



CITY OF PALO ALTO CITY COUNCIL TRANSCRIPT

Special Meeting
February 8, 2016

The City Council of the City of Palo Alto met on this date in the Council Chambers at 4:34 P.M.

Present: Berman arrived at 4:37 P.M., Burt, DuBois, Filseth, Holman arrived at 4:37 P.M., Kniss, Scharff, Schmid arrived at 4:36 P.M., Wolbach arrived at 4:40 P.M.

Absent:

Closed Session

1. CONFERENCE WITH LABOR NEGOTIATORS

City Designated Representatives: City Manager and his Designees Pursuant to Merit System Rules and Regulations (James Keene, Molly Stump, Suzanne Mason, Dania Torres Wong, Alison Hauk)

Employee Organizations: Palo Alto Police Officers Association (PAPOA); Palo Alto Police Managers' Association (PAPMA); Palo Alto Fire Chiefs' Association (FCA); International Association of Fire Fighters (IAFF), Local 1319; Service Employees International Union, (SEIU) Local 521; Management, Professional and Confidential Employees; Utilities Management and Professional Association of Palo Alto (UMPAPA)

Authority: Government Code Section 54957.6(a).

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Authority: Government Code Section 54956.8

Property: Palo Alto Post Office, 380 Hamilton Avenue, Palo Alto, CA 94301

Agency Negotiators: James Keene, Lalo Perez, Hamid Ghaemmaghani
Negotiating Parties: United States Postal Service and City of Palo Alto

Under Negotiation: Purchase and Leaseback – Price and Terms of Payment.

TRANSCRIPT

Mayor Burt: Our first order of business is a prospective Closed Session. There are actually two items on it. I have three public speakers who wish to speak to it. The first item is a conference with labor negotiators regarding the Palo Alto Police Officers Association, Palo Alto Police Managers' Association, Palo Alto Fire Chiefs' Association, International Association of Firefighters Local 1391, Service Employees International Union Local 521 and the Management, Professional and Confidential Employees, and then finally the Utilities Management and Professional Association of Palo Alto. We will have a second Closed Session Item which is a conference with real property negotiators regarding the Palo Alto Post Office at 380 Hamilton Avenue. We have three speakers who wish to speak to Item Number 1 before we entertain a motion as to whether to discuss these items in Closed Session. Our first speaker is Peggy Quillen, to be followed by Lydia Wallace-Pounds. Welcome.

Peggy Quillman: Thank you for giving us this opportunity to speak. My name is Peggy Quillman, as you mentioned. I've worked for nearly 27 years for the City of Palo Alto in the libraries. SEIU members provide quality services that keep Palo Alto a premier city for residents and businesses. We have made valuable concessions for the City's benefit including capping the City's healthcare premium contributions and maximum contributions to pension costs. Despite all that City workers have contributed to keeping Palo Alto a highly desirable community for families, most of us cannot afford to live in Palo Alto and have not shared in the City's prosperity. In fact, 93 percent of City workers cannot live in the City where we work. We are asking the City to preserve Palo Alto's premier City services by reinvesting in City workers. It's apparent to workers on the ground like me that Palo Alto must make a commitment to reinvest the infrastructure of this City and that includes its City workers. Even more, the City has the ability to do so but has restricted itself while workers and City services are suffering. Last month, we saw a new financial forecast stating the City's desire to retain and attract a talented workforce. City management has publicly acknowledged recruitment and retention are a challenge when the costs of living in Palo Alto are skyrocketing. The City's forecast also acknowledges that the salaries of City employees have fallen behind other comparable agencies. We all know this is a problem, and we all know what the solution is. Together let's preserve Palo Alto's premier City services by reinvesting in City workers and the services we provide. Thank you.

Mayor Burt: Thank you. Our next speaker is Lydia Wallace-Pounds, to be followed by Mark Chase. Welcome.

TRANSCRIPT

Lydia Wallace-Pounds: Thank you very much. My name is Lydia Wallace-Pounds. I've worked for the City of Palo Alto for 25 years, and I'm an Administrative Associate. As City workers, we have contributed to the financial strength of this City not only by providing the best services we can, but also by absorbing our fair share of the costs needed to run this great City. Since the great recession, SEIU workers have made substantial concessions and cost-sharing measures including capping the City's healthcare premium contributions, creating a three-tier pension system and increasing employee retirement to the maximum allowable contribution of 8 percent. Also, we have significantly reduced the City's employment expenses, so much so that according to the new financial forecast the costs of our wages and benefits will grow only 1.8 percent over the decade. Now our wages and benefits are below industry standards, and we cannot recruit and retain workers just as my coworker, Peggy, just spoke about. Currently 8.5 percent of the positions in SEIU's bargaining units are vacant. Roughly a quarter of these jobs have been open for six months or more. We can make Palo Alto a premier place to work by offering fair wages through realignments and COLAs. We are at the bargaining table to secure fair wages. The City has said it will adjust employees' salaries to the average of the market over the next few years; however, the City is proposing wage realignments for only a portion of the workforce and only to bring these positions up to 2 percent below the median market compensation. We are proposing that the City bring every SEIU worker up to median market compensation. We are also asking the City to apply across-the-board COLAs on top of these realignments so our workforce can afford to keep up with the costs of living in Silicon Valley. In essence, all we're asking is for the City to pay fair wages that keep us up with increasing costs of living. Thank you.

Mayor Burt: Thank you. Our next speaker is Mark Chase, to be followed by Lynn Krug. Welcome.

Mark Chase: Good evening. Mayor Burt and members of the City Council, my name is Mark Chase, and I have worked for the City of Palo Alto for eight years. I'm a Supervisor in the City's Communications Center serving the Police, Fire, Utility and Animal Control Departments as their dispatch center. I'm also a member of the SEIU bargaining team. As we've negotiated with the City over the last few months, SEIU's goal has been to come to an agreement that will be fair and equitable to all parties. We're not seeking an industry-leading agreement, but rather simply a contract that will allow our members to be able to breathe a little easier. When one truly thinks of who makes the City function, in most cases it's the foot soldiers, the librarians, the tree crews, the parks department employees, the park rangers and the

TRANSCRIPT

administrative assistants. All of these positions on average make a wage of \$70,000 per year. All of these full-time workers qualify for below market rate housing through the Palo Alto Housing Corporation. We respectfully are asking for a raise of just below 10 percent over the next three years. This would raise these employees' salaries to approximately \$77,000 per year over the next three years. Does this seem like an exorbitant amount of money, especially in this area? Several members of our negotiating team have spoken passionately during our Closed Sessions of the sacrifices that they and their families have made to continue to work for the City since 2009, when we had a contract imposed upon us. Costs of living in the Bay Area is skyrocketing. Traffic and transportation costs are increasing, and yet our salary increases continue to fall in the 1 to 2 percent range on average even after we assumed drastic cuts seven years. Most of these workers continue to earn less today than they did then. Each year, rent increases, staples increase and the burden of living in a thriving economic zone becomes more and more difficult for our membership. For some of employees, like librarians who are required to have a master's degree, the burden of student debt is also a worrisome issue. Additionally in this contract, the City has asked us to partner with them and to pay a portion of the employer's share to help address the unfunded liabilities of the CalPERS pensions. We feel it's only fair and reasonable that if the City wishes us to share in these costs, then the City must be equally fair and allow us to share in this booming economy of Palo Alto. Just to be clear, we're not asking for industry-leading wages. We're simply asking for parity and cost of living increases that cities in our comparison group have been receiving. We hope to reach a successful conclusion to these negotiations as soon as possible. Thank you for your time.

Mayor Burt: Thank you. Our final speaker is Lynn Krug. Welcome.

Lynn Krug: Thank you, Mayor Burt, City Council Members, for seeing us this evening. I'm Lynn Krug. I'm Chapter Chair for SEIU employees. We number some 546 employees of which the average pay is around \$70,000, \$75,000 a year. What we're asking for for an average, across-the-board, for COLAs hurts all members within the duration of an extended contract within two years. We're not asking for top dollar. We're asking for median. We came in already saving the City a great deal of money by being well under median. Our CPI and COLAs were already below the average, and we were already losing approximately 2 percent this past year of the previous contract. As Peggy, Lydia and Mark said, I will reiterate. We're not asking for great things. We're asking for a fair wage. When you look across at what other cities are getting, we're not asking for above median. We're not

TRANSCRIPT

asking for top dollar. We're asking to be aligned to median. We're asking for COLAs that are only the average of the local areas, and even then we're taking hits for our least paid employees over time. I hope you'll well consider that we also pick up 8 percent of all that work where other employees are not filling positions. We are greatly doing our part over time and will continue to. Thank you.

Mayor Burt: Thank you. That concludes our public speakers. We need to have a motion to go into Closed Session. Can we do one motion for the two items or should they be separate? One can be. We can have one motion to cover the two Closed Session items.

Council Member Wolbach: So moved.

Council Member Kniss: So moved.

Vice Mayor Scharff: Second.

MOTION: Council Member Wolbach moved, seconded by Council Member Kniss to go into Closed Session.

Mayor Burt: Motion by Council Member Wolbach, seconded by Council Member Kniss. Did you wish to speak to your motion? No?

Council Member Kniss: No.

Mayor Burt: Please vote on the board. Mr. City Manager, did you—okay. That passes unanimously, and the Council will now go into Closed Session. Thank you.

MOTION PASSED: 9-0

James Keene, City Manager: Mr. Mayor, I just might remind everyone that you put a tentative schedule on your agenda. I think you have allocated about two hours for this Closed Session. Thanks.

Mayor Burt: Thank you. Thank you all.

Council went into Closed Session at 4:46 P.M.

Council returned from Closed Session at 7:26 P.M.

Mayor Burt: The Council has just completed two Closed Session items; conference with labor negotiators, Item 1, and a conference with real

TRANSCRIPT

property negotiators, Item Number 2. We have no reportable action on either item.

Agenda Changes, Additions and Deletions

Mayor Burt: Next item is—we have no Agenda Changes, Additions or Deletions to my knowledge.

City Manager Comments

Mayor Burt: We'll be going forward with City Manager Comments.

James Keene, City Manager: Thank you, Mr. Mayor, Council Members. It's a wrap on the Super Bowl, and certainly we were spared any real negative impacts from the Super Bowl here in Palo Alto. I did want to thank all of our folks who worked yesterday at the Emergency Operations Center which was up and running at City Hall and who spent the last few weeks preparing for Super Bowl Sunday. Our Office of Emergency Services, Public Safety personnel and communications Staff from departments across the City did a great job in coordinating with regional agencies and providing necessary support to ensure that Super Bowl 50 was a success. Most of the media reports we saw indicated that public transit really wasn't an issue, and there did not seem to be any really difficult, significant traffic impacts on the freeways in town. Again, I want to thank Ken Dueker and the Chief and all of our folks who worked hard to prepare for the event. From our Library Department, beginning Wednesday, February 17th, a new integrated library service platform will provide web-based catalog access to library collections, both physical and digital. The same platform will also offer web-based catalog access for customers to manage their library accounts. Due to the necessity of migrating to the new platform, starting at 6:00 p.m. on Sunday, February 14th, which shouldn't be an imposition—everybody should be with their sweethearts that evening anyway—all online service catalog features will become unavailable. In addition, because of the platform's final switch over and necessary time for Staff training, all five Palo Alto City library branches will be closed on Tuesday, February 16th, following the Monday, February 15th, Presidents' Day holiday closure. We will be closed Monday, February 15th, and Tuesday, February 16th, all five libraries. Regular hours will resume on Wednesday, February 17th. LinkPlus service will resume at the Rinconada Library beginning February 25th. The Planning Staff will be hosting a community workshop to advance the Professorville Historic Design Guidelines project on Tuesday, February 23rd. That'll be at 6:30 p.m. at the Palo Alto Art Center. The purpose of the project is to develop and adopt

TRANSCRIPT

illustrated architectural guidelines as a tool to assist homeowners, architects, City Staff and the Palo Alto Historic Resources Board in making decisions about how to make alterations, additions and new construction compatible with the character of the Professorville Historic District. At the workshop, City Staff will present background information about how to make alterations, additions and new construction compatible, will answer questions of homeowners and residents and gather community input prior to drafting the Design Guidelines. Topics to be covered at the workshop include the history and architecture of Professorville, how the Historic Design Guidelines will be used and next steps in the process. There will be future workshops, and members of the public will have an opportunity to review and comment on a draft of the Guidelines before they are considered for adoption by the City Council. A community workshop for Parks, Trails, Natural Open Space and Recreation Master Plan will be held this Thursday, February 11th, from 6:30 p.m. to 8:00 p.m. in the Embarcadero Room at the Rinconada Library. The workshop will follow the structure of the recently completed online community survey challenge which allows folks to weigh in on prioritizing various projects and needs. The community is encouraged to attend, and information about the master planning process is located on our website, paloaltoparksplan.org. Finally, as we head into mid-February and even though it's sunny and warm out, I thought it would be good to get an update on where we stand with respect to the El Nino scenario. The seasonal climate outlooks for February to April indicate an increasing likelihood of above-average precipitation in the Bay Area where models predict a 40 percent chance of above-average rainfall over the next three months. Looking ahead at the weather forecast for the next two weeks though, we expect to see a dry and warm weather pattern with only one day of rain predicted. The rainy season for the Bay Area typically can run through April 15th, so there still is plenty of opportunity for some significant storms. Looking at the historical peak flow rates for the San Francisquito Creek, a quarter of the top 20 storm events have taken place after February 8th. NOAA, the National Oceanographic and Atmospheric Administration, which is one of the primary monitors of weather and El Nino weathers, will be producing its next monthly report on the status of El Nino and the trends on February 11th. We'll share that information on our website and with the Council more directly. That's all I have to report.

Oral Communications

Mayor Burt: Thank you. Our next item is Oral Communications. I have only two speaker cards. If anyone else wishes to speak, please come

TRANSCRIPT

forward. Each speaker will have up to three minutes. Our first speaker is Palo Alto Free Press.

