020(c) defined employee permit information; she asked if employees of the same employer could share a permit.

Ms. Sullivan did not intend to address the transfer of permits in the Ordinance but it was addressed in the Resolution. Staff intended for a permit issued to an employee to be transferrable among employees of the same employer.

Council Member Holman referenced Section 10.50.040 whereby the Council could initiate an RPP District by Motion or Resolution. She asked how the Council would initiate an RPP District by Resolution.

Ms. Gitelman indicated the Council would most likely propose a Motion.

Council Member Holman referred to Section 10.50.050(c), and asked if the Ordinance provided a means to determine severity of parking impacts.

Ms. Gitelman envisioned neighborhoods providing information about existing circumstances. City Staff could not design and implement RPP Districts in every neighborhood at once, so this was a way to prioritize applications.

Council Member Holman asked if the P&TC would weigh all evidence.

Ms. Gitelman replied yes.

Council Member Holman referred to Section 10.50.050(d), and inquired about an appeal process for applications not selected for Council consideration.

Ms. Gitelman reported everyone would know which neighborhoods advocated for a District and would be party to discussions and decisions regarding prioritization. With the addition of Section 10.50.040, the City Council could assert a preference for a District that was not recommended. She hoped the P&TC or Council would acknowledge Staff's limited resources and inability to do everything at once.

MINUTES

Council Member Holman requested Staff's rationale for utilizing a Resolution rather than an Ordinance.

Ms. Silver believed a Resolution could be implemented more quickly. A Resolution was not subject to first and second readings and waiting 31 days thereafter, because the public process occurred prior to adoption of the Resolution. The Council could implement RPP Districts by Ordinance, but it would delay implementation of each District.

Council Member Holman asked if a Resolution had the same force of law as an Ordinance and if an Amendment was required to revise a Resolution.

Ms. Silver responded yes.

Council Member Holman remarked that Section 10.50.060(b)(1), should state 10.50.030 rather than 10.05.030. She requested Staff comment on language provided by the public speaker.

Ms. Gitelman wanted to follow the language closely but also wanted to acknowledge that the outreach process and the P&TC review process would benefit from data collection and analysis omitted from the suggested language.

Council Member Holman inquired whether the public speaker's concerns were addressed in Staff's proposed language.

Ms. Gitelman felt Staff's language was more appropriate. It would provide a more informed discussion.

Council Member Holman requested Staff comment on Mr. Beamer's statement regarding not introducing commercial parking in neighborhoods that had not been impacted by commercial parking.

Ms. Gitelman indicated that should be addressed in the Resolution on a District-by-District basis. In Downtown, employee parking should be distributed evenly. That could be true in other areas of the City as well. In other areas, the Council might not want to allow that.

Council Member Holman suggested "stand" be deleted from Section 10.50.100(a).

Ms. Sullivan concurred.

Council Member Price noted seven or eight months would elapse between the Planning Director reviewing all applications and presenting Resolutions to the P&TC. She asked if Staff would need that amount of time.

MINUTES

Ms. Sullivan advised that Staff's intent was to set a maximum timeframe. Perhaps fewer community meetings would be needed for some neighborhoods.

Council Member Price assumed penalties would be included in administrative regulations. She suggested permit fraud include a financial penalty as well as a misdemeanor penalty, if possible.

Ms. Gitelman hesitated to recommend a change without knowing what could occur. Staff could consult with the Police Department on the issue.

Council Member Price believed fraud could happen.

Ms. Sullivan agreed. The clause was meant to state that permit fraud was not legal. The types of permits and a process for transferring permits would impact methods for fraudulently producing or selling permits. Staff would obtain input from online permitting and enforcement vendors and work through fraud issues in the administrative regulations.

Council Member Price commented that Section 10.50.060 was entitled Permanent Adoption; however adoption was not permanent as there were provisions for neighborhoods to opt out and for the Council to amend Districts.

Ms. Gitelman reported permanent simply meant the end of the trial. The Council could always change the Districts.

Council Member Price could not recall Staff's response to Council Member Holman's question regarding non-residents parking in annexed areas and requested Staff repeat their response.

Ms. Sullivan stated the issue of not allowing employee parking in annexed areas was complicated. The Ordinance did not specify the issuance or non-issuance of employee permits. Staff would handle that as part of the Resolution.

