



CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Special Meeting
May 18, 2015

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:34 P.M.

Present: Berman, Burt, DuBois, Filseth arrived at 5:56 P.M., Holman, Kniss, Scharff, Schmid, Wolbach

Absent:

Special Orders of the Day

1. Proclamation Recognizing City of Palo Alto Fire Department Paramedic 40th Anniversary and National Emergency Medical Services Week May 17-23, 2015.
2. Selection of Applicants to Interview on June 4, 2015 for the Architectural Review Board.

MOTION: Council Member Scharff moved, seconded by Council Member Kniss to interview all applicants for the Architectural Review Board on June 4, 2015.

MOTION PASSED: 8-0 Filseth absent

Agenda Changes, Additions and Deletions

MOTION: Council Member Burt moved, seconded by Vice Mayor Schmid to continue Agenda Item Number 12- PUBLIC HEARING: to Hear Objections to the Levy of Proposed Assessments on the Palo Alto Downtown Business Improvement District and Adoption of a Resolution Confirming the Report of the Advisory Board and Levying Assessment for Fiscal Year 2016 on the Downtown Palo Alto Business Improvement District to June 29, 2015 at 6:00 p.m. or thereafter.

ACTION MINUTES

MOTION PASSED: 8-0 Filseth absent

Consent Calendar

MOTION: Council Member DuBois moved, seconded by Council Member Berman, third by Council Member Wolbach to pull Agenda Item Number 8-Finance Committee Recommendation that Council: (1) Add a 25-Year Contract Term Option in Addition to the Palo Alto Clean Local Energy Accessible Now (CLEAN) Program's Existing 20-Year Contract Term Option; (2) Continue the CLEAN Program for Solar Resources at a Contract Price Reduced from 16.5¢/kWh to the Avoided Cost of the Solar Energy Generated (10.3 ¢/kWh to 10.4 ¢/kWh) with a Program Cap of 3 Megawatts; and (3) Expand the CLEAN Program's Eligibility to Non-Solar Renewable Energy Resources with a Program Cap of 3 Megawatts at a Contract Price Equal to the Avoided Cost of the Non-Solar Energy Generated (9.3 ¢/kWh to 9.4 ¢/kWh) to be heard on May 27, 2015.

MOTION PASSED: 9-0

MOTION: Vice Mayor Schmid moved, seconded by Council Member Wolbach to approve Agenda Item Numbers 3-7, 9-10.

3. Approval of Final Payment and Withheld Retention in a Combined Total Amount of \$232,137 to Republic Intelligent Transport Services, Inc. (a Siemens Company) for Work Performed No. C12143538 for Phase II of the LED Light Conversion Project (EL-10009) and Adoption of a Budget Amendment Ordinance 5327 Entitled, "Budget Amendment Ordinance of the Council of the City of Palo Alto for Fiscal Year 2015 in the Amount of \$184,510 Offset with a Reduction in the Electric Fund Distribution Reserve."
4. Approve and Authorize the City Manager or Designee to Execute the Following Seven Third-Party Energy Efficiency Program Contracts in a Combined Not to Exceed Amount of \$6,625,000 and a Term for each through June 30, 2018: (1) CLEAResult Consulting, Inc., No. C15159135 in an Amount Not to Exceed \$910,000; (2) Eagle Systems International, Inc. DBA Synergy Companies, No. C15159126 in an Amount Not to Exceed \$540,000; (3) Eagle Systems International, Inc. DBA Synergy Companies, No. C15159125 in an Amount Not to Exceed \$450,000; (4) Ecology Action of Santa Cruz, No. C15159124 in an Amount Not to Exceed \$1,950,000; and the Following Three Contracts With a Shared Total Not to Exceed Amount of \$2,775,000

ACTION MINUTES

(5) Ecology Action of Santa Cruz, No. C15155144A, (6) Enovity, Inc., No. C15155144B, and (7) BASE Energy, Inc., No. C15155144C.