Palo Alto Free Press: Thank you very much, Council Members. One of the things that brought me out here this evening was to address the issue of medical marijuana and dispensaries. What I found most troubling were the wild assertions that were put forth by City Attorney Molly Stumps. As an attorney, you really want to make a defense for your clients, your clients being all of you assembled here at the dais. One of the things that she mentioned is that many California communities have experienced adverse impacts and negative secondary effects from medical marijuana establishments and cultivation sites. She goes on to cite that there is significant evidence that medical marijuana delivery services are also targets of violent crimes and pose a danger to the public. If you're an attorney, I think it would behoove Molly Stump to present the evidence just as any attorney would do for his clients. I hope that what you would is maybe reach out to your counterparts in Denver, Colorado, to see how they have addressed this issue. As you know, the cultivation of marijuana and medical dispensaries are allowed. One thing that I would like you to think about is this journal entitled *Journal of the Studies on Alcohol and Drugs*. This journal was established in 1940. It explores the ecological association between crime and medical marijuana dispensaries. In its concluding comments with respect to the study, it says this, nationally there were no observed cross-sectional associations between the density of medical marijuana dispensaries and either violent or property crime rates in this study. That's a powerful statement that's coming from a renowned journal that has all kinds of data that can be shared with you. I would recommend two things. Reach out to your Denver, Colorado, counterparts, and do the research before you listen to an attorney that's supposed to be presenting some data and some factual evidence before you enact this emergency ordinance.

Mayor Burt: Thank you. Our next speaker is Robert Moss.

Robert Moss: Thank you, Mayor Burt and Council Members. I want to clarify some of the comments I have made about office density, that is the number of workers per office. I think I was misunderstood in some of the statements I made before. Let me be clear about the data that I was using. There's a report that came out four years that was published in *The New York Times* about two, two and a half years ago, that was based on surveys of over 400 property owners nationwide on their actual office density occupancy. At that time, they were making projections of what would

TRANSCRIPT

happen in five years. The projection was that a significant percentage of offices would be occupied at 100 square feet per worker, but that was a projection. That wasn't the current data. Also, it varies depending on the type of office use you have. I looked at the latest data that was published in the Staff Report last fall when we were doing the Business Registry survey. With about 70—I think it was 69 percent of the businesses responding, the average space per worker was about 365 square feet, but that's for all types of uses, office and retail and commercial. We don't have a clear breakdown on just office occupancy yet. When we do have all the registration data available, we'll have a much better idea of what it looks like and what the actual occupancy rates are. Now, currently for planning purposes, we use 250 square feet per worker for office space. That seems like a reasonable approach at this time. However, because of the high office rents in Palo Alto, it's almost certain that the occupancy rate is going to increase, but I'm not going to try to predict by how much or when. I think we need more data. We need to have data broken down by type of commercial use. It would also be nice to have the data segregated by location. Is the office density occupied Downtown different than it is on El Camino? Different than it is on San Antonio? We need more data before we can be really sure of what our occupancy rates are, but we do need it in order to be able to predict the traffic and parking problems.

Mayor Burt: Thank you.

Minutes Approval

3. Approval of Action Minutes for the January 19 and 25, 2016 Council Meeting.

Mayor Burt: Our next item is approval of Minutes from January 19th and 25th. Do we have a motion to approve ...

Council Member Holman: I'll move approval with the correction that's at place for the January 19 Minutes.

Mayor Burt: Do we have a second.

Vice Mayor Scharff: Second.

MOTION: Council Member Holman moved, seconded by Vice Mayor Scharff to approve the Action Minutes for the January 19 and 25, 2016 Council Meetings with changes to the January 19 Action Minutes as outlined in the At Places Memorandum.

TRANSCRIPT

Mayor Burt: Did you wish to speak any further?

Council Member Holman: No.

Mayor Burt: Please vote on the board. That passes 8-0 with Council Member Kniss not voting.

MOTION PASSED: 8-0 Kniss not participating

Consent Calendar

Mayor Burt: Our next item is the Consent Calendar. Do we have a motion to approve? Vice Mayor Scharff.

Vice Mayor Scharff: I'd like to pull Item Number 6.

Mayor Burt: I will support that. So will Council Member Filseth.

MOTION: Vice Mayor Scharff moved, seconded by Mayor Burt, third by Council Member Filseth to pull Agenda Item Number 6- Approval of Amendment to Table of Organization... to become Agenda Item Number 7b.

Mayor Burt: I'm trying to think procedurally, since we've pulled it, are you wanting to have this as a Council discussion or a referral?

Vice Mayor Scharff: I want to refer it to Finance for proper vetting of ...

Mayor Burt: How do we do that under our rules?

Molly Stump, City Attorney: The rules provide the Mayor and the City Manager to confer on whether the item can be heard tonight or agendized for another Council meeting. I think it would need to be done that way, and then the Council could refer it to a Committee if it so chose.

James Keene, City Manager: Could I just clarify that, just a little bit? I think our procedures allow us either to take this up as a first discussion point on the Agenda, subject to how the Mayor may want to do that. I would suggest we do that on this one just since we did hand out some material that would take a minute for us to at least go over. If your decision is to refer it to Finance, you could make that direction at that point in the Action Item.

TRANSCRIPT

Mayor Burt: In that case, Item Number 6 would become the new Item 7B. Is that the way we do it? I'd like to entertain a motion to approve Consent Calendar Items 4, 5 and 7.

Vice Mayor Scharff: So moved.

Council Member Holman: Second.

MOTION: Vice Mayor Scharff moved, seconded by Council Member Holman to approve Agenda Item Numbers 4-5, 7, and 7a.

4. Resolution 9575 Entitled, "Resolution of the Council of the City of Palo Alto Approving the "2016 Procedures for Customer Identity and Credit Security.""
5. Approval and Authorization for the City Manager to Execute a Contract With Celerity Integrated Services Inc. in an Amount Not-to-Exceed \$122,500 for Fiber Optic System Review Services for a Term Through April 30, 2016 With a 15 Percent Contingency of \$18,375 for Related Work, for a Total Authorized Amount Not-to-Exceed \$140,875, Capital Improvement Program Project FO-16000.
6. ~~Approval of Amendment to Table of Organization by Adding 1.0 Management Analyst in the Development Services Department.~~
7. Appointment of 2016 Emergency Standby Council.
- 7a. Approval of a Contract With Freytag & Associates in the Amount of \$237,500 for Airplane Noise Assessment & Mitigation; and Approval of a Budget Amendment in the General Fund for Fiscal Year 2016, Offset by a Reduction of \$237,500 from the General Fund Budget Stabilization Reserve.

Mayor Burt: Motion by Vice Mayor Scharff, seconded by Council Member Holman. Please vote on the board.

Council Member Schmid: Clarification. That's 7 and 7a, right?

Mayor Burt: Whatever. That passes unanimously.

MOTION PASSED: 9-0

TRANSCRIPT

Action Items

7b. (Former Agenda Item 6) Approval of Amendment to Table of Organization by Adding 1.0 Management Analyst in the Development Services Department.

Mayor Burt: Now we will take up Item 7b. Vice Mayor Scharff.

Vice Mayor Scharff: When we go through the budgeting process, when we do it every year, we go very carefully over whenever we add positions. I think this should at the very least be vetted by Finance. Hopefully we don't have to spend a lot of time on it tonight. I'm going to move that we refer it to Finance Committee, and that they vet it, and it come back.

Council Member Holman: Second.

MOTION: Vice Mayor Scharff moved, seconded by Council Member Holman to refer this Agenda Item to the Finance Committee.

Mayor Burt: That's a motion to refer to Finance made by Vice Mayor Scharff, seconded by Council Member Holman. Did you want to speak further to your motion?

Vice Mayor Scharff: No.

Mayor Burt: Did you want to speak to your second? Council Member DuBois.

Council Member DuBois: I met with the Assistant City Manager on this item earlier this afternoon. I think, again we're going into Phase 2 of the Business Registry. As part of that process, we identified that we would need additional resources to staff that. It starts in March. We just got this memo here at places. I'm scanning it, but there was a work study done to look at the Development Center. There's an additional, I think, half a head to support the Business Registry and then a high volume of other activity where I think current Staff are operating above capacity. I would urge that we resolve this quickly so that we can get Phase 2 of the Business Registry launched in time. If there's a way to get that to Finance quickly and back to Council.

Mayor Burt: Mr. City Manager.

TRANSCRIPT

James Keene, City Manager: Thank you, Mr. Mayor, Council Members. I'm looking at the pulling of the item as more of a procedural matter than substantive. That's not to diminish from the discussion. I think actually when we have the discussion, if it goes Finance, it can be resolved, I think, pretty quickly. Almost instinctively this is essentially an enterprise funded program with 100 percent of the costs offset by fees, both on the Business Registry and otherwise. We do have like real life deadlines, so we need to put this on the Finance Committee Agenda, if you do this, at the next meeting which is on the 16th. I think the meeting is—the Agenda is not so heavy that that presents a problem. We need to try to come back to the Council on the 22nd. The implications on our existing Staff of the burdens that are out there and with the public with an advertised date of starting on March 1st just means that if we want to do this process, that's find. We just need Council to work with the schedule with us on this also so that we can support and handle the phone calls and things that are going to be coming in as best as we can.

Vice Mayor Scharff: If Finance supports it, of course I'm happy with it coming back on the Consent Calendar.

Mayor Burt: I see no more lights, so please vote on the board. That passes unanimously. Item Number 7b will be referred to Finance Committee.

MOTION PASSED: 9-0

8. Review and Discussion Regarding the Draft Community Services and Facilities Element Recommended by the Comprehensive Plan Update Citizens Advisory Commission (CAC).

Mayor Burt: Our next item is Item Number 8, review and discussion regarding the draft Community Services and Facilities Element recommended by the Comprehensive Plan Update Citizen Advisory Commission. Thank you. Welcome.

Jeremy Dennis, Advance Planning Manager: Thank you. Let me just set up here. One moment please. Good evening, Mayor Burt, members of the Council.

Mayor Burt: Good evening.

Mr. Dennis: Jeremy Dennis, Advance Planning Manager. I'm joined by my boss, Director of Planning, Hillary Gitelman, and the special guest to my right, your left, is Don McDougall, who's a member of the CAC and will be

TRANSCRIPT

speaking on behalf of the subcommittee this evening. The first thing I wanted to say is how excited we are to actually bring some product forward to you. I know you've been waiting, and we've been producing, but here's the first time you get to see one of our draft Elements. It's been seven months of meetings, and it's the culmination of a lot of hard work and ideas from some very, very smart people. One of those smart people is this guy, Don, right here. I know you'll be delighted to hear from him. Tonight's discussion, we wanted to share that work and get your feedback. If possible, we'd love the feedback to be high level. You will have opportunities at future dates to get into more of a drafting mode or digging deeper into policies and programs. If you choose to go there, we're happy to take any comments that you may have. Just as a reminder, that process will start next year related to bringing those items back once we've had an opportunity to cross-connect the Plan, add language around sustainability and otherwise help make it a consistent document. Any comments you give tonight are obviously welcome. This is the schedule and process and meetings that we've used to get to this point. Two full meetings of the CAC. At the second meeting, they ceded drafting authority to the subcommittee. The subcommittee met three times. Our Community Development Staff participated and the Director and Assistant Director of Community Development are here tonight. There was a lot of public comment. We had 90 comments from the public and 500 unique views of the draft Community Services Element in our draft commenter. I want to take a few minutes here. This is in your Staff Report. There was a series of themes that we identified as worthy of discussion. The first being this idea of inclusion. The CAC, in particular the subcommittee, wanted to make this the most inclusive document as possible regardless of who you were. Whether you were young, old, infirm, not, any kind of participation they wanted to make sure that that occurred. You'll see reflected throughout the draft document this idea of inclusion. The second one is participation in civic life. There's a lot of pride in the people who serve on the CAC and the residents of this community. They wanted people not only to know about what was going on, but find ways to participate in those activities. The document does have new ways to encourage people to be participating in the civic life that is Palo Alto. Third is this vitality of the community. I think it's most specifically suggested in the arts and culture section. It's been added to the document. As we all know, this community has a lot going on. People are very, very proud of it, so we wanted to more clearly make that apparent. Number 4, better connection to the schools and what's happening in the schools. Obviously there's some limitations in what a Comprehensive Plan can do related to that. The CAC and the subcommittee felt as though that there

TRANSCRIPT

were more opportunities to discuss how the City and the schools would be talking to one another about the common needs. Certainly services for teens was another area that the CAC and the subcommittee concentrated on. Over the last few years with all the issues that are going on, they wanted more focus on those activities. These would be programs that could be pointed to helping the teens in the community. Emphasis on the diversity of the City programming. The pride in the City not only comes with what goes on here, but what government provides them back. We're very rich in diversity of services. There was more of a focus in the draft on bringing that up. The customer service redefinition, this was one of the more lively discussions we had at the CAC and the subcommittee. The idea of customer service wasn't exactly—the terminology wasn't exactly something, I think, a lot of people were comfortable with because they believed—we've heard it from some residents who have come to Oral Communications—that it's something above just simple customer service. We're not just selling items. We're not working at a retail store. We're doing something beyond that. There was a focus on trying to find terminology that reflected that. Second to last is metrics. I think particularly the gentleman to my right, but many members of the subcommittee wanted to make sure that not only were we including more opportunities for metrics and data, but how we would use them in the future and then how that use would be reflected back in reports or what will we do in the future. Finally, you should have seen a very strong connection to the upcoming Parks Master Plan process, particularly as it relates to our parklands. That process is ongoing, and it was only fair that we make a connection back to that document. Again, this is reflected in your Staff Report. What you should find is a document that's fairly familiar to you. There are a number of additions related to the themes that you saw prior, but it should be something that reminds you of what we're comfortable with. The CAC was pretty happy with its bones and used it for basis of improvement. There was a strong focus on better aligning the policies and programs with the goals, and the narrative was considerably strengthened, in particular to libraries and the arts and culture piece. With that, I wanted to give Don a few moments to share his reflections on the Element.