Council Member Price agreed with Mr. Borock that employers should pay the full price for employees' parking permits including service and minimum wage employees. However, not all employees received parking stipends. The Council was not in a position to dictate that.

Council Member Klein felt the Ordinance had to contain language that all Districts would be treated the same and that Districts would be charged the same amount for parking permits. He inquired whether that was feasible.

MINUTES

Ms. Gitelman indicated one fee for all Districts would make implementation easier. However, the two existing parking programs did not charge the same amount. Downtown residents indicated in a survey that they objected to paying for parking permits during the trial period. Including the permit price in a Resolution allowed flexibility. She was unsure how to include pricing in the Ordinance.

Council Member Klein suggested the City Attorney's Office provide language. He concurred with not charging for parking permits during a trial period. He inquired about procedures for preparing regulations. The public should receive adequate notice and opportunities to participate.

Ms. Silver would be happy to accept public input. She anticipated regulations would be presented to the Council as a draft. The public could provide comment at a community meeting and the Council's meeting.

Council Member Klein asked if the City Attorney's Office would suggest language.

Ms. Silver could do so.

Council Member Klein inquired whether residents would not have to follow the process of Section 10.50.050 if the Council initiated an RPP District.

Mr. Gitelman advised that Section 10.50.040 referred to the process outlined in Section 10.50.060(d) and (e). The neighborhood would not have to petition, but there would be an analysis of parking occupancy and a resident survey prior to submitting the proposed District to the P&TC for review.

Council Member Klein asked if the survey would be the same whether a neighborhood or the Council initiated an RPP District.

Ms. Gitelman replied yes. Neighborhood residents would not have to petition as if they were petitioning for priority.

Council Member Klein stated the definitions seemed to assume that only employees impacted neighborhoods and requested Staff comment on possible parking impacts from Palo Alto High School students, Stanford University students, and commuters from outside Palo Alto.

Ms. Gitelman reported those categories would not be eligible for permits under the terms of the Ordinance. That would be spelled out in the Resolution.

Council Member Klein inquired whether an employee who did not work in an RPP District would not be eligible for a non-resident permit.

MINUTES

Ms. Gitelman indicated that was Staff's intent. Although, she could imagine a situation where Council could adopt a Resolution for a specific District that had a different approach.

Ms. Sullivan added that Staff's intent was not to list every type of permit that could be issued in a particular District. Staff preferred to include that in the neighborhood-specific Resolution.

Council Member Klein wanted to ensure Council actions favored one non-resident group over other non-resident groups.

Ms. Gitelman remarked that the Ordinance favored employees who worked within the District, not employees who worked elsewhere or commuted to other neighborhoods.

Council Member Klein asked if Staff coordinated Section 10.50.070(d)(7) with Palo Alto Unified School District (PAUSD). He expressed concern that high schools would need exemptions for more than five events per school year.

Ms. Gitelman had not discussed the exemption with PAUSD.

Council Member Klein inquired about an exemption for City events.

Ms. Gitelman attempted to design an Ordinance that would enable neighborhood-specific programs to address impacts of parking associated with nearby businesses. The Ordinance stated nearby businesses and institutional uses, which allowed some flexibility.

Council Member Klein felt an exemption specifically for schools opened the question of City events. The Ordinance should contain language for City events.

Council Member Schmid felt the definition under Section 10.50.020(c) of employee permit was logical for Downtown; however, it would not apply in an RPP District for a solely residential area. He inquired whether employee permits would be excluded from RPP Districts in residential areas.

Ms. Sullivan did not attempt to provide an exhaustive list of situations that could occur. The appropriate place to identify such situations would be in a Resolution.

Council Member Schmid believed not allowing employee parking in an annexed RPP District would induce fringe neighborhoods to become annexed rather than participating in the original RPP District.

MINUTES

In the P&TC hearings, four of the six residential stakeholders stated explicitly they wanted a larger role for the City Council to bypass the year-long process. The ability to move quickly had a great deal of merit.

Ms. Gitelman agreed, which was why Staff included Section 10.50.040 which would allow the Council and a neighborhood to bypass the prioritization component of the process. Public outreach and P&TC deliberations would benefit from data and analysis mentioned in Subsection (d).

Council Member Schmid noted that (d) and (e) were explicitly identified as areas that would leave priority setting in the hands of the P&TC.

Ms. Gitelman believed the P&TC did discuss prioritization regarding permit sales.