5. Resolution 9510 Entitled, "Resolution of the Council of the City of Palo Alto Modifying the Electric Special Project Reserve Guidelines."
6. Adoption of the User Fee Cost Recovery Level Policy.
7. Approval of Contract No. C1515321 with FOG Studio in the Amount of \$97,900 for Design Services for the Baylands Interpretive Center Improvements Project PE-15029.
- ~~8. Finance Committee Recommendation that Council: (1) Add a 25-Year Contract Term Option in Addition to the Palo Alto Clean Local Energy Accessible Now (CLEAN) Program's Existing 20-Year Contract Term Option; (2) Continue the CLEAN Program for Solar Resources at a Contract Price Reduced from 16.5¢/kWh to the Avoided Cost of the Solar Energy Generated (10.3 ¢/kWh to 10.4 ¢/kWh) with a Program Cap of 3 Megawatts; and (3) Expand the CLEAN Program's Eligibility to Non-Solar Renewable Energy Resources with a Program Cap of 3 Megawatts at a Contract Price Equal to the Avoided Cost of the Non-Solar Energy Generated (9.3 ¢/kWh to 9.4 ¢/kWh).~~
9. Resolution 9511 Entitled, "Resolution of the Council of the City of Palo Alto Authorizing Overtime and Portal to Portal Pay for Deployments Away from the City for the Palo Alto Fire Department."
10. Request for Authorization to Increase Existing Contract with Newdorf Legal by an Additional \$55,000 for a Total Contract Not to Exceed Amount of \$160,000 for Legal Services Related to Litigation Matters.

MOTION FOR AGENDA ITEM NUMBERS 3-7, 9-10 PASSED: 9-0

Action Items

11. Approval of a Construction Contract with Express Sign & Neon, Inc. for a Not to Exceed Amount of \$327,558 for the Wayfinding Portion of the City Hall Remodel Project PE-12017 (Continued from April 13, 2015).

MOTION: Council Member DuBois moved, seconded by Council Member Filseth to approve the contract and authorize the City Manager or his

ACTION MINUTES

designee to execute deductive change orders and to delete the following elements:

- A. Eliminate the planned "POLICE" podium sign; and
- B. Eliminate the planned "CITY HALL" podium sign; and
- C. Eliminate renaming of garage levels from A, B and C, with a total cost saving of at least \$125,000.

Motion separated for the purpose of voting.

AMENDMENT: Council Member Burt moved, seconded by Council Member XX to replace in the Motion:

- i. Part A, "Eliminate the planned "POLICE" podium sign" with "Eliminate the podium and attach the "POLICE" sign to the building"; and
- ii. Part B, "Eliminate the planned "CITY HALL" podium sign" with "Eliminate the podium and attach the "CITY HALL" sign to the building."

AMENDMENT RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion at the end of Part A, "retain existing stairway sign."

AMENDMENT RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion Part B, "Eliminate the planned "CITY HALL" podium sign" with "Eliminate the podium and attach the "CITY HALL" sign to the building."

MOTION PART A RESTATED: Eliminate the planned "POLICE" podium sign and retain existing stairway sign.

MOTION PART A FAILED: 3-5 DuBois, Filseth, Schmid, yes, Scharff not participating.

MOTION PART B RESTATED: Attach the planned "CITY HALL" sign to the building and modify the planned monument sign at Hamilton Avenue/Bryant Street to include "CITY HALL" text.

ACTION MINUTES

AMENDMENT B PASSED: 6-2 Holman, Kniss no, Scharff not participating

MOTION PART C RESTATED: Eliminate renaming of garage levels from A, B and C.