Don McDougall, CAC Member: Without reiterating much of what Jeremy said, I think the things that we tried to do was listen to what the Council had said in a very early meeting. I don't even have a date on it, but a very early meeting where they talked about this Element relative to diversity of the people in the community. As Jeremy said, we had many people come and speak. The people who came and spoke, spoke an awful lot about disadvantaged people, so we tried to make sure we were listening to the

TRANSCRIPT

community on that and included diversity. I went through the policies that we have there and divided them into whether they were neutral, independent of an audience, or whether they spoke to culture or to seniors or to disadvantages or to children and youth or to teens or to low income, and would say that slight emphasis on youth which makes sense because they're the future. Otherwise, it's very balanced. All of the programs and policies are well balanced. The interesting, though, is that there are 26 new policies or 26, 27 new policies and 30 new programs. I would say that's also a result of listening to the citizens and all the presentations that were made. The size of the CAC that we have has affected that, and listening to input from the Council in the first place. The second thing is I think we tried to be really sensitive to the fact that although we're listening about people, the services is a substantial portion of place and facilities. Both the maintenance part of this and the new development part of this were taken care of. The next thing we did was recognize, I think, that the City can't do all of the things that we would like to do alone, and that partnerships are really important. We've tried to define the partnerships. Maybe some should be more explicitly called out than they are, but in general partnerships are well identified and particularly the partnership with the School District. As Jeremy mentioned, I would say we had general consensus that we'd like to demand more metrics be made available. So statements in the old Plan that said things like where data is available use it, we changed that to say if there's no data available, go get it as opposed to just simply allowing a Plan to say there's no data, so we didn't use it. We thought that was way too easy. In the health and well-being part, because of the citizens presentations, we were really sensitive to the fact that health and well-being is not just physical. We think that an awful lot of the old Plan was making sure there was parks for exercise and all of that kind of thing. The mental well-being of the community and all of its members was really important to us. The other thing we would say is that we tried to structure it so that we were religious to the goals that were defined by the Council. We tried to put in place policies that were guidelines, that would be in place for 10 or 15 years like the Plan is used. With programs, we tried to take out obscure words, look into or consider or whatever. In programs we tried to be more deliberate about do this or do that, so that they were in fact measurable or in fact just because they're in a strategic document, you say you do it doesn't mean you can't say no, we're not going to do it. We tried not to be wishy-washy there. If I'm allowed to go for one more minute, I will comment that the subcommittee process and the subcommittee meeting on this Element was outstanding. Bonnie's here with me, and I'm sure she would agree that the subcommittee process was extremely good. I'd like to

TRANSCRIPT

thank Elena and Jeremy for their participation, and particularly Rob from the services department. He did not get in our way. He did not tell us what to do, but boy was he a useful participant in what we did. My further comment on that was as we tried to be aware of the five goals that we were dealing with, I would like to mention that I think the goals informed all of our programs and policies. I would like to suggest that—this is as a CAC member and as a person, not as a CAC. This isn't coming from the chairman or whatever; it's coming from me. I would like to suggest that the programs and policies might inform the Council relative to making sure that the five goals are the right goals or are properly stated. Goal Number 1 is efficient and effective, and there are 30 policies in there. Do they all belong there or whatever, you certainly have the right to decide that. We think many of them, if not all of them, are there because we believe in them, but there's way too many policies. As Jeremy pointed out, one of the things we're excited about is if we have all this good stuff in the community, we want people to participate. Maybe a goal should be separated out that actively pursues getting people to participate as well as having the program there. I'd like to comment that I think the Staff did an incredibly good job with the narrative. I think the narrative captures the essences of the services in the community, and it allows us to build on that. This whole CAC process is something I'm proud of, and I really enjoy working with the Staff. We'll miss Jeremy when he goes. Thank you.

Mr. Dennis: Don mention that Bonnie Packer is here who served on the subcommittee. Also I saw in the audience our Co-Chairs, Arthur and Dan, and then also Shani Kleinhaus who serves on the CAC. With that, we want to open it up to your questions and comments. As I mentioned, Rob de Geus is here, if you have any questions there and Hillary, my boss, and myself.

Mayor Burt: Thank you. Why don't we go and hear from members of the public first, and then come into our questions and comments. Our first speaker is Don Barr, to be followed by former Council Member Gail Price. Welcome. Everyone will have up to three minutes to speak.

Don Barr: Good evening, thank you very much. I'm Don Barr. In 1998, I founded the nonprofit Community Working Group, and in 2004 I appeared before the Council and got your unanimous approval on behalf of the Community Working Group to develop the Opportunity Center. I continue to work with that. I want to talk about the Element, because I think that there are some factual errors in the draft Element. For example, it is the Community Working Group that owns and operates the Opportunity Services

TRANSCRIPT

Center, not Invision Shelter Network. They contract with us, but we are the owner and operator. There's also a fundamental issue of national homeless policy that has not been fully addressed. In 2015, the U.S. Federal Interagency Council on Homelessness issued a report in which they said that the (inaudible) federal policy towards homelessness is to provide permanent support of housing to prevent and end chronic homelessness. Chronic homelessness is a different problem than short-term homelessness. It is not shelters or temporary housing; it is permanent support of housing. The U.S. Interagency Council also issued a report in 2014 that said, We know that just one person experiencing chronic homelessness can cost communities between \$30,000 to \$50,000 per person per year in emergency room visits, hospitalizations, jails, prisons, psychiatric centers, detox programs and other costly services, but solving the problem, connecting someone to permanent housing with supportive services they need to achieve stability costs about \$20,000 a year annually. Also the Santa Clara County 2015 report, Home Not Found: the Cost of Homelessness in Silicon Valley, determined that for the top 10 percent of the most costly, chronically adult homeless populations, it costs the County and City approximately \$45,000 in these same services. However, extensive national data shows if you take that same person that costs \$45,000 to \$50,000 and put them in permanent, supportive housing, it will cost \$20,000. I just want to point out that since we opened in 2006 as the first permanent, supportive housing facility in the Peninsula, the Opportunity Center has kept 90 to 100 people housed. Let's just say half of those were of the chronic, homeless adults. At \$20,000 per person per year, we have saved the City and County government approximately \$9 million in foregone service. I think it's essential that the Community Services Element realize this, recognize the Opportunity Center and commit the City to a partnership to maintain permanent supportive housing as a central policy towards homeless services for the chronically homeless. Thank you.

Mayor Burt: Thank you. Our next speaker is Gail Price, to be followed by Bob Moss.

Gail Price: Thank you. My name's Gail Price; I'm also a member of the Community Working Group, and I live in Barron Park. I concur with all of the comments made by Don Barr. Some of my comments will reiterate a couple of his points. My main purpose here is to focus on a comment that was made earlier which was how can we be more inclusive. Inclusiveness includes providing services and helping to create permanent supportive housing. In Goal C-1.29, it's again related to delivery of community services. There is a comment there that temporary housing is one aspect of

TRANSCRIPT

the policy stated in the draft language. It is our strong feeling that temporary housing will not be sufficient to address chronically homeless individuals and families who often manifest mental and physical health issues, problems, addiction and problems finding jobs. The needs of the homeless are complex. Permanent supportive housing is a combination of affordable housing and support services designed to help individuals and families use housing as a platform for health and recovery following a period of homelessness, trauma including PTSD, hospitalization or incarceration. Supportive housing is the basis for services and its proven to be the most clinically effective and cost effective approach. Basically our recommendation is that you use the phrase permanent, supportive housing in addition to temporary housing. Secondly, to address the issue of partnerships, I believe you should be adding to the partners that you've listed business organizations, the State and the Federal government. Effective partnerships including funding must reach beyond local and regional efforts. Let's be realistic. To really provide policy and program guidance to address homelessness, these proposed language changes are needed to improve our capacity and our ability to more broadly build partnerships and leverage funding. It is important we do this if we want to be impactful and meaningful in our work and if we want to have a prayer related to expanding services for the homeless. Please seriously consider our recommendations, and I think it will make the Element stronger. Thank you, and it's nice to see everyone.

Mayor Burt: Thank you. Our next speaker is Bob Moss, to be followed by Arthur Keller. Final speaker, Stephanie Munoz.

Robert Moss: Thank you, Mayor Burt. Speaking as an individual, not as a Library Commissioner because the Library Commission hasn't discussed this topic. In the Staff Report on page C-8, packet page 93, you have a table of library facilities and operations. It omits a number of things. For example, the only branch which is listed as having a media collection is the Children's Library. Of course, there are media collections in all of the branches. Books on CDs are also available in most of the branches. There are more, but I'm not going to get into the details. I think the basic issue I have is that the facilities and offerings of the libraries are not adequately described in the table. I know the libraries were added kind of at the last minute, so there wasn't an awful lot of discussion about the topic. I think if we're going to have a report on what community facilities we offer and programs and what opportunities are available, we should be more complete. I picked up the libraries in particular because that's a topic I'm interested in. You might want to look at some of the other tables and just be sure that everything is

TRANSCRIPT

adequate and fully described. If you're not working in that area, it's easy to miss things. I could understand why the organization that put this together could have missed a few things. I'd like to see it modified so that we have a more complete description of the library facilities and library activities. Thank you.

Mayor Burt: Thank you. Our next speaker is Arthur Keller, to be followed by Stephanie Munoz.

Arthur Keller: Thank you. First I'd like to thank the subcommittee and Staff and the consultants for their hard work on this Element. Secondly, I'd like to point out that we would appreciate your feedback. We learned from this Element; this was sort of the first one we did, and our process was evolving, especially the process for handling the subcommittee. We got a better handle on how to handle that in future Elements. We're doing better in terms of tracking comments than we did on the first Element. There was a question by the Council, and I think we should have a list of all deleted policies and programs and why. For example, there's a policy in this document, C-1.18, which is actually an old program that was converted into a policy that was originally slated to be deleted. Clarification of that, I'm not sure if you want that to come back to you in some way on Consent or whatever. I think it would be good to actually have that document produced. It might be useful also to have Staff to do a little bit of wordsmithing. I happen to not like the word maximize. There's a thing here about maximizing use of the City/School Liaison Committee. Does that mean you use them as much as you can? I'm not sure. It seems kind of silly. I think that we should also acknowledge the Downtown Streets Team in terms of homelessness. That's a big part of our process. I have and other people have concern about how the Comprehensive Plan process will be handled after Jeremy leaves and who will take his place and how that happens. That could derail us in some ways. Finally, I'd like to thank the Mayor and Council for attention and feedback on this. This Comp Plan, I've been working on it since, as was mentioned, 2008. For many years, the Council has not paid as much attention to the Comp Plan. It's good that we're focused on it now. However, that means we are doing a quick work of it. That means that it's important for the Council to give detailed and clear feedback, so that we can use that for the future processes on this. Thank you very much.

Mayor Burt: Thank you. Our final speaker is Stephanie Munoz.

TRANSCRIPT

Stephanie Munoz: Good evening, and thank you very, very much for not just listening to me, but for the whole Palo Alto process. I've gotten the impression through the years that all of you, you're really all socialists. You want government for the people. Unfortunately, you also have this idea that the best thing for the people would be for Palo Alto to be really rich and have a lot of jobs and lots and lots of money and good property values. That doesn't always work. I'm talking for Lois Salo because she can't talk. She died. You're welcome to come to her memorial service this coming Saturday at University Lutheran Church around 10:00 to 11:00 in the morning. What I need to say is what all these people have said, that you have to take social insurance and taking care of the people who have not managed to hang onto their housing in this economy. I would say this idea with the Super Bowl and people bringing in to work in the fields of libidousness has inspired a great moral reawakening in a way. I have to tell you it's not working. I talked to my daughter who's an obstetrician at University of North Carolina, it's a public health, one of the finest in the country. She sees a lot of poor mothers. She said the minute the girl gets off the bus in San Jose, within 24 hours she's on the street being prostituted. We need to do something about that. We have to have a place for women to sleep overnight. Karen, coming up on the Super Bowl, I thought that was very tactful, the way she talked to the Police Department and said we're right on this problem of prostitution. Guys, if women do not have a place to stay overnight, you've got a prostitution problem, because they have to stay someplace. You're not paying attention. You're all smarter than I am. You can figure that out. Do something about it. Find a place to tuck these people away. While you're at it, I believe in purity and chastity too. I went my entire career to Catholic schools. A place to live, okay?

Mayor Burt: Thank you. We have one more speaker card, Shani Kleinhaus.

Shani Kleinhaus: Thank you. Shani Kleinhaus. I'm a member of the CAC; I don't speak on behalf of the CAC. I speak on my own here. I wanted to essentially agree with Don and with Arthur and the things they said. Jeremy will be a huge loss to all of us, because he's been amazing in how he organizes everybody and listens to everybody. Doria and I sent you a letter in which we asked for a few small changes. I hope you can incorporate them or ask Staff to. I was not on the CAC in the first two meetings, so I missed the opportunity to contribute to this specific Element. I guess it's a little later to start thinking of that. I think that Policy C-4.6 really should not be aspirational. We are going to have a lot more people in town. Having the national standards apply to our parks should not be aspirational. We should try and achieve them. That's one thing. One observation which I

TRANSCRIPT

don't know how to resolve, and it will probably be your job to do that. When we have conversations at the CAC, a lot of people have really good ideas, and most of those make it one way or another into the draft that eventually makes it to your desk. That means that we have a huge proliferation of programs, and that can become eventually very expensive. I just thought maybe a little direction on priorities that you can choose out of or something. I'm not sure how to resolve that. I think we're going to end up with so many programs at the end of this process, that we're going to have to—I don't know—tenfold Staff to address all of that. Something to be of concern. Thank you.

Mayor Burt: Thank you. At this time, we can return to the Council for questions and discussion. Who would like to begin? Council Member Kniss.