Council Member Schmid indicated that discussion occurred after the four stakeholders had spoken. Staff should clarify that statement. Mr. Derrick had provided language.

Ms. Gitelman inquired whether Council Member Schmid was suggesting modification of Section 10.50.040.

Council Member Schmid replied yes. That would be a way to deal with the Council's ability to identify promptly an issue that arose in the community.

Ms. Gitelman asked if Council Member Schmid was recommending inclusion of the comment language that would bypass data collection and analysis phase prior to presenting an RPP District to the P&TC.

Council Member Schmid commented that the language clearly prioritized a timeline determined by the Council.

Ms. Silver clarified that the P&TC reviewed a draft Ordinance that did not contain a provision for the City Council to bypass the prioritization process. That provision was added to the Ordinance in response to community comments and P&TC direction.

Council Member Schmid stated Packet Pages 902-903 contained the discussion of Council initiation; however, priority setting remained in the hands of the P&TC. He inquired whether the setting of fees should be contained in the Resolution.

Ms. Gitelman envisioned fees being set in the Resolution rather than the Ordinance.

MINUTES

Council Member Schmid assumed the language "such other matters as the Council may deem necessary" included fees, transferability, order of priority, and other matters. Perhaps the Ordinance should provide examples of other issues.

Ms. Gitelman could specifically mention those issues.

Council Member Schmid advised that those were the issues mentioned often in P&TC discussions. Specifically stating the responsibility for those issues would be helpful.

Council Member Berman stated that 2014 was a year of planning and 2015 would be a year of execution. There would be plenty of trial and error in 2015. He concurred with public comment that RPP Districts were the backbone of many traffic initiatives.

A parking occupancy study and a resident petition were two important steps in supplying data to the Council. He supported the Ordinance as drafted and presented.

Council Member Scharff felt the Ordinance should contain an exemption for City events. He inquired whether private schools were included in the school exemption. The exemption was not sufficiently broad. He was concerned about penalties being misdemeanors rather than monetary. He assumed fraudulently manufacturing permits was a felony under some other statute. Section 10.50.100(c) was a catch-all phrase that included a misdemeanor penalty. He inquired whether Section 10.50.100(a) meant no one could park in a district under any circumstances or for any length of time without a permit. That provision seemed to indicate that no one could park in an RPP District for as little as five minutes.

Ms. Gitelman explained that the subsection intended to state that people could not violate posted restrictions. Posted restrictions would determine violations.

Council Member Scharff did not understand why the language included stop or stand by a vehicle.

Ms. Gitelman requested Council Member Scharff offer substitute language. Staff attempted to state that people had to abide by the posted regulations in RPP Districts.

Council Member Scharff indicated that intention should be stated in the Ordinance. The language could be "no person shall park a vehicle adjacent to any curb in violation of any posted or noticed prohibition or restriction."

MINUTES

He concurred with Council Member Berman's points regarding data collection. If Council Member Berman meant survey rather than petition, he concurred with those comments as well. He inquired whether the survey was included in the Ordinance.

Ms. Gitelman responded yes. If the Council or a neighborhood initiated an RPP District, Staff would conduct a survey.

MOTION: Council Member Scharff moved, seconded by Vice Mayor Kniss that the City Council approve the first reading of the Residential Preferential Parking (RPP) Ordinance adding Chapter 10.50 to the Palo Alto Municipal Code Establishing a Citywide Framework for Establishment of Neighborhood-Specific Residential Preferential Parking (RPP) Districts.

Mayor Shepherd inquired whether Council Member Scharff accepted Council Member Holman's suggested changes to the Ordinance.

Council Member Scharff could accept some of the changes; however, he did not recall all of her changes.

Mayor Shepherd requested the Council suggest changes to Ordinance language.

Molly Stump, City Attorney, reported the Council could make changes, and Staff would reflect them in the second reading. If the Council made significant changes or wished to make further revisions, then Staff could schedule a third hearing.

Mayor Shepherd inquired whether the City Attorney could provide language at the Council's request rather than the Council wordsmithing language.

Ms. Stump replied yes.

Mayor Shepherd indicated the City Attorney could prepare language as directed by the Council for a second reading. If the Council wanted further changes, it could hold a subsequent hearing.

Ms. Stump requested the Council describe in some detail the changes it wanted rather than attempt to draft language.

Mayor Shepherd asked if revisions would be presented in another public hearing or a second reading.