AMENDMENT C PASSED: 7-1 Berman no, Scharff not participating

MOTION AS AMENDED PASSED: 8-0 Scharff not participating

~~12. PUBLIC HEARING: to Hear Objections to the Levy of Proposed Assessments on the Palo Alto Downtown Business Improvement District and Adoption of a Resolution Confirming the Report of the Advisory Board and Levying Assessment for Fiscal Year 2016 on the Downtown Palo Alto Business Improvement District.~~

13. Discussion and Direction Regarding a Possible Ordinance to Limit Formula Retail and Other Land Uses to Preserve Ground Floor Retail Along Commercial Areas on California Avenue and Some Intersecting Streets.

Council Member Kniss recused herself because her family owns property that may or may not put her in a conflict with this Agenda Item.

Council Member Kniss left the meeting at 7:29 P.M.

MOTION: Mayor Holman moved, seconded by Council Member Wolbach to direct Staff to prepare a draft Ordinance to be reviewed for recommendation by the Planning and Transportation Commission (PTC) with the following considerations included:

- A. Expanding the ground floor protections to include both sides of Cambridge Avenue, lanes between California Avenue and Cambridge Avenue, El Camino Real from Page Mill Road to Stanford Avenue, extending Park Boulevard south and any other locations as found to be feasible and desirable; and
- B. Linkages from the California Avenue area to the Fry's Electronics site; and
- C. Limiting formula retail; and

ACTION MINUTES

- D. Addressing the permanency of Conditional Use Permits; and
- E. Limiting restaurants on California Avenue to the current percentage; and independently, also to any extended ground floor district; and
- F. Limiting the number of hair & nail salons on California Avenue; and
- G. Consider limiting number of financial institutions on California Avenue; and
- H. Adding the word “predominantly” and “generally open to the public” to the definition of Retail Service consistent with the Retail Urgency Ordinance; and
- I. Limiting new development, rehabilitations (off El Camino Real) to respect the historical pattern of narrow store fronts and square footages that tend to support smaller, local independent businesses; and
- J. Requiring that any demolition and major rehabilitation be required to conform to ground floor retail requirements; and
- K. Prohibiting opaque windows at the ground floor in ground floor protected areas for any use, including existing uses; and
- L. Any other such matter that the Planning and Transportation Commission finds beneficial to retail quality and retention; and
- M. If any of the resulting recommendations require additional research, Staff is to return to the Council with an Interim Ordinance implementing those items that do not result in delay.

AMENDMENT: Council Member Wolbach moved, seconded by Council Member Berman to add to the Motion at the beginning of Part E, “consider.”

AMENDMENT RESTATED: Council Member Wolbach moved, seconded by Council Member Berman to replace in the Motion Part E, “Limiting restaurants on California Avenue to the current percentage and, independently, also to any extended ground floor district” with “consider limiting restaurants on California Avenue.”

ACTION MINUTES

AMENDMENT RESTATED: Council Member Wolbach moved, seconded by Council Member Berman to replace in the Motion Part E, "limiting restaurants on California Avenue to the current percentage; and independently, also to any extended ground floor district" with "looking at an appropriate limiting of restaurants on California Avenue."

AMENDMENT PASSED: 7-1 Holman no, Kniss absent

AMENDMENT: Council Member Wolbach moved, seconded by Council Member Scharff to add to the Motion, "analyze and if necessary propose changes to parking requirements to bring eating and drinking establishment parking requirements in line with other retail establishments."

AMENDMENT TO THE AMENDMENT INCORPORATED WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Amendment, "to bring eating and drinking establishment parking requirements in line with other retail establishments" with "commensurate with parking demands of restaurant use."

AMENDMENT AS AMENDED PASSED: 7-1 Filseth no, Kniss absent

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "for the California Avenue area" after "draft Ordinance."

AMENDMENT: Council Member DuBois moved, seconded by Council Member XX to add to the Motion Part A, "consideration of California Avenue side of California Avenue" before "other locations."

AMENDMENT WITHDRAWN BY THE MAKER

AMENDMENT: Council Member DuBois moved, seconded by Council Member XX to add to the Motion, "limit other retail users to no more than a defined percentage of the California Avenue district."

AMENDMENT RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "limit other retail users to no more than a defined percentage on California Avenue."