Council Member Kniss: Two of the speakers, I think, certainly made comments that resonate with me, Don Barr and previous Council Member Gail Price. Both speak to housing issues. Let me suggest that we actually add in the suggestions that Gail Price sent to us today, which are under Policy C-1.29. I think the changes are not extensive, but I think they address this problem that they've spoken of so clearly. Housing does make a difference. Dr. Barr, it was interesting to have you attach a number to what the Opportunity Center or the Invision housing has added to our community. It would add—I think you have this at your places. I'm pretty sure you do. It says support and promote County, City, State and nonprofit services. It adds the word State and goes forward with that. Especially in the areas of permanent, supportive housing and temporary housing—it could say as well as temporary housing—which addresses food, clothing, healthcare, mental health and transportation needs. Do you have a copy of this already? Okay. Secondly, under the same one, this is C-1.29.1. This talks about increasing awareness and so forth. Instead of using the word disorders, uses the word conditions which is a far kinder word to use. Also adds in there, which I particularly like, and business organizations throughout the region. That is really important, because that is how in good part we actually can come up with permanent housing. I'll digress for a minute. I don't think there was anything we ever discussed more frequently at the County level than the difference permanent housing makes. Almost every city has added some permanent housing for the homeless. I'd have to think hard to not think of one city that's put permanent housing out there. I think Sunnyvale just recently opened some of their housing for the homeless. The last one would be, I think, another good suggestion would be under the same program, working with the counties, the State of California, the Federal government and then the other word business. Once again at

TRANSCRIPT

the end of that, permanent, supportive housing. I would suggest that those be added, and I appreciate both of you coming tonight to suggest that. Do you want a motion on that or a suggestion or how would you like to do it, Mayor Burt?

Mayor Burt: I think it might be good for us to first go around and provide questions and comments, and then return for specific recommendations because it would give other colleagues an opportunity to just offer their perspectives, and then that could be folded into a motion that may be more cohesive than starting right out of the gate with a set of everybody coming up with their specific changes.

Council Member Kniss: Once in a while I get overly enthusiastic. I'll come back to that after others make their comments. That's my comment for the moment.

Mayor Burt: Council Member DuBois.

Council Member Dubois: Thanks to the CAC and the Staff. It's great to see a draft Element of our new Comp Plan. I had a quick process question. What are we doing with feedback from the public on these draft Elements? Particularly when we get to more controversial Elements, are we going to be leaving those open for public comment for a longer period of time? How do we feed that back in?

Mr. Dennis: All of the comments that we receive whether it's through the digital commenter, emails to Staff or otherwise, we fold into the CAC process by including it in their packet. We include that as early as possible. We ask the members of the CAC to take a look at that and include those items. We try to leave the digital commenter open as long as possible depending on how many different Elements we have.

Council Member DuBois: I knew that was happening during the process. Once we have a draft, can the public comment on this again?

Mr. Dennis: Sure, absolutely.

Council Member DuBois: Is that part of the process?

Mr. Dennis: Yes, that would be fine.

Council Member DuBois: Do they go back up to the digital commenters?

TRANSCRIPT

Mr. Dennis: We weren't planning to put the document back up at this time. We had other Elements that we were putting up for the process that we're using at the CAC. I think we presumed that at the end of the process when we have a complete Comprehensive Plan, we would put it back up for final comments from the public.

Council Member DuBois: I would just consider—again, we don't want to have this continue indefinitely. I think once an edit is available, it'd be great to get some public feedback. Doing the whole Comp Plan at the very end is going to be a lot to digest. I don't have really a suggestion for that, just think about that. I had some questions on page C-4 where we list our parks. We have Byxbee Park listed as a neighborhood park, where Foothill Park is an open space. To me, I guess, Byxbee would more appropriately fall into the open space category. Also we don't list Winter Lodge as a recreational facility. I believe the City owns Winter Lodge. I was curious why Gunn High School's pool is listed. Does the City actually own that pool? I know we offer it in the summer time.

Hillary Gitelman, Planning and Community Environment Director: Hillary Gitelman, the Planning Director. We'd be happy to answer those questions as we go forward with a revised draft. I'm sure this came from some consultation with CSD, but we can delve into those specific issues.

Council Member DuBois: I think we use several School District pools; I wasn't sure why we listed one.

Rob de Geus, Community Services Director: Council Member DuBois, I can answer that question too because I was reading it again today. That shouldn't be in there. We did use Gunn High School for a while during the summer as we did swim lessons and lap swim. Now we use the JLS pool and we rent the pool from the School District to do that. On the Winter Lodge, I think that's a good addition that we should add as well. Council Member Holman also brought it up today. It is City-owned land and we lease the land to the Winter Lodge and a tennis group that offers programming there. We'll add that.

Council Member DuBois: Thanks. On C-2, we have the map of parks and open space. I thought it'd be useful to actually separate open space from park and show the difference there. I do think they're different things. They used differently. Thirty new programs, I've raised this at the beginning. The process is conducive to adding and not subtracting. Do we think that's an excessive number? Do we think it's a manageable number.

TRANSCRIPT

Ms. Gitelman: Thank you for that question. I think we will have an opportunity not just to evaluate that this evening. We'd be interested in your thoughts on that, but our idea is that at the end of this process, when we've gotten through all the Elements, we'll take all of the programs and put them in a single chapter, the implementation chapter, and Council will have an opportunity to help prioritize those. At that time, you might decide this is way too many or are there too many of these and too little of those. We'll be able to go through a balancing and prioritization process.

Council Member DuBois: That sounds like we'd be looking at a 2,000 page tome by then

Ms. Gitelman: Did I say that that was the fun part?

Council Member DuBois: I think it would be good to get highlights of what's been removed as we go through Elements. Appreciate Staff answer on that. My one comment, a couple of comments. Policy C-27 in the old Plan used to say we'd seek opportunities to develop new parks and rec facilities to meet the growing needs. In the new Plan, that's got shortened to develop new community facilities. Just seems like we lost a little bit there in terms of developing new parks. On old Policy C-28, I guess I would like to see rather than just referencing the Parks Master Plan and the national standards, I'd actually like to see those quantitative numbers put back in the Plan itself. I think we've talked about that before. I would support a motion that would have clear inclusion of the standards back in the Comp Plan. Other than that, I think there's a lot of good stuff in here. Thank you, guys.

Mayor Burt: Council Member Wolbach.

Council Member Wolbach: Thank you very much for this. First let me say I fully support, I think, everything I heard from both Council Members Kniss and DuBois. That's how I feel about everything we've just heard. Following up on the process question, this trick of how do we include everything we want without being overly long, which is probably mutually exclusive desires in how we balance that. Obviously the CAC through the subcommittee and as a group had an opportunity for individuals and for the group to discuss a number of programs and policies that they wanted to include in the time that you've had, have you had an opportunity to go back through and do a critiquing, kind of like a brainstorm, categorize, critique work flow. Have you had a critiquing phase where you've gone through and—unlike a brainstorm phase where you want to let all the ideas out there no matter how wild they are, have you had the chance to go back through and say let's

TRANSCRIPT

really be self-critical and self-reflective and think do we really need these and how many of these are redundant, how many of these are addressed sufficiently in other Elements? Have you had that kind of process and is that planned if you haven't done it yet? Before it comes to Council, because the CAC might be a useful place to do it.

Mr. Dennis: I think in a word, yes. I think that has happened. I think there's been quite a bit of discussion at the both the committee level and the subcommittee level about whether we're adding too much, how to combine things. I think in this case—maybe Don has a few ideas on this as well—there were lots of concerns related to whether we were including all the right people that had been mentioned. I think that that just naturally inflated the number of policies and programs in a way that in other cases we may not have necessarily wanted to do. I think we've kind of had a mantra at some of the meetings is always look be looking at the number. We don't want to just add, add, add. We want to make sure that we're doing this in a smart and thoughtful way. I don't know if you had anything you wanted to say to that, Don.

Mr. McDougall: That's why we tried to create a matrix of what the audiences were trying to support with all these policies. In fact, when you started looking at seniors versus teens versus whatever, you don't end up with 20 each; you end up with three or four each. When you start looking at individual cohorts, I'm not convinced we have too many here at all. The other problem we have, of course, is time. Because the Council has said that the subcommittee meetings have to be not necessarily Brown Act specific, but Brown Act like where we have audiences and whatnot, then there's a limit to getting up to a whiteboard and filling all these things in. It's difficult.

Council Member Wolbach: You know my feelings on that last point. To add my two cents to what Council Member Kniss was talking about, supporting the excellent suggestions by Don Barr and former Council Member Gail Price. Clearly one of the challenges with adding new programs and new policies is the question of cost, is the question of financing it. Included in their recommendations were the emphasis on partnerships, partnering with businesses, partnering with other levels of government, so that even if this is a heavy lift, it would not be borne entirely by the taxpayers who contribute to our finances within the City of Palo Alto. I appreciate including at least an implicit funding mechanism along with your policy suggestions. Good advocacy.

TRANSCRIPT

Mayor Burt: Council Member Holman.

Council Member Holman: Thank you. Thank you for the work and for the work product. It is nice to see something informed like this, so thank you very much. I have a few comments. I think I also agree with the comments made by, I think, everyone to this point in time. We're going to have a long motion potentially with a lot of dangles added onto it. I had a couple of comments on the very front page. This applies kind of throughout, so I won't go through every example. I'll just make this comment and indicate that I think there are a lot of opportunities to make the language more inclusive, if you will. About half way down under vision, the line starts seniors and people with disabilities. I think it is more accepting and inclusive if we actually don't use the word disabilities, but use something like inclusive of people of all abilities or a range of or varying or diverse abilities or something like that language. Using the word disabilities is kind of a negative approach to inclusivity from my perspective. Also at the tail end of that vision is adding something about new opportunities, because it doesn't talk anything about new opportunities. I really appreciate that customer service has been deleted. I absolutely appreciate that from the working group, that it's been changed to service. I will say one thing about reading through this that it seems as though someone is very comma happy. It seems like there's—since Larry Klein isn't here, I'll make that comment. It seems like someone is very comma happy. I think there are some examples where also there's some editing that I hope will be taking place. I can give you examples of that if you want. We probably don't need to go there. It'll have a list of things and it says like as well as. It's like shouldn't that just be incorporated in. It's just a matter of cleaning the wording up. Agree very much with all references, whether they're maps or text, that all references differentiate between parks and open space. They're very different. For instance on page C-2, I will point that one out because it says with approximately 4,150 acres of parkland and open space. That one in particular, I think, it's really important to say how many urban parks we have with how much acreage, and then open space of X acreage. Splitting those two separately, I think is very important. Thank you, Liz. Addressing those separately on every map, every table. Agree with Council Member DuBois' comment about Byxbee Park, moving that to open space. Also on packet page C-6, the Winter Lodge and the—I'd ask this question of Rob de Geus. It's the Winter Lodge plus the tennis courts. I'd ask, is there not a swim club there anymore? It's just the Winter Lodge and the tennis club. Adding that to the list, you're in agreement with. That's outstanding. Agree with the permanent supportive housing, the partner with State and Federal. The Urban Forest Master Plan, I think, should be added on packet page C-

TRANSCRIPT

27, Policy C-4.1. I think there's a great opportunity to add it there. Also under community health and well-being, there's a great opportunity there to also recognize the multiple health benefits of having a healthy urban canopy. I think that should be added. On page C-27 and C-28, on C-27, there's a reference—Council Member DuBois spoke to part of this earlier. C-27 in the green block, it says use National Recreation and Park Association standards as guidelines. I would propose we get rid of the words as guidelines. We should just use the standards, because they are the standards. That's referenced also on the next page. Again on packet page C-28, Policy C-4.8, there's not really a reference to studios and galleries which I think should be added. I didn't understand what was intended there at the end of C-4.8. It's and other cultural activities including virtual recreation and other activities made possible by technical innovation while maintaining and enhancing natural areas. I kind of didn't understand the meaning of that. It seemed like an awkward transition to different purposes. C-4.10, it just seemed like that in residential or neighborhood commercial development projects, it seemed like that was limited. I don't know why we wouldn't do that with mixed use and blah, blah, blah. That seemed limited. Some of the things in here seem like we're mandating things, that I have a little bit of concern about. If I can find my note real quickly here. I may have to come back to that one. On the Plan page C-29, Policy C-5.2, promote programs that sustain and then the physical and mental health. I would say enhance and increase the physical and mental health. On the bottom of the page, 5.3, it says celebrate cultural diversity. Why wouldn't we celebrate all diversity, not just cultural diversity? That's a question there. Urban Forest Master Plan, again I think could be highlighted on page C-30. There's something else in here, and I'm not finding it at this moment. There's an approach in this that talks about physical health and mental health as being different because they're both health and well-being. It's physical and mental health. In here, as I read it, they're broken out differently. They're both health. I would say we change the language to physical and mental health. I look to Council Member Kniss to support that. Those are my only comments at this moment. Thank you.

Mayor Burt: Thank you. Council Member Berman.

Council Member Berman: Thank you. I just want to confirm with Council Member Holman, you covered some of the urban tree canopy and urban forest kind of concerns. Did you cover in your comments, Katherine Martineau had sent in some comments. Did you get both of those? It's on page C-13 and then on page C-5.7.

TRANSCRIPT

Council Member Holman: That was my intention. Maybe when we get to a motion, we might want to ...

Council Member Berman: Make it explicit?

Council Member Holman: Yeah.

Council Member Berman: Got you.

Mayor Burt: Just so that everybody's thinking about what they're proposing in the context that Staff has recommended. The way it is put here is for us to provide Staff with comments to inform a revised version for consideration in the context of the completed draft Comp Plan.

Council Member Kniss: Maybe we don't need motions?