Ms. Stump responded a second reading. If changes were substantial and affected third parties, then Staff would schedule a subsequent first reading.

MINUTES

Council Member Scharff noted the second reading would not be placed on the Consent Calendar because of revisions based on Council Member comments. Some Council Member comments seemed to conflict.

Mayor Shepherd explained that suggested changes would need to be approved by the Council.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to delete "resolution" in Section 10.50.040.

Council Member Scharff suggested Section 10.50.020(c) be revised to "an employee permit shall mean a permit issued for an employee working in Palo Alto." He asked if an individual Resolution could override provisions of the Ordinance.

Ms. Gitelman offered a definition of "employee permit shall mean a permit issued for an employee working at a business located within an RPP District or as defined within the neighborhood-specific Resolution."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to Change Section 10.50.020(c) to "employee permit shall mean a permit issued for an employee working at a business located within an RPP District or as defined within the neighborhood-specific Resolution."

Council Member Scharff requested Council Member Klein provide language for a uniform permit price for residents.

Council Member Klein indicated the City Attorney had prepared language.

Ms. Silver recommended inserting into Section 10.50.060(b) a Number 6 stating "permit rates by City Council policy shall be set at uniform rates among all Districts." The existing Number 6 would become Number 7.

Council Member Scharff offered one change of "uniform rates for all residents." The Council could wish to charge different business rates in different areas.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER that in Section 10.50.060(b), insert a new Number 6 of "Permit rates by City Council policy shall be set at uniform rates for all residents among all Districts." Existing Number 6 becomes Number 7.

Council Member Klein advised that he had a second proposed change, and Ms. Silver had prepared language.

MINUTES

Ms. Silver offered a new sentence be added to Section 10.50.070(e)a, "prior to adoption the Director shall conduct a public-noticed meeting soliciting input on such guidelines."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to Add a sentence to Section 10.50.070(e)a: "Prior to adoption, the Director shall conduct a public-noticed meeting soliciting input on such guidelines."

Council Member Scharff wanted Section 10.50.70(d)(7) to include some language for community events.

Ms. Silver reported Staff did discuss that at a policy level. Most events seemed to occur in the evenings and on weekends when most regulations likely would not be in effect. Staff could address any specific daytime events as directed by the Council.

Council Member Scharff requested Staff prepare language to include private organizations.

Mayor Shepherd felt the purpose of RPP Districts was to regulate parking during the work week.

Council Member Scharff explained that provisions of an RPP District could regulate parking on weekends.

Council Member Price believed that would impact enforcement.

Council Member Scharff wished to include language previously discussed of "no person shall park a vehicle adjacent to any curb in violation of any posted or noticed prohibition or restriction."

Ms. Gitelman asked if Council Member Scharff would accept striking the reference to schools from Section 10.50.70(d)(7).

Council Member Scharff would accept that. Staff should discuss the exemption with PAUSD and determine whether five events was an appropriate number.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to delete reference to schools from Section 10.50.70(d)(7).

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to delete "stop" and "stand" from Section 10.50.100(a).

MINUTES

Council Member Scharff requested Staff determine whether violation would necessarily result in a misdemeanor. He preferred a violation result in an infraction. He also wanted the provision to define penalties.

Ms. Silver advised that the City Attorney had discretion to charge a violation as an infraction. Staff could retain the provision with that discretion or revise the provision to an infraction.

Council Member Scharff preferred the provision be revised to an infraction.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER change misdemeanor penalty to an infraction in Section 10.50.100.

Vice Mayor Kniss was concerned about the time and whether more changes would be proposed. The Council should approve the Ordinance. There would be problems and changes. Eventually RPP Programs would be perfect and create change in the community.

Council Member Burt asked if Resolutions would address transfer of permits.

Ms. Sullivan replied yes.

Council Member Burt recalled Council Member Holman's comments regarding alternative language for Section 10.50.010.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER Section 10.50.010 be changed to "parking programs that appropriately protect each neighborhood's unique characteristics."

Council Member Burt noted Section 10.50.070(d)(7) contained interspersed references to school events. It was specific about the number of days and two-block radius. He expected those details to be included in a Resolution. He requested the City Attorney draft language for a broad description of the type of events and the frequency of events and for those details to be included in Resolutions.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER direct the City Attorney to draft language for Section 10.50.070(d)(7) that included a broad description of types and frequency of events and that such details would be contained in a Resolution.