ACTION MINUTES

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "clarify that we do not want parking transferring from restaurant use to office use."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER removed from the Motion Part A, "El Camino Real from Page Mill Road to Stanford Avenue."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion Part A, "to Grant Avenue" after "Boulevard south."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to remove from the Motion Part B, "linkages from the California Avenue area to the Fry's Electronics site."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion Part J, "any demolition" with "any construction resulting from demolition."

AMENDMENT: Council Member DuBois moved, seconded by Council Member Scharff to add to the Motion "as a separate consideration, update Municipal Code Section 18.16.050."

AMENDMENT PASSED: 8-0 Kniss absent

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion at the end of Part L, "(excluding medical uses)."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "Direct Staff to analyze and return to Council with mechanisms to make non-conforming uses conforming on California Avenue."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion Part J, "requiring" with "prioritize the requirement."

AMENDMENT: Council Member Scharff moved, seconded by Council Member Filseth to remove "Limiting new development, rehabilitations (off El

ACTION MINUTES

Camino Real) to respect the historical pattern, where it exists, of narrow store fronts and square footages that tend to support smaller, local independent businesses."

AMENDMENT PASSED: 5-3 Burt, DuBois, Holman no, Kniss absent

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion at the end of Part B, "on California Avenue."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the end of "p" "and to do so on a less urgent basis than the above directives."

MOTION AS AMENDED PASSED: 8-0 Kniss absent

14. Composition and Purpose of an Advisory Committee for the Comprehensive Plan Update.

MOTION: Council Member DuBois moved, seconded by Council Member Scharff to:

1. Approve the formation of a Citizens' Advisory Committee (CAC) representing diverse interests to assist with the Comprehensive Plan Update; and
2. Direct the City Manager to solicit applications and appoint members of the Committee consistent with purpose and parameters recommended by Staff with additional requirements:
 - A. Must be Palo Alto resident; and
 - B. Consideration for parents at a variety of schools and levels of education; and
 - C. Individuals representing a wide variety of neighborhoods; and
 - D. Add expertise in Historic Resources; and
 - E. Add retail business owner; and

ACTION MINUTES

- F. Favor participants that fit more than one interest / area of expertise;
- 3. CAC will work on policies and programs according to Comprehensive Plan Vision Statements and Goals set by City Council. Staff is directed to bring topics to CAC and then to Council ideally within a month of each other to keep the groups in sync.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion Part 3, "CAC will work on policies and programs according to Comprehensive Plan Vision Statements and Goals set by City Council" with "The Council will address critical issues, choices, options, and measures and provide guidance to the CAC who will work on policies and programs according to the Comprehensive Plan vision statement and goal guidance by the Council."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion Part 3, "ideally" with "approximately."

AMENDMENT: Council Member Wolbach moved, seconded by Council Member Scharff to remove from the Motion Part 3, "and direct Staff to bring topics to CAC and then to Council approximately within a month of each other to keep the groups in sync."

AMENDMENT FAILED: 3-5 Berman, Scharff, Wolbach yes, Kniss absent

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion Part A, "must be Palo Alto resident" with "voting members must be Palo Alto residents."

AMENDMENT: Council Member Berman moved, seconded by Council Member Wolbach to add to the Motion at the beginning of Part A, "all but two."

AMENDMENT FAILED: 3-5 Berman, Scharff, Wolbach no, Kniss absent

AMENDMENT: Mayor Holman moved, seconded by Council Member DuBois to add to the Motion, "expand Natural Resources Conservation category to include expertise in open space and habitat."

ACTION MINUTES

AMENDMENT PASSED: 5-3 Berman, Scharff, Wolbach no, Kniss absent

MOTION AS AMENDED PASSED: 8-0 Kniss absent

Inter-Governmental Legislative Affairs

None.

Council Member Questions, Comments and Announcements

None.

Adjournment: The meeting was adjourned at 11:46 P.M.