Mayor Burt: That raises the question of whether all of these comments that we're offering need to go through the process of being in motions. If not in motions, how would Staff really capture these and differentiate individual comments from something that's approaching a consensus of a recommendation? There's a difference between us—there's the process by which we do this, and then there's how explicit we would be. If we're going to try to craft language from the dais here, one, I'm not sure that's the best function that we should be providing. Second, I don't know that that would happen fully tonight in the time that we have allotted. We haven't really talked much about how we would offer up what we're recommending tonight. If it's okay, can we take a pause, ask Staff what they think would be a process that would be most constructive for us to be able to give our input along the lines of what is in the written recommendation for us in the Staff Report.

James Keene, City Manager: We'll just throw these out here. Let's just think of these comments by the Council Members for a moment right now, because we may say three different things. This is a little unusual. If I was the one speaking, I could have a situation where I would say here are lot of things I've noticed and are a comment or concern or question or I like this word better than that, but I leave it to the Staff to use your best judgment as to how you might capture those and incorporate those. You differentiate that from here's something that is a policy issue of enough substance or needing amplification that I would specifically like to be sure we call that out and put it in a motion. That relies on the fact there are nine different people and you may have nine different ways of drawing where that line is. The idea of thinking everything would have to get crammed into a motion

TRANSCRIPT

ultimately is, I agree, quite problematic. Some way to trust that the Staff can integrate a range of things that they generally hear. If we need to really be held to task, that you would limit what you expect to see by putting it actually in a motion. That may have some criteria that you want to establish. It's a specific policy, call out or some real misstatement or something that really is a substantive problem that needs to be addressed.

Mayor Burt: I would add that in those occasions where we decide that we'd like to use a specific motion, that we not attempt to sculpt the final language in a motion but have the motion capture intent. That's be much simpler. Leave it up to the CAC and the Staff to then consider that. There's the other context. If we come tonight with—say we put something in a motion. Do we intend it to be binding on the Staff and CAC that it must be included or are we putting in a motion that we want to have this to be specifically considered and return to use? Those are two different things. Why don't we just for a moment speak to the process, and then return to Council Member Berman on the particular substance that he was going to speak to? Council Member DuBois.

Council Member DuBois: I wanted to propose maybe a lighter weight process even than a motion, which would be a series of straw polls. I think we could refer to letters from the public and things and just do a quick straw poll, how many people agree with this letter, how many people agree with this comment. I think that might move quicker.

Mayor Burt: I think so as well. If the Council is receptive to that, I would support it. Others? Let's attempt the straw poll approach. If we find that there's certain places where it doesn't work, then we can reconsider it. Council Member Berman.

Council Member Berman: Thanks. Along those lines, I wanted to ask my former colleague and seatmate and still friend, Gail Price, a question about the letter that she sent in. If I can call her up to the mike for a second?

Mayor Burt: Sure.

Council Member Berman: Hi Gail.

Ms. Price: Hi there, nice to see you.

Council Member Berman: Good to see you too. I agree with your letter and the intent there. I had a question about the changes that you made to Policy 1.29 where you add permanent supportive housing, but you kind of

TRANSCRIPT

break out permanent supportive housing and temporary housing, and then say which addresses food, clothing ... It now reads support and promote County, City, State and nonprofit services addressing the needs of low income and unhoused community especially in the areas of permanent supportive housing and temporary housing which addresses food, clothing, healthcare, as opposed to just adding permanent supportive housing and having it say, in the areas of permanent supportive housing, temporary housing, food, clothing, healthcare,; and that kind of thing which was separate than what you did in C-1.29.2 where it seemed like you were adding permanent supportive housing to the group as opposed to breaking two things out from the group. I can show you a copy if you ...

Ms. Price: I handed my copy back to the Staff. The goal here, I mean there probably needs to be a little bit more editing done here. The basic goal was to ensure that in no uncertain terms the phrase permanent supportive housing is introduced into these policies and programs. It's not simply temporary housing. Temporary housing and temporary shelter can have food, clothing, etc., on a temporary basis. What our proposal here is to sort of broaden the approaches to addressing these issues either on a temporary basis or permanent supportive housing. There's a fundamental difference in those.

Council Member Berman: Totally on board with that and totally understand that. If you have it in front you, what it seemed to have previously had was a group of services, temporary housing, food, clothing, healthcare, mental health and transportation. Now with your edits, it would say, permanent supportive housing and temporary housing, which addresses these things, which is a big difference because it's kind of—to my reading of it, it's saying in the areas of permanent supportive housing and temporary housing which have the effect of this, but it wouldn't also include these things being food, clothing, healthcare. Am I reading your intent that it should really be permanent supportive housing comma temporary housing comma food, clothing, etc.? You didn't want to exclude—I mean there might be a program ...

Ms. Price: I'm trying to make this more inclusive, not exclusive. Whatever specific editing is required is fine. Just the way this reads right now, it's much more narrowly defined.

Council Member Berman: It didn't have the permanent at all.

Ms. Price: Absolutely. Both of those venues can provide aspects of this.

TRANSCRIPT

Council Member Berman: There's some programs that might just address clothing that have nothing to do with housing, and we don't want to exclude those.

Ms. Price: Yep, yep.

Council Member Berman: I don't know if Staff caught that at all, but I'll make sure they do when do a straw poll on your letter.

Ms. Price. Good. The partnership issues, do you have questions about that?

Council Member Berman: No.

Ms. Price: Pretty straightforward?

Council Member Berman: It seems pretty straightforward. Thank you, ma'am.

Ms. Price: I hope you will all look upon this favorably. Thank you.

Council Member Berman: Thanks, Gail.

Mayor Burt: Council Member Schmid.

Council Member Schmid: I just wanted to thank Staff and the committee for their report. It's great to have the detailed report that reflects the work of hours and hours of citizens bringing different points of view and working together on this. I want to support what you've been doing and look forward to the coming Elements on it. Let me make three short comments. Thanks to Gail and Don for bringing up the permanent supportive housing issue. Number two, a couple of comments have been made about there's a lot of programs and policies in here. I noted in taking a quick run through—I counted 42 in my first run through of things asking for more money or more Staff time, very different things. There weren't any of them I'd say take that out. We end up with a listing. I know the Comp Plan should have some means or ways of getting us to set priorities or to think through choices, directions we want to go in. Maybe when you come back it might be helpful to have either near the vision statement or something, here's how you might prioritize or think about prioritizing. I know it's the function of Staff and the Council to ultimately set the priorities, but I think some help and guidelines in how you think about prioritizing all these good things. My last point is about basic assumptions. I think when we do a Comprehensive Plan, I look for has there been agreement on the fundamental things that we all agree

TRANSCRIPT

on, the metrics that we can work with. Let me take an example here in the school section, pages C-19, C-20. Demographics has been critical. I note that the City when talking about how fast will the population grow has given us numbers that vary from 1.1 percent per year to 0.7 percent per year or somewhere in that range. That's a set of numbers. We're growing, and that's significant growth over all our long-term history. The school, when you look at them, they have a ten year forecast and say we're going to grow 0.1 percent per year. Policy C.1.14, .17, .18 talk about working with the school on demographic issues, school sites, cooperation, partnerships, and yet we're starting from different polls. Do they just think differently about growth or are they saying something about the composition of growth? Maybe because of high prices, we won't have families. That's a dynamite assumption to be making, and it would influence everything in Community Services. You look elsewhere in Community Services, and it says we need childcare. Let's invest in childcare. Obviously there's some fundamental disagreement around demographics, between the School District and us. Yet, one of the thrusts here is to cooperate and work with, be partners with. How do we overcome that? Maybe one way is to make explicit what we're assuming, what they are assuming. Demographics is a case that showed up here. It's something we can work through, but I think of basic assumptions when we get to some of the other Elements like Land Use, Transportation, Business and Economics. There's issues there on demographics, how many people will be in the City, how many jobs, what's the jobs/housing imbalance, how do we think about L-8, has it been successful. Metrics that start the discussion—I guess I would encourage the Chairs of the CAC to raise these issues. I'm sure their group comes with different ideas. Maybe at some point they want to say we can deal with both sides of these ideas or scenarios or alternatives. Maybe they want to ask us to give guidance. It seems to me to have an effective Comprehensive Plan, we need to discuss upfront and reach some agreement on those basic assumptions. As I say, it's going to show up dramatically in the Transportation, in Land Use and Business and Economics. The sooner we can get grappling, have a community discussion around those basic assumptions, the better off we'll be.

Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: Thank you. I agree the CAC put a lot of hard work into this. In general, it's a great document. My concerns, frankly, are about the programs. I'll give you an example. It says establish an online concierge to assist local residents and businesses with questions about City services and facilities. I use this as an example. I have no idea how much that is going

TRANSCRIPT

to cost. Are we really going to do that? Does that mean that we're going to have ten people devoted to this? I don't know what the financial ramifications are to that. There's a lot of that in here. I would much rather see words like explore. Unless someone's going to come forward on each one of these and tell me this is what it's going to cost and we're going to go through it, I'm not going to vote for it. I may have to vote against the whole thing. I'm not going to vote for putting in things that sound good, but I have no idea what they're going to cost. I think the policies are great. I have no issues with—I don't think any of the policies, frankly. How much Staff time is all this going to take? If we're going to establish a program to inform residents and businesses including new arrivals in Palo Alto of opportunities to become involved in civic life. I guess we have tons and tons of things to do in Palo Alto. We have—how do I put this? We spent our Retreat talking about prioritizing the work plan. A lot of this looks like a new work plan with things that may not be the highest priority, frankly. In fact, a lot of them are not the highest priority. When this comes back, I'd like the CAC to really think about this and to get some input from Staff about how expensive is this, how much Staff time does this take. As much as possible, to the extent that it stays in there, I think it shouldn't be so prescriptive. The word establish is very, very prescriptive to me.

Mayor Burt: Jeremy wants to comment.

Vice Mayor Scharff: You want to comment on that? I'll have more things to say, but go ahead. You can comment it.

Mr. Dennis: Thank you. Appreciate it, Vice Mayor Scharff. You're speaking to, I think, intention that existed in particularly the subcommittee level. A lot of the conversations we had related to the words that would start off each of these programs and policies. There were certain words in the existing Comp Plan that, I think, speaking for the subcommittee members were not strong enough and didn't necessarily say we'd do anything with these programs. There were words like consider. I think consider was the one that became the anathema for the group. We needed to do something a little bit strong, recognizing that there may be issues related to the program within. I wanted to acknowledge that that was a choice that was made by the subcommittee to have much stronger language. There certainly was a recognition among members of the subcommittee and the CAC overall that some of the things that were being included would certainly relate to a cost, and that required a conversation at the level of the Council. It spoke back to the value system they were trying to put in place. We expected that.

TRANSCRIPT

Vice Mayor Scharff: I think a value system is great. I think the policies expressed the value system. This is what I'm struggling with. I'm struggling with it if it's a good value, but we don't have the money to do it or there are other needs that are greater. If we say we're going to do something in the Comp Plan, we go through the Finance Committee. It clearly doesn't make sense to do it now or Staff doesn't have the time or we're going to have to hire three more people or we don't have the money for it. I would like to see the CAC reconsider those. I think the weaker language is better in a Comp Plan, because you may not end up doing these things for a variety of reasons. I guess I was going to ask like some of these, Policy C-1.9 says establish a program to facilitate continuing corporate support for community services through contributions of funds, time, materials and expertise. Then it says previous Program C08. Did we change the language on that or was that the old language? If it was the old language, did we establish such a program? Do we have it up and running? If so, should it say maintain? Then again, I'd raise it if it said maintain, what if it was completely unsuccessful and we're spending a lot of Staff time on such a program? I think we want flexibility as a community to say these are our goals and our values, but these programs that we have in here may or may not work. They may not be cost effective. I'm just really concerned about how we take something out of the Comp Plan without doing a Comp Plan amendment which is a big process. I don't want to have to be writing Colleagues Memos every time we want to change something that says let's take Policy C-1.9.1 and look at it. We're not going to do that. What's probably going to happen is we're probably going to just ignore it and just not do it. That's not really a good plan either. Do we know the answer to that? Was the program established or is it new language or what's the story? That's C-1.9.

Mr. Dennis: Off the top of my head, I don't. I can get that back to you.

Vice Mayor Scharff: It's more of a broad question of where it says establish a program, and we have an existing program or supposedly because it says it was before, did we implement the program? What have we typically done? What have we typically done with this stuff? I thought Policy C-1.18 was really interesting. The policy is to make it a high priority to assist PAUSD in anticipating and addressing land development related to school enrollment impacts. We have a program which is provide regular status reports to PAUSD. I believe we do that. That's my recollection of what we do. Now they say require an assessment of impacts to schools prior to the approval of development projects that require legislative acts including General Plan amendments and zoning changes, report impact findings to

TRANSCRIPT

PAUSD and the community. I read this that we're going to require an assessment impact. I'm not sure what that means and how that's different than—is that the number of students or is it how those particular students are going to impact a particular school? Does it mean that if they're low income students or low income housing, that it's going to require more resources? Are we going to go into that? It's not clear to me what's the difference between that and providing status reports. Is this a new report developers who are trying to provide housing, all developers including low income housing are going to have to spend the money to hire someone to generate an impact assessment? Maybe actually you could answer that, since the CAC obviously wrote this in.

Mr. Dennis: If I remember the conversation correctly—you may want to help me with this—the idea behind this was that generally speaking, going back to what I was saying earlier, there's opportunities to strengthen the relationship between the School District and the City vis-à-vis information, I think primarily is what it was. The idea behind this policy was to do just that. There was not a discussion of an assessment of the sort related to fees or anything of that nature. It's more the kind of information that they would need that we would get through our development program essentially, up on the fifth floor. Give them that information so they would understand the impacts that would come there. I think I got that right. (crosstalk)

Vice Mayor Scharff: This policy was one of the few policies that struck me, frankly, more of a program in the way it looks to me, the way it's written as opposed to a policy. I was confused on that issue, because it sounds like it's an operational requiring an assessment. An assessment to me means a written document that we produce. I was wondering what that looks like. I encourage the CAC to go back and look at that, I guess is what I'm going to say.

Mr. Dennis: We can do that. Thank you.