MINUTES

Council Member Burt believed Staff's proposed language for Section 10.50.040 language would allow the Council to express urgency. The substitute proposed language would induce neighborhoods to bypass the process. Section 10.50.080 should clearly state that employee permits were not necessarily allowed in annexed areas.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER Section 10.50.060(b)(6) "such other matters as the Council may deem necessary and desirable including fees, whether non-residential permits are allowed to be sold, and transferability."

Mayor Shepherd wanted adjacent neighborhoods to be notified of pending RPP applications. A shift in parking intrusion would be an unintended consequence of RPP Districts. The College Terrace RPP Program did not allow employee parking. She inquired whether Staff considered that in the framework for other neighborhoods.

Ms. Gitelman advised that the College Terrace parking program was considered an RPP District.

Mr. Keene confirmed that it did not allow employee permits.

Ms. Sullivan reported that the Ordinance was designed to accommodate different types of programs.

Mayor Shepherd recalled that the College Terrace program did not allow non-residents to park in the neighborhood. That was not part of the criteria for the framework.

Ms. Sullivan explained that the framework did not specify whether non-residential parking was allowed or not allowed. The framework would allow College Terrace to continue as designed.

Mayor Shepherd asked if a new RPP District could prohibit non-resident parking.

Ms. Gitelman reported the concept was for each neighborhood to be subject to its own data collection and community outreach process and adoption of a Resolution with provisions specific to the neighborhood. A new RPP District could be designed similar to the College Terrace RPP Program.

Mayor Shepherd noted high schools students were parking in adjacent neighborhoods.

Ms. Gitelman agreed that the Ordinance provided flexibility to take action in individual neighborhoods.

MINUTES

Mayor Shepherd believed it would take time for neighborhoods to organize and submit applications.

AMENDMENT: Council Member Klein moved, seconded by Council Member Price to amend the Ordinance to restore "misdemeanor" at the end of Section 10.50.100.

Council Member Klein advised that the language was common in City Ordinances; however, the provision was rarely used. The City Attorney usually charged lower than a misdemeanor, as was within her discretion. Discretion should remain with the City Attorney.

Council Member Price concurred with Council Member Klein's comments. She inquired whether a monetary penalty could be implemented in the future.

Ms. Silver answered yes. Monetary penalties could be included in the Penalty Resolution the next time it was updated.

AMENDMENT FAILED: 2-7 Klein, Price yes

Council Member Holman advised that the amendment to Section 10.50.060(b)(6) should be made to the new Section 10.50.060(b)(7) as Staff inserted a new Subsection (b)(6). She suggested language of "permits are allowed to be issued and transferred."

Mayor Shepherd reported the City Attorney would review all proposed language.

Council Member Schmid inquired whether Staff would accept a Council Motion with urgency under Section 10.50.040.

Council Member Burt commented that the Council could move to initiate an RPP District and include the words "with urgency."

Ms. Gitelman replied yes.

MOTION AS AMENDED PASSED: 9-0

14. PUBLIC HEARING: Resolution 9473 entitled "Resolution of the Council of the City of Palo Alto Establishing a Residential Preferential Parking (RPP) Program in the Downtown Neighborhoods.

Mayor Shepherd recused herself from the item as her husband held a lease in the Downtown District.

MINUTES

Council Member Berman recused himself as his residence was located in Downtown.

Council Member Scharff recused himself as he had an interest in commercial property located in Downtown. He did not believe it constituted a conflict of interest; however, he had not been able to make a clear determination.

Council Member Holman recused herself from the item as implementation of a Residential Preferential Parking (RPP) District could impact her property.

James Keene, City Manager, recused himself as his residence was located within the Downtown District.

Jessica Sullivan, Parking Manager, reported Staff felt an RPP Program was crucial to managing parking and traffic in the Downtown area. Overall the City's parking garages were close to capacity during the noon hour. Even though the number of permits sold for Downtown garages had increased, a corresponding increase in occupancy had not occurred. At midnight, many streets in Downtown were 50 percent or less occupied. At noon, most streets were 85 percent or more occupied. The stakeholder group was comprised of six residents and five business leaders. The stakeholder group reached consensus on many topics. The group agreed that permits should be sold to employees working in Downtown; agreed on the boundaries of the proposed District; mostly agreed that a phased implementation would be beneficial; agreed to online sales of permits; agreed to prioritize low-wage and hourly workers as part of the Program; and mostly agreed that hours of enforcement should be 8:00 A.M. to 5:00 P.M., Monday through Friday. Phase 1 would last for six months. Permits would not be issued to people who did not live or work within the District. Residents would receive free permits during Phase 1. Employee permits would cost approximately the same as parking in a Downtown garage; however, employee permits for low-wage workers would cost \$50 for six months.

During Phase 1, City Staff would collect data regarding the number of employees who purchased permits and review corresponding occupancy in neighborhoods. Permits would be valid for parking anywhere within the District during Phase 1. The City would send a follow-up survey to residents of the District in Phase 1 to determine whether the Program should continue to Phase 2. Two-hour parking within the District would be allowed without a permit. In Phase 2, the City would begin regulating the number of commuter/employee permit sales based on data gathered in Phase 1. Sales to residents would begin in Phase 2; the first permit for each residence would be free with subsequent permits costing \$50 each. Staff wanted to prioritize permit sales to employers in the RPP District. Staff would begin assigning employee parking in Phase 2.

MINUTES

Blocks adjacent to the District could be annexed into the District via the petition process. Enforcement would occur between 8:00 A.M. and 5:00 P.M., Monday through Friday. Two-hour parking in a single location was valid without a permit. After two hours, the car could be moved to another location within the District. Staff surveyed everyone located in the District with three questions. A large number of responses indicated residents did not want to pay for permits. Responses did not support marking employee parking spaces on streets. Most responses supported enforcement between 8:00 A.M. and 5:00 P.M. Based on survey responses, Staff recommended including the 300 and 400 blocks of Lincoln Street. Staff's goal was to begin implementation of the Program in January 2015. Staff was interviewing vendors to build and host a website and to fulfill permit orders. A contractor for enforcement remained outstanding, and signage needed to be installed. Costs would be significant. Installation of signage would cost \$250,000 rather than \$25,000. Revenues depended upon the number of permits sold and the cost of permits.

Public Hearing reopened at 10:56 P.M.

Simon Cintz supported the RPP Program; however, changes were needed. He was concerned about transfer of permits from one employee to a successor employee.

Benjamin Cintz stated that employee parking would essentially privatize public parking. New businesses would not have access to parking, possibly for many years. Low-wage employees should not have priority over other employees.

Maria Kwok believed an RPP Program would negatively affect the City's Budget. The City would have to sell more permits than parking was available in order to meet the projected revenue amount. Full-time employees with permits would displace part-time employees with permits.

Michael Hodos indicated the Resolution was not perfect; however, a majority of the stakeholder group supported it. The stakeholder group hoped Phase 1 would provide essential data that would ensure the success of Phase 2.

Council Member Klein inquired whether the stakeholder group had an opinion on the transferability provision included by the Planning and Transportation Commission (P&TC).

Mr. Hodos personally believed Mr. Cintz's point was well taken. The stakeholder group did not discuss transferability.

MINUTES

Richard Brand requested the Council approve the Resolution as presented; retain the fee structure; advise Staff to continue the stakeholder group; and assign a Council Member to the stakeholder group.

Council Member Burt asked if the stakeholder group discussed a price preference for low-wage employees and the accessibility of permit preference.

Mr. Brand advised that the stakeholder group reached consensus with respect to both pricing and prioritization of permits for low-wage employees.

Norman Beamer expressed concern about parking problems shifting with implementation of an RPP Program. Commercial parking in adjacent annexed areas should be limited.

Herb Borock supported adoption of the Resolution. The Council should include a provision that any areas annexed would not allow employee permit parking. A parking shift would occur if the Council allowed employee parking in adjacent areas.

Frank Slattery believed an RPP Program would be good; however, it should not extend to areas that were not currently affected by parking. The area east of Middlefield Road and north of University Avenue should be excluded from the initial coverage area.

Nielson Buchanan felt the first phase would be execution and the second phase would be refinement. He expressed concern about the resources of City Staff to cover pending items.

Public Hearing closed at 11:30 P.M.

Council Member Schmid referred to Section 5E of the Resolution regarding the Director consulting with the P&TC. The RPP Ordinance stated the Council was responsible for such issues. Therefore, Section 5E should state the Council rather than the P&TC. With residences generating the majority of City revenues, the Council needed to ensure the commercial sector paid its fair share.