Vice Mayor Scharff: I guess we have a lot of stuff on childcare and early education, which I fully support in concept. I'm just curious as to when we put in a new program on these, do we have—have people come and spoken and said there's a lack in this area or do we have an issue here or do we have an issue there? I guess that goes in general to a lot of these. That's a question.

Mr. Dennis: What we heard from the CAC members who were most passionate about the situation was that this is a real problem, that there is a

TRANSCRIPT

real lack of childcare available, particularly for working families. Those members who were speaking to that really emphasized including—actually we've gone through a couple of iterations of making that language even strong. The public as well actually spoke to this.

Vice Mayor Scharff: There was somewhere about City Staff here. We had a previous program that said budget for City Staff training and service-oriented management techniques. Again since it's a previous program, I'm wondering if we did that. I frankly have some concerns with putting in the Comp Plan how we should budget for our employees. Frankly, I think that should go out, if it was me. Again, establish incentives and enhance rewards and recognition programs to encourage City Staff to deliver high quality services. That's a previous program. I'd love to know what we did on that. If we need to continue it, is that really something we need? It's not a policy. I would love to have that as a policy, encourage City employees to ... I'm concerned about how we operationalize that. There's one other ... It says develop comprehensive conservation plans for Foothills Park, Baylands Nature Preserve and the Pearson-Arastradero Preserve. Are we currently doing that as part of the—is that part of our Parks Master Plan or is that a separate task that we're setting forward in the Comp Plan?

Mr. de Geus: Good evening, Rob de Geus, Community Services. Thank you for the question, Vice Mayor Scharff. It's a separate plan. The Parks Plan is not going to get into the detail of managing open space. The ecosystems and the habitat really need a separate plan for that for the Baylands and for the preserves up in the hills, Arastradero, Foothills Park. They'll be companion plans to the Parks Plan.

Vice Mayor Scharff: This is my favorite one actually, to be honest. Pursue making City employee health and wellness programs as a model for local business and other organizations to implement. Are you sure that the local business and other organizations don't have better plans than we do? Why do we think our plan is all that great? I haven't heard the City employees coming to me and saying we have the best plans compared to Facebook or compared to Google or Tesla. I guess I'm thinking what's really the thought behind that? Do we really think our plans are that great? A model for the country?

Mr. Dennis: What number is that?

Vice Mayor Scharff: That would be C-5.6.2.

TRANSCRIPT

Mr. Dennis: That's on page C-30?

Vice Mayor Scharff: Yeah, C-30.

Mr. Dennis: If I remember correctly, somewhat aspirational, I think, to be honest.

Vice Mayor Scharff: I would just encourage the CAC to go back and look at issues like that and say to themselves is that really appropriate? Maybe it is. Maybe we do have a nationally recognized program. No one's every told me that.

Male: (inaudible)

Vice Mayor Scharff: I can tell you the chips are back there. I don't think they're very healthy.

Mayor Burt: Before continuing, let's just do a time check. We are at 9:05. This item is scheduled to 9:15. Even if we ran a bit over, it's hard for me to see how we're going to be able to loop back and do this series of straw polls. I think we want to do a check-in as to whether we're going to need a second half to this or an additional third to this discussion that we would bring back at a later date and be able to kind of do a completion of our discussion and this straw polling. Thoughts on this process? Council Member Filseth.

Council Member Filseth: I'm going to be pretty short.

Mayor Burt: That's in your comments. That doesn't really do anything for this whole process by which we'd revisit things and see basically what consensus we have on the whole myriad of potential directions that we've heard from Council Members. We've heard what? Maybe 30, 40 different ...

Council Member Filseth: (inaudible)

Mayor Burt: You're speaking without your mike.

Council Member Filseth: Is it that many? I sort of heard half a dozen main ones. You think it's more?

Mayor Burt: I do.

Council Member DuBois: I heard a lot of consensus too. I thought we could get through some things quickly.

TRANSCRIPT

Mayor Burt: I don't think it's realistic to think we're going to go through that and complete that in the next half hour even.

Vice Mayor Scharff: I think Mayor Burt's correct on that.

Council Member Kniss: Yeah. Could we try just seeing if anyone totally disagrees with what anyone has said? So far I'd be pretty much in concurrence with what I've heard going to the Comp Plan or going to those who are doing it. Jeremy, I understand you will not be overseeing this after Friday. I'm so sorry to hear that.

Mr. Dennis: Two more weeks.

Council Member Kniss: Two more weeks. Rather than even doing a straw vote on it, there's nothing that I've heard that I would not agree with.

Mayor Burt: There might be general agreement, and there may be differences on the emphasis or—I wouldn't call it nuance. It's one thing to say that's a subject that we concur on. It's another thing to talk about basically the direction. I think we'll have some actual discussion on that. We have three Council Members who have not even waded in on the issues of their concern. I don't think that we're going to stay on schedule tonight or even close to it. I mean, we can drift a little bit. Why don't we go ahead and let's finish the comments from the Council Members who have not commented, and then look at this process. I'm very skeptical that we're going to be able to go through this and provide the thoughtful feedback with something approaching consensus on these various issues.

Council Member Holman: Mayor Burt, could I ask a question please, a procedural question?

Mayor Burt: Yeah.

Council Member Holman: You've got three Council Members who haven't commented yet. So far I agree with Council Member Kniss that there really hasn't been any, at least at the high level if not at more specific levels, disagreement. It seems to me that we could actually make a good lot of progress if we just started putting a motion on the floor and added things to it. If something becomes controversial, then we set that aside. I think we could make a lot of progress this evening. Rather than going to the next three communications, just ask for a motion and they can weigh in at that point, it would seem to me.

TRANSCRIPT

Mayor Burt: You're saying don't let the other three Council Members provide ...

Council Member Holman: They can speak to the motion and do it at that point in time.

Mayor Burt: No, they haven't had the opportunity that the rest of you have had. No, that's not the process. We can go ahead and continue up until maybe 9:30, and then we need to switch to another—we have two more Agenda items, Actions Items tonight. Let's see where we are. My anticipation is that we are not going to be near wrap-up at that time, but let's go ahead and proceed. Council Member Filseth.

Council Member Filseth: Thank you, and thank you, guys, for what you have done here. I will wryly comment on Council Member Scharff's last point that in my previous life it never occurred to us to go look to cities to figure out how to put programs in place for employee wellness. I'd agree with that one. I'm not sure that the City should be leading the private sector in that. I wanted to weigh in just briefly. If we do the straw poll, I concur with all the comments that have been made principally by Council Member Kniss on sort of the programs that Gail and Don brought up. I wanted to comment briefly on parks. I agree with Council Member DuBois and Council Member Holman. I actually have a suggestion on this. Community facilities are not the same as parks. I think parks are really important to people. The Policy 4.6 which discusses the National Park standards of 4 acres of in-town park space per 1,000 residents, 2 acres of neighborhood parks and 2 acres of district parks. The draft has downgraded the language in that to aspirational and guidelines. I'm assuming the reason that that was done is because if you look at how many park space and how many residents we have, it doesn't work out to 4 acres. I assume you folks did that, because you sort of look at the conflict between the what the Comp Plan says and the reality. That said, I think people really care about parks here. Our playing fields are all occupied until 10:00 at night every night. We can't find enough space for dog parks. I think there is a need for this. I think a healthy city has lots of park space. I actually looked this up. San Francisco which is much, much denser than Palo Alto actually does meet the standard of 4 acres. I think aspirational is pretty vague. Not that we would do this, but if we were to pave over half our parks as parking lots, we would still be aspiring to the national standard. I think the A-word and the G-word out to go and retain the language in the previous version. IF we want to keep that, then one thing you might consider is add some other language like—I mean, if the issue is the conflict between what the Comp Plan says and what the reality is

TRANSCRIPT

on the ground, add some language like it's X now, shouldn't go below X and we aspire to meet the standard over Y period of time. You might do something like that just to sort of make it a little more concrete. That was my suggestion; try to make it more concrete.

Mayor Burt: I guess, Council Member DuBois, the light was on, but he's already spoken. Let me go ahead and wade into some of my thoughts. First at an overview level, have we looked at if we even take this section or chapter as a first example and we wanted to be able to use this as a way in which we look at how we're doing all the various chapters. Have we looked at the number of policies and programs that we have in this draft versus our current Comp Plan and how that compares to also what's typical in other cities' Comp Plans? As well as the length of the narratives which seem quite long to me? Do we have any point of reference on how much this has grown in just its volume from the prior Comp Plan?

Mr. Dennis: We certainly understand how it's grown to itself. As it compares to other municipalities, I think it's somewhat larger than other municipalities. I think that's fair. Narrative can be all over the map. I've seen narratives that are less than a page. I've seen narratives that last 20, depending on the Comprehensive or General Plan. We recognize generally that there were programs and policies than we'd initially set out to, but that was (crosstalk).

Mayor Burt: Do we have any idea how many more policies and programs or what percentage increase of policies and programs?

Mr. Dennis: Not done that level of analysis.

Mayor Burt: I suspect it's quite a lot. It appears to be a lot. Looking at each one in isolation, we can probably make good arguments for most of them. Although, I see many that I think there's quite a bit of repetition on. Overlap I'll say, if not repetition, partial repetition. My read is that we need to streamline this a lot. I haven't really been hearing too much from my colleagues on just the streamlining. There's another dimension to this which is the impacts or ramifications of these various proposed programs. That's a second issue. I have difficulty giving support or not for this draft without looking at an aggregation of the programs. Which of those have direct financial or Staff-based financial ramifications. To look at how many new programs we've added that would have those impacts and what are they. When we stop looking at them separately, what do they look like together? They're throughout this section, but we don't have a way that says here's all

TRANSCRIPT

the new ones. In particular out of all the new ones, here's all the ones that would have a cost in setting it up and a Staff cost in implementing. Several of my colleagues have spoken about that. That potentially has a significant impact on what might come out of this. It's a different discussion from looking at each one individually. That's a tough thing to do because, as we said, we can look at almost every one of these and say it's meritorious. That's going to be a difficult set of efforts at winnowing it down that I think we're going to need to do. I don't know when that would occur, because we haven't had any discussion from a process standpoint how or when that would occur. Jeremy ...

Mr. Dennis: I can comment on that, Mayor Burt. I think we understood that coming forward with a draft is going to have a variety of items that Council may be grappling with. My understanding of the way that the process works in other Comp Plans, General Plans is that during the implementation element phase, you'd have the whole thing in front of you and you'd be able to do this kind of analysis and understand really what it looks like. We didn't contemplate that happening this early related to what you're doing this evening.

Mayor Burt: I'll just say aside from the substance of the policies and programs, it's wordy. Some of this, it just doesn't look like we've gone yet through that. We've maybe been debating what policies and programs we want and haven't really taken an editing pen to it, including things like—just an example of Table C-2 that talks about library facilities. We say newspapers and magazines; we have a word periodicals. Then we go into listing DVDs, CDs, books and CD. Fifteen years from now, our DVDs, CDs, books on CD going to be as familiar to as cassette tapes and 8-tracks and phonograph records. Over the course of the last 15 years, there are a lot of times we've looked back and go what dated references we have in these specific programs. We ought to be trying to write things that aren't going to be quickly outdated and look just silly. Let's look at how to—we have electronic media; that's a term that captures everything. We have periodicals. I just use that as just one of many examples throughout this. We talked about the enthusiasm for addressing the issues around permanent housing. I think that is very appropriate. I would have real hesitation to go into anything approaching the lengthy wording that was initial enthusiasm to adopting that came from members of the public. I think this could be written in probably a quarter of the words that's proposed. Also just to avoid references to specific programs tied to a given entity—there will be some that we'll do that. There may be some that may be a different partner that we have in the future. I think we need to be cautious about that.

TRANSCRIPT

There is somewhere it's going to be appropriate, and others where we—I'd say avoid doing it to the extent possible.

Mr. Dennis: Mayor Burt, that actually was a particular conversation we had, I think, in our first subcommittee meeting. Every attempt was made to scrub that. If there's other areas of improvement, happy to take that back.

Mayor Burt: I see a lot of places, and I really can't go through tonight and go through all the examples of places where I see either specific policies and programs that I'm not quite sure what's meant or overlap or repetition amongst some. I'll give an example. I see on page C-18, Policy C.13, it says collect and analyze changing demographics and data—I think we're meaning data about changing demographics—on the use of community services and facilities to streamline. We're talking about analyzing the data to streamline and improve delivery. That may actually be what we—improve delivery and provision. Do we need both of those? We have a lot of these "and" with very nuanced distinction between the two different examples or whatever that we have there. I see down, that same thing in Policy C-1.5. It says use metrics to measure service performance of City departments, which is not quite the same thing as what was in C-13. It made me just question how we should do that differently or word it differently or streamline this. Policy C-1.4, it says promote City parks, open spaces, etc., for community members recognizing that these facilities. This is about promoting City parks. Underneath it, the Program says use Cubberley Center as a critical and vital part of the City's service delivery system. Is that a delivery system on promotion? The policy is about promoting, and then the program doesn't seem to be about promoting. These are kind of examples that I have throughout this. This is part of what I had a concern on our time tonight. I think it's loaded with these kinds of things. There's a lot of good work here and a lot of refinement that I think still needs to be done. I just want to then pause at that and raise a couple of things at a level that I didn't identify, particularly locations where certain things should be in. In the Staff Report, this may already be covered in specific policies and programs that I didn't identify. On the second page under inclusion, it talks about ensure inclusiveness among various groups, ethnicities, genders, etc., and physical and mental abilities, but I didn't see any mention about sexual orientation or identity. Do we capture that now? That's a sensitivity that we embrace in a way that 15 years ago maybe wasn't the same consciousness.

Mr. Dennis: I don't recall that that term was utilized in the draft before you, but can include it where appropriate.