Council Member Klein would support the stakeholder group's recommendation; although, he did not agree with each position they took. He expressed concern that the provision allowing two-hour parking for non-permit holders would defeat the purpose of an RPP Program.

Ms. Sullivan indicated the two-hour parking provision worked with the low-wage employee permit. A majority of hourly workers indicated their willingness to purchase permits for \$100 a year so as not to move their cars every few hours.

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If data in Phase 1 indicated that continued to occur, Staff could make an adjustment. To limit parking to two hours and not allow a car to move was unduly restrictive without the creation of parking zones.

Council Member Klein assumed changes indicated in the draft Resolution were made by the P&TC.

Hillary Gitelman, Planning and Community Environment Director, answered yes. Changes were made by the P&TC or by Staff after P&TC input.

Council Member Klein asked Staff to indicate changes made by Staff, because he wanted to move the Resolution prepared by the stakeholder group.

Ms. Gitelman indicated substantive changes made by the P&TC could be found on Page 4 regarding transferability of employee permits and consulting the P&TC about permit priorities. Other changes were made by Staff to clean up language in the Resolution.

MOTION: Council Member Klein moved, seconded by Council Member Schmid that the City Council adopt the Resolution Establishing a Residential Preferential Parking Program in the Downtown Neighborhoods, deleting the language added by the Planning and Transportation Commission in paragraph CII1, and also the language that they added and deleted under paragraph E at the bottom of that page.

Cara Silver, Senior Assistant City Attorney clarified that Staff included highlighted language in Paragraph E to comply with the Vehicle Code. She suggested retaining that portion in the Resolution.

Council Member Klein remarked that the RPP Program had a good chance of success.

Council Member Schmid stated the Motion achieved the goal and deadline set by the Council. The amendments captured critical changes.

Council Member Price requested Council Member Klein explain his reasoning for deleting the provision regarding transferability.

Council Member Klein was concerned that the stakeholder group did not discuss transferability. Mr. Cintz made some good points. The language of "may be transferable between employees within a specific business" allowed that business a permanent lock on those permits. The Council did not intend to allow that. Further vetting was needed prior to including transferability in the trial period.

MINUTES

Ms. Gitelman requested Council Member Klein review Item Number 2. She asked if he intended to replace the P&TC with the City Council or to remove P&TC. The Resolution as drafted left decision making between Phases 1 and 2 to the Director with the City Council reviewing it at the end of Phase 2.

Council Member Klein wanted to give the Director authority to make changes between Phases 1 and 2. The Council would have full authority at the end of Phase 2.

Council Member Schmid understood the Motion was for the Director to make recommendations to the Council rather than make the decisions.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER that during Phase 1 the Director will recommend to the City Council the maximum number of permits to be issued during Phase 2.

Council Member Schmid remarked that Phase 1 would generate extremely important information that would inform Council discussions. The Council should engage directly.

Council Member Price would support the Motion. If traffic initiatives were successful, perhaps the Council could reduce the extent of the RPP Program.

Council Member Burt commented that the stakeholder group demonstrated that well-designed groups allowed complex issues to proceed. He wanted to understand the process for other modifications between Phases 1 and 2. The stakeholder group could add value to the entire process.

Ms. Gitelman advised that many refinements could be needed; therefore, Staff proposed decisions be made at the Director level subject to approval by the City Council at the end of Phase 2. Possible issues were allocation of spaces, the number and prioritization of employee permits, and others.

Council Member Burt inquired about the process for making refinements.

Ms. Gitelman envisioned the stakeholder group as a continuing resource as Staff collected data and began to assess potential refinements.

Council Member Burt asked if the process would involve administrative decisions or Council decisions.

Ms. Gitelman stated it would be an administrative process. Staff would consult with interested parties and make informed decisions, knowing the Council could change any decisions at the end of Phase 2. The P&TC suggested a public hearing through consultation between Staff and the P&TC.

MINUTES

If the Council wished to make decisions at the end of Phase 1, then Staff would need to prepare a Staff Report in Month 4 of the trial period in order to present information to the Council at the end of the trial period. In addition, Staff would need to collect data and consult with stakeholders.

Council Member Burt interpreted those comments as the process would not be fully administrative.

Ms. Gitelman clarified that the administrative process would occur during the transition from Phase 1 to Phase 2.

Council Member Burt asked if Phase 2 would be the end of the process.

Ms. Gitelman indicated Section 2 of the Resolution stated the Council would consider whether to make the RPP Districts and its parking programs permanent or modify them at the end of Phase 2.

Council Member Burt commented that initial spillover was likely to occur as other traffic mitigations would not be in effect at the outset of the RPP Program. The public and surrounding neighborhoods should understand that. Spillover would resolve as the City implemented other traffic measures and as people adjusted their behavior. The Council should be aggressive in attempting to implement limited Transportation Demand Management (TDM) measures at the time of implementation of Phase 1. He hoped Phase 2 considerations included variable pricing. He inquired whether Staff intended to perform additional surveys and whether Staff requested email addresses of survey respondents.

Ms. Sullivan did not request email addresses; however, the follow-up survey in Phase 1 could be administered online.

Council Member Burt asked if Staff had considered ways to avoid the rush for permits as soon as online sales were available.

Ms. Sullivan explained that Staff would work through details of selling and fulfilling permits with permit vendors. Staff wanted some ability to manage permit sales.

Council Member Burt felt a major decision of Phase 2 was whether non-resident permits would be sold in annexed areas. He asked if Staff had made that decision at the current time.

Ms. Sullivan reported the program did not state the City would not sell employee permits for blocks that might be annexed. That would characterize annexed blocks differently from the original area.

MINUTES

Council Member Burt did not believe that should be an administrative decision. He asked if that was a component of annexation or of Phase 2.

Ms. Sullivan responded annexation.

Council Member Burt suggested his concern could be addressed through an amendment that stated the Council would have to authorize the sale of non-resident permits in adjacent, annexed areas.

Ms. Gitelman requested a rationale for treating the new areas differently from the original area.

Council Member Burt stated Mr. Beamer spoke to concerns. Areas adjacent to the proposed RPP District were not impacted by parking issues at the present time. Adjacent areas would be impacted when the RPP Program was implemented.

Ms. Gitelman acknowledged that within the impacted areas there were variations.

Council Member Burt commented that it was a policy decision. He suggested including a provision that non-resident permits for adjacent areas that would be annexed would only be sold subsequent to Council authorization

Council Member Klein advised that Section 10.50.080 of the RPP Ordinance stated the City Council could approve, deny, or modify an annexation.

Council Member Burt clarified that the Council could place conditions when it reviewed an annexation proposal.

Council Member Klein interpreted the RPP Ordinance as the Council had the authority to attach conditions to annexation.

Council Member Burt was surprised by the high administrative cost of online permitting and requested an explanation of costs.

Ms. Sullivan reported online sales included building and hosting a website; fulfilling, distributing, and mailing permits; and customer service. Costs varied widely; therefore, Staff needed to understand the range of services being offered. The customer service component would be a significant cost.

Council Member Burt asked if an apartment was considered a residence.

Ms. Sullivan replied yes.

Council Member Burt asked if Downtown apartment dwellers could participate.

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Ms. Sullivan answered yes, as long as they lived within the specified boundaries. Residents of the commercial core and South of Forest Avenue (SOFA) areas would be eligible to purchase permits.

Vice Mayor Kniss inquired about the reasons for limiting enforcement to 8:00 A.M. to 5:00 P.M. Monday through Friday. Employees would be at work after 5:00 P.M. and on weekends.

Ms. Sullivan advised that a majority of survey respondents wanted those hours.

Vice Mayor Kniss asked if residents did not complain about parking on weekends.

Ms. Sullivan responded yes.

Vice Mayor Kniss inquired whether respondents felt 5:00 P.M. was sufficiently late in the evening for enforcement.

Ms. Sullivan answered yes.

Vice Mayor Kniss supported deleting the transferability aspect from the Motion. Annexation would be an issue in the future. The first problem would be residents wanting more guest permits than was allowed. She asked how Staff would respond to requests for additional guest permits.

Ms. Sullivan would design guest permits to be transferable within a household. A household could purchase up to two guest permits and up to 50 visitor passes.

Vice Mayor Kniss remarked that Staff was aware that those types of problems were likely to arise.

Ms. Sullivan indicated the stakeholder group discussed selling unlimited permits; however, eight or nine cars associated with one residential address were part of the issue.

MOTION AS AMENDED PASSED: 5-0 Berman, Holman, Scharff, Shepherd not participating

ADJOURNMENT: The meeting was adjourned at 12:05 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.