TRANSCRIPT

Mayor Burt: In the various things about the schools, I'm very interested in capturing something that I know the Council at different levels has discussed various times. When we've looked at the Safe Routes to School program that is predominantly funded by the City and Staff by the City in volunteers rather than the School District. The school crossing guards, the shuttle program that serves schools. I would very much like to see within a policy that we are working with the School District to achieve these various outcomes and to share responsibility for the safety of children as they travel to and from school. That's what all those things actually address. The Safe Routes to School, the crossing guards, the shuttle are all about those services. AS we stand today in the community, unlike almost all other communities, that is overwhelming the responsible of the City rather than the School District or perhaps a shared responsibility between the two. I would very much like to see a policy that speaks to that, then we can work at achieving it over the course of time.

Mr. Dennis: Mayor Burt, if I can just speak to that. In the draft Transportation Element we're working on right now, there's some every strong related to Safe Routes to Schools. A decision was made, and maybe it's a nuance without a difference, that this Element wouldn't have some of that stuff because it was related back to transportation-like issues. We can certainly include a policy, but a lot of what you're speaking to you'll see in the draft Transportation Element.

Mayor Burt: We have another one that's an example of we have middle school athletic programs that's an example of we have middle school athletic programs that are programs run by the City. Since the last Comp Plan, we've had court rulings and State law changes that make it pretty clear that those are part of school programs that must be provided to all students without charge and with equal access. I don't know what would be the best location to allude to those kinds of obligations. I think that, one, assuring that equal access for all children, opportunities for equal access is part of our principles is important to me, and that the appropriate responsibility for each of those things is acknowledged as to which of our governmental bodies has primary ownership of that. I think this is an appropriate place to lay the groundwork for fixing and continuing those things correctly. I think I'll leave it there simply in the interest of time, but not because I don't have any other recommendations. They aren't necessarily differences in agreement on policies and programs. I think there's a lot of work to be done on cutting this down by at least a third. I think it's doable. I think we're familiar with Mark Twain's wonderful line of if I had had more time I would have written a shorter letter. I think that's what we need to do, is take more time and

TRANSCRIPT

write a clearer, shorter document. When we go back to when we were doing an update to the Comp Plan through the Planning and Transportation Commission, one of the primary objectives was to make it clearer and more succinct. We then went into a rewrite of the Plan, and what we've looked at is making it broader and, at this point in time, less succinct. That doesn't mean that's where we're going to end up. I think that's where we are right now. It's okay to acknowledge—we went through and the CAC's going through and looking at policies and programs and then this next step of winnowing things down and reconciling it and tightening it up is another phase. I just want to make sure that we really recognize that we have to go through that and spend a bunch of work on it. Accessibility of the plan, once it's complete, is really going to be important. That means people being able to see it's simply well organized, readable and accessible. That's an important part of how utilized it'll be for the next 15 years. Vice Mayor Scharff, did you have something next?

Vice Mayor Scharff: I did. I wanted to say that it's now 9:30. If we're going to do the next two items, I don't know if Staff feels they have enough from us for tonight to come back to us with another draft of this. If you do, I think we should move on. Otherwise we won't get to the next two items. We'll be here 'til 1:00 in the morning.

Mr. Dennis: Just to be honest, we did not intend on bringing this back in the short term. Our intention was to bring it back with the rest of the Elements once we've gone through this process. You've heard it from us before and I'll say it again, we working on a particular timeframe. If we want to start talking about that, which we will be bringing in a couple of weeks, we're happy to do that. That's the constraint we have right now.

Mayor Burt: We have another alternative which is we essentially could continue this item and go through it more and try to have these straw polls at that subsequent meeting without having to rehash everything that we've done tonight. Council Member Holman.

Council Member Holman: I was just going to ask a procedural question. I thought I had read in the Staff Report that this was going back to the CAC. Did I misread that?

Mr. Dennis: Yes, you misread that. It wasn't intended to go back to the CAC at this point. We're moving on to other Elements.

TRANSCRIPT

Council Member Holman: Staff then would—let's say this comes back to the Council then, so Staff would then on their own incorporate the changes that we make.

Mr. Dennis: If that were the direction, yes.

Council Member Holman: Just wondered what the intention was and what the procedure is to this point in time. Hillary.

Ms. Gitelman: Council Member Holman, I think our intention was to incorporate the Council's direction with the Staff and consultants. I think based on the comments that you've made this evening, though, we'll have a discussion with the CAC—we meet with them next week—about whether they'd like to schedule another meeting to review kind of a tightened up version of this with a little more editing and trying to address some of the comments you've made. We'll put that to the CAC. It would mean a special meeting on their part and potentially some additional work by the subcommittee. That's a question we can pose. I think this was a learning experience for all of us, the first Element. It was great to hear your direction on the programs, making them a little more flexible, maybe trying to weed out some of the programs, in addition, just your general reaction to the wordiness of this. We'll take those to the heart. I'm sure the CAC will as well, and we'll be talking to them next week about what role, if any, they'd like to have in the tightening up process.

Council Member Holman: One last procedural question. When you do bring this back, is it possible to have a side-by-side of like old policies compared to the new policies or an old policy that was edited? Is it possible to have that comparison?

Ms. Gitelman: I'm afraid, Council Member Holman, that would be a tremendous effort to try and do that, given the reorganization and revisions here. We've tried to identify where programs and policies derive from the current document. There have been so many changes, it's just not possible to do an exact redline or a side-by-side. We will take to heart the Council's request for a list of things that actually got deleted rather than retained and massaged in some way. We'll try and do that.

Council Member Holman: Thank you.

Mayor Burt: Hillary, there are a lot of places where Staff has noted this one replaces such and such. If there is an ability to simply paste in red in

TRANSCRIPT

parentheses what was deleted, that's a real simple way to just add it there. I mean, that's a cut and paste, right?

Ms. Gitelman: We can certainly try and do that. I think the reaction when we did that with the PTC's draft was overwhelming negative. It just got so confusing. There were redlines and different colors, things added and deleted and moved around. It was really, really confusing. We're trying to bring you a document that the next time around will be less wordy and less complicated. We will do what we can to at least explain where things have come from.

Mayor Burt: Council Member DuBois.

Council Member DuBois: Just real quick. I think if we look at this as a run-through for Council, again, this is probably the easiest Element. I think we should think about our process. How are we going to get through a more complicated? Maybe we should try to come up with a process. Maybe we circulate—I don't know if we could do it. Come prepared with straw poll elements. Maybe we circulated questions during that week or something. It feels like we're going to need more preparation to be able to get through these in a timely way in a Council meeting.

Mayor Burt: There's also a deliberative process. I think we are informed by the comments of each other, and then we have to think about them and maybe give feedback to each other. Out of that, we often get something that is more of a consensus than simply throwing something out and voting.

Council Member DuBois: I agree. I just think maybe we can come up with a process to do both of those things. The current process is going to be very time consuming.

Mayor Burt: Council Member Wolbach.

Council Member Wolbach: Obviously speaking only for myself, I don't think it's necessary to do the straw polls. At this point, it sounds like we're ready to treat it like a Study Session; I'm fine with that. Five minutes ago, though, I was prepared to make a motion and give it a shot. It sounds at this point like we don't need to do that. Staff has a good sense of the feedback. Those are my two cents on process.

Mayor Burt: Let me just ask, kind of as a wrap-up. If we don't go through the straw polling, you heard some things that was some consensus on. Others that were comments by individual Council Members. You could look

TRANSCRIPT

at those comments and, if they're objectively—simply you and the CAC agree them, then you don't need so much our voting on even a straw poll basis. There might be other things where we're not so clear to you on our intent. I guess in that case what we're going to get back is the CAC and the Staff simply reflecting on you heard things. It doesn't mean that we've given explicit direction. We've given feedback. One is it sounds to me at least like the need for the CAC committee at least to be able to go back and be able to hear the feedback we had and then absorb it and see what changes might come about as a result. I'd be hesitant for this to be merely a Staff response to substantive changes. Some are technical changes in how to streamline it. That may or may not need the CAC to do that. Things of substance that are looking for the community input, I think they need to have that loop where they take back what they heard, and then they discuss it amongst themselves, as well as Staff. Any other comments or shall we just consider that we've done our deed? Council Member Schmid.

Council Member Schmid: I guess this is our first Element, and there are lessons for the second Element. Maybe we could rethink a process that might be more effective when we get to the other Elements.

Mayor Burt: Thank you very much, and good luck to all of us.

NO ACTION TAKEN

9. Adoption of Administrative Guideline for Implementation of the Interim Office/R&D Annual Limit in Fiscal Years 2016 and 2017.

Mayor Burt: Our next item is adoption of Administrative Guidelines for implementation of the interim office and R&D annual limit in Fiscal Year 2016 and 2017.

Hillary Gitelman, Planning and Community Environment Director: Mayor Burt and Council Members, Hillary Gitelman, the Planning Director. The item before you is the Administrative Guideline for the interim annual limit ordinance, limiting office and R&D uses to no more than 50,000 square feet per year for at least the next two years. This ordinance was adopted, first reading in September of 2015, and then a second reading in October so it became effective towards the end of November. It sets a 50,000 square foot limit on office and R&D uses in selected areas of the City. The idea was that it would be effective for two years as a trial program or until the Comprehensive Plan Update was adopted, whichever happens sooner. The ordinance itself anticipated that we would some Administrative Guidelines to

TRANSCRIPT

help us interpret and implement the ordinance. Normally these Administrative Guidelines are approved at the Staff level, but the Council in their motion asked that they come before the Council for approval, at least the first time around. The Guidelines are attached to your Staff Report. Essentially they talk about the applicability of the ordinance, what uses are subject to the ordinance, what geographic area is included. They talk about what projects and types of development might be exempt from the ordinance, then the procedures that will be use for implementing the annual limit, the criteria that the Council established for evaluating projects which are subject to the ordinance. We included as an attachment to the Guidelines an actual scorecard that we're suggesting could be used to evaluate the projects against the criteria. Let me just talk for a minute about the processing procedures. Basically what we've set up is a process where we will not approve any office or R&D new square footage, unless it's exempt from this ordinance, between the beginning of the fiscal year and March 31st. For three-quarters of the fiscal year, if we have an office/R&D project that's subject to this ordinance, we will take it all the way through our process like ARB hearings, Planning Commission hearings if that's required, but we won't take a final action. It'll basically be held in abeyance until March 31st. On March 31st, we look at all of the applications in that category. If the total number of projects is less than 50,000 square feet, we process them as usual. If something has a recommendation from the ARB, it would be approved by the Director, and then it could be appealed to the Council. If on March 31st we have more than 50,000 square feet of projects, then we evaluate those projects against the scoring criteria and bring them to the Council in a series of two public hearings. This is important. The first public hearing would be a hearing on all the projects. The applicants would get to present their projects, and the Council would get to consider the findings that we've suggested making to approve each of the projects. The idea of that first hearing is to find out basically are these projects that are competing approvable. A second hearing would be held and between the first and second hearings, Staff would do the evaluation of the projects. The second hearing would be where the Council's would weigh the projects against each other and the criteria and decide which would succeed in getting an allocation for that year. The criteria and scoring are obviously very important. There is a provision in the ordinance that basically says applications that have been deemed complete between these two dates, March 31st and June 15, 2015, have priority and shall be evaluated against each other. There are criteria that apply to those against each other and then to the remainder of the projects. The idea is that under the Guidelines the Director would work with the Chair of the ARB And the

TRANSCRIPT

PTC to make a recommendation on the projects evaluated against the Guidelines using that scorecard we proposed. The Council can accept that recommendation or basically make their own independent evaluation and determination based on the ordinance's criteria. Earlier today I got some questions from the Mayor about the pending projects. We did report in the Staff Report that we're just over the 50,000 square foot limit if we're predicting correctly what's going to happen on March 31st. Things are just a little bit in flux still, but I wanted to show you list of what we have as pending projects. This really hasn't changed since September 21st of last year when we considered adoption of the ordinance originally, except that one project has been withdrawn that would have fallen into the priority projects. There are currently five projects making their way towards the March 31st date. Many of these still have to be considered by the ARB, so something could happen. One them could fall off or get smaller and we would be below the 50,000 square foot limit. Right now, it looks like we're slightly over the limit. We have three projects that are in the category of being priority projects that would be evaluated against each other. Those three projects are shown here with double asterisks. They would be evaluated against each other. They don't total 50,000 square feet among those, so the way it's looking, those three projects subject to your review and approval would be approved. The remaining two projects would compete for the balance of the allocation in this year. Again, all this is subject to change. If something happens at the ARB, if one of these projects changes or something else happens between now and March 31st, but that's what it looks like right now. That's my presentation. Of course, we're looking forward to hearing public comment and your own, particularly if you have any suggestions on the scorecard we put together. Be happy to get those now. We're looking for your approval ultimately of these Guidelines. Thank you.

Mayor Burt: Thank you. We only have one speaker card. If anyone else wishes to speak to this subject, they need to come forward and fill out a card. Why don't we go ahead and hear from the public at this time? Then we'll come back for questions, comments and motions. Our first speaker is Stephanie Munoz. Welcome.

Stephanie Munoz: Good evening, Mayor Burke and Council Members. It seems to me that we are very fortunate in having as a member of this Council a person who's on the staff of State Senator Jerry Hill. I believe that what we need in order to further what you seem to want to do—I can only agree that it's a great thing. We need a reworking of the State's understanding of density and the density bonus. The idea is a good idea.

TRANSCRIPT

What they want to do is a good idea, but what they have figured out is a disaster. What they have, we've seen time after time after time in the year that has concluded, we have seen the greater density in offices and in commercial as a direct result of an ordinance, the Density Bonus Ordinance, which is intended to get more housing. I think somebody needs to talk to the State Senate and the State Assembly of California and say this is what has happened, and you have not thought this through. What we get is more density in the business and less in—an infinitesimal amount of public benefit for it. That needs to be done. I would suggest that they always want more, and that you just decide right now that all of the more is going to be in affordable housing. All of it. Not three affordable housing units as a quid pro quo for 21 non-affordable units of whatever, but all of it. I would suggest respectfully that that would save you a lot of trouble in the long run. Thank you very, very much.

Mayor Burt: Thank you. Let's return to the Council for questions and then we'll have discussion and motion. You're welcome to have both questions and comments at this time. Council Member Kniss.

Council Member Kniss: Just a brief question. You said one project dropped off, Hillary. Could you tell us what project that was and how many square feet?

Ms. Gitelman: Yes. One project dropped off. It was a project at 3045 Park Boulevard. In September we identified it as having close to 29,000 square feet. In reality it turned out to be a somewhat smaller project because there was existing square footage on the site that could be subtracted. It's kind of moot because the application was withdrawn.

Council Member Kniss: Totally?

Ms. Gitelman: That's right.

Council Member Kniss: That leaves the ones that you have here, of course. Just to re-establish, if one of those drops out, then we're right underneath. We never did talk about what happened if we went over 2,000 or 3,000 square feet, did we?

Ms. Gitelman: That's right. If one drops off or if one of them says I'm not going to do office, I'm going to do medical office. Remember, up to 5,000 square feet of medical office is exempt. Then we would be under the 50,000.

TRANSCRIPT

Council Member Kniss: Thanks.

Mayor Burt: Council Member Filseth.

Council Member Filseth: I think I hit my (inaudible).

Mayor Burt: Council Member DuBois.

Council Member DuBois: Just a follow up on medical office. We got a letter here and there was an article today in the paper. How do we track the medical office exemption? With that example you just gave, is there a conditional use permit? What if they build it as medical office and want to switch it to something else?

Ms. Gitelman: I don't believe there's a use permit required for medical record. I think we would approve it as medical office and condition it that way. Then it would be an enforcement issue if we found out that they were doing some other kind of office there.

Council Member DuBois: What's the rationale for the medical office exemption?

Ms. Gitelman: I don't recall. That was a suggestion of the Council that was incorporated into the ordinance at the time it was adopted.

Council Member DuBois: On the scoring process, can you just describe how it works? Is there a range? When I read it, it looked if you hit it, you get full points, but I didn't know if that was true or if you guys would score it on a range up to the amount of points shown on the table.

Ms. Gitelman: In the scorecard, we tried to provide some guidance about what we would be thinking when we did the scoring, but we're really trying to evaluate these projects against each other. One would hope that most projects would score pretty high in some of these, that are like address the impacts, address our design compatibility criteria. We probably will end up with a range of results for the different projects.

Council Member DuBois: I guess my big concern looking at this was that it could be conservative scoring where a lot of projects score at full points, and we don't have enough differentiation. I thought being really clear that there was a sliding scale—for example, traffic mitigation rather than saying if there's no significant impacts, you get full points, maybe it should be based on number of seconds you add. If you add zero seconds, you get full points.

TRANSCRIPT

If you add half second, like that. There's a sliding scale. Maybe you could add that in the explanation of the Guidelines, because then you'll get more differentiation in projects. I think that's going to be the most useful thing.

Ms. Gitelman: If could interject. Your suggestion is that in that Criteria 1b, we say something about the magnitude of the less than significant impacts. It's not just whether you have significant, but what's the magnitude of the remnant impact.

Council Member DuBois: I think you could apply that to many of these. Rather than being yes/no, it's a scale. Things like if they're below quantitative zoning standards, they might score more points. The things about quality, I think we should encourage people to bring a project that gets through ARB in fewer meetings. I think part of how ARB is used is to find the edge of what's acceptable. If a great project came and the ARB approved it in the very first meeting, I think they should get more points than somebody who comes back six times. On parking, the footnote said there's no penalty if they use reductions. I'd actually like to change that and say that a project that doesn't use exemptions could score more points. I think you get the idea. The other question I had is how this is going to work. I think what we intended was to rank projects based on the quality and not necessarily look at a basket of projects. If we had a project that was 49,000 square feet and it scored extremely high and then we had five projects that scored moderately well at 10,000 square feet each, how would we look at that?

Ms. Gitelman: I think the highest scoring project is going to get the highest score. If it's the 49,000 square foot project, that leaves no allocation for anybody else.

Council Member DuBois: Again, there was no idea that we were trying to maximize the 50 or score a basket of projects, and I think that's right. I think we wanted the highest quality project. If you look at this table you gave us, we're a little bit over 52,000. If that 28,000 square foot project scored low hypothetically, the way the ordinance is set up, would we then approve only 22,000 square feet?

Ms. Gitelman: The double asterisks is important here. The way the ordinance is set up, that 28,000 square foot project and the one that's 2,984 and the one that's 6,096 will be evaluated first. Those projects basically will receive an allocation; they have priority. It's really just the 9,000 and the 5000 square foot projects that are going to be competing.

TRANSCRIPT

Council Member DuBois: For this year, because they were in the pipeline. I guess if this were year 2, I guess my point is we could end up approving—like in this case, there's one project that's large and it was scored last, we could end up with a lot less square footage.

Ms. Gitelman: That's correct. Although, the ordinance does allow you to request project changes. You could give the applicant of the last place project the option to do a smaller project. The ordinance also gives them the right say no, but you could certainly make that request.

Council Member DuBois: Got it. Thanks.

Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: Thanks. First of all a couple of things. The way this will work is that all these projects will go through the process. In a year in which there isn't 50,000 square feet, do you still score the projects or do we just say there's nothing.

Ms. Gitelman: No, we would just approve them as we usually would. We would not score them.

Vice Mayor Scharff: In a year like this which is really only the first year of which you have grandfathered projects, you're going to have 2747 Park, the Lytton project and the Foot Locker project which would be scored against each other theoretically, but all of that is under 50,000 square feet. If they all had zero scores in all of them, they would still all be approved. I guess the question is shouldn't we have something in the Guidelines that say when that happens you don't have to go through the process of scoring them and doing all that? I mean, it seems sort of silly. Unless the outcome could be different, but it just seems like a silly process to me.

Ms. Gitelman: I guess I agree with you that it's a little overblown for the fact that you have three projects that have priority and they're under 50,000. The ordinance does say that those applications have priority over other projects and shall be evaluated against each other and granted an allocation before other eligible applications. Our thought was they would come to the first public hearing and present just like the other projects. You would have an opportunity to weigh in on the findings and whether you thought those could be made. Then at the second hearing, we would bring back our Staff recommendations. The recommendation would be, number one, approve the three that have priority and, number two, this is how we see the remaining two projects stacking up against each other.

TRANSCRIPT

Vice Mayor Scharff: It seems like it was sort of a drafting oversight to me, but maybe that was—these projects would only come to us—that's really my question. If they go to ARB and someone has an issue with it, then they appeal and then you decide whether or not you can make the ARB findings. These projects are all zoning compliant, I assume, these three projects. If they're not, they go through a separate process of wanting variances and exceptions and all of that. Right?

Ms. Gitelman: I don't know the specifics of (crosstalk).

Vice Mayor Scharff: Either way, it wouldn't come to Council unless someone appeals it, right?

Ms. Gitelman: If it's less than 50,000 square feet in a given year, they wouldn't come to Council unless someone appeals it.

Vice Mayor Scharff: What we're saying is these three projects come to Council regardless of whether or not someone appeals it or not, even though the scorecard is really not applicable to them.

Ms. Gitelman: Because the total this year is over 50,000 square feet, if it's still over 50,000 on March 31st, all these projects would come to Council as part of the competition.

Vice Mayor Scharff: It seems sort of silly to me. Fair enough. I understand at least what we're planning on doing. I guess I wanted to talk a little bit about the scoring. The idea was we broke it up into the criteria, and we gave 20 points, and then you broke that up into little pieces. The first one is impacts, so we gave that 20 points. We decided that if it's zoning compliant and doesn't require a variance and that's how we looked at density of the development, the context of underlying zoning and the site requirements. That's not quite density. What was the thinking behind that?

Ms. Gitelman: If you look at the criterion as it's laid out in the Ordinance, it's the density of development in the context of underlying zoning and site surroundings. What we've done in the consideration there is it really has two parts. One is, is it consistent with the zoning; it doesn't need exceptions, although we have a footnote there where we're carving out the build-to line and the parking exceptions which in some cases encourage TDM. The second part of that explanation is about the mass and scale and consistency with adjacent buildings. That's something that's going to be more qualitative and going to result, I think, in what Council Member DuBois

TRANSCRIPT

is looking for which is a kind of range of scores for the projects that we evaluate.

Vice Mayor Scharff: I guess I got the first part. I mean, I got the second, if their mass and scale are consistent with nearby buildings. That relates to me the density of development in the context of underlying zoning and site surroundings. What happens if the building—if we have a building that the ARB likes a lot because it's architecturally significant, looks great and it requires a variance for a architectural. Now we score it really well for good design, but then we have it lose points. Does it get 0 points because it wants a variance or does it get 5 points because it's mass and scale are consistent? I guess I just don't see the need for a variance as to necessarily relate to the density of a development. I see them as very different. You could, I suppose, have a variance for more square footage or something. Then the question is the mass and scale. I guess I'm not sure exactly why we thought—intellectually why do we think variances or exceptions necessarily relate to density?

Ms. Gitelman: This is the kind of comment, I guess, we're looking at the Council. If you don't want that considered, it would be good to know that.

Vice Mayor Scharff: Fair enough. I had some concerns there about the way that was. Quality of design. What does enthusiastically recommend for approval mean? Does it mean it's a unanimous vote? Does it mean—it's seven members—six members love this project, one person hates it. Is it enthusiastic? I mean, I just viewed it as ...

Ms. Gitelman: I think Council Member DuBois was suggesting it's the number of ARB meetings, but I think the Council used this term when reviewing the 429 University. I think you told the applicant to go back and enthusiastic support from the ARB.

Vice Mayor Scharff: In fact, I think that was me that told the applicant to do that. I think that was. Touché. I'll own that. Now that I'm looking at it in a statute as opposed to an off-the-cuff go get enthusiastic approval, it's ...

James Keene, City Manager: It put a lot of pressure on the ARB. They're not sure either. They're trying to act it out and whatnot.

Vice Mayor Scharff: I've got to say, was this—projects receive up to 20 points if they avoid a significant environmental impact under CEQA and if they have been designed to enhance the built and natural environment. Enhancements may include ... I guess that's a list that—it's not a list of

TRANSCRIPT

everything that may enhance it; it's an example. I think that's fine as long as it's an example. You don't have to have everything in there. Those are just things that may be helpful. I just wanted to understand that. I think I'll leave it at that for now.

Mayor Burt: Council Member Berman.

Council Member Berman: I'll pick it up where Vice Mayor Scharff left off. Thank you very much for these. I think you've done a great job. Out of curiosity, did you look to what other cities have done in similar situations or did you ... I think the Mayor will get to that in a couple of minutes. In regards to public benefit, this might have been the area that I was most uncomfortable with. In the Footnote 3, benefits may also be extrinsic improvements or voluntary financial contributions to larger community initiatives. To me, it's kind of creeping into the whole Planned Community process that we currently, I think, still have on pause. I don't know if Staff had another kind of example of what that meant or what did that mean?

Ms. Gitelman: Council Member Berman, this is an area, I think, where we're looking for your direction. The criterion that the Council included in the ordinance is just the value to the community of public benefits offered. We thought that that could be interpreted two ways; both intrinsic to the project and extrinsic.

Council Member Berman: I'll be curious to hear what my colleagues say about that. I'm more looking to the intrinsic values as opposed to add-ons that a developer might propose to score brownie points. Kind of gets us back into that uncomfortable situation that we found ourselves in in the past. Just a drafting question that I had. On packet page 137, for Section C of the Guidelines, was economic hardship waiver or adjustment meant to be a broken out, separate section or is that actually meant to be a part of self-mitigating projects?

Ms. Gitelman: I'm sorry if it's merged in there. It's supposed to be a separate section.

Council Member Berman: It seemed to be. Just wanted to make sure.

Ms. Gitelman: Yep. Good catch.

Council Member Berman: Thank you.

Mayor Burt: Council Member Schmid.

TRANSCRIPT

Council Member Schmid: Let's see. One upfront question. I was fascinated by the Council Action Minutes of September 21 on page 129. It says the motion that was passed was to adopt the boundaries as identified in Staff Report and to direct Staff to return within six months with a report on Stanford's progress on reducing single-occupancy trips and to direct Staff to return within six months with a report with potential action on development of office space including Stanford Research Park. Now, six months would be March 21st. Is Staff working on coming back to us on including Stanford Research Park in the boundaries?

Ms. Gitelman: Council Member Schmid, on the first part of that, the report on TDM, we are planning to bring that to you in March. On the second part, we have not had the Staff capacity to do any further analysis of this. All of our efforts have focused on processing the projects and preparing these Guidelines so we can do the program this year.

Council Member Schmid: I guess it has a very important impact on our Comp Plan and on the extension of this after two years which is coming up.

Ms. Gitelman: If I can add onto that. I do see your point, and I know where you're heading. In the Comp Plan EIR that is now being circulated for public review, one of the scenarios assumes that this program would be perpetuated for the subset of the City. The other assumes that there would be a different program that would apply more widely. The Council will have an opportunity to weigh these two. We're looking for your feedback on which of those two approaches ultimately you think ...

Mayor Burt: Hillary and City Manager, we have coming before us both (inaudible) Study Session by both our TMA and the new Stanford Research Park TMA on what date?

Mr. Keene: We do. I'll let you know the dates.

Ms. Gitelman: It's in March.

Mayor Burt: Early March, I believe. Both of those will be coming together in an upcoming Council meeting.

Council Member Schmid: Whether the Stanford Research Park would be included in the ...

Mayor Burt: No, that's not what I said. That's not what I said.

TRANSCRIPT

Council Member Schmid: I guess my point, though, is that the motion included ...

Mayor Burt: No, I understood your point. What I was clarifying is what's coming before us in early March. It will essentially be the first half of that, which is the information on what is occurring and progress on their trip reductions.

Mr. Keene: March 14th is the date.

Council Member Schmid: I guess I'd like to make a couple of comments on the scoring. I would suggest you have five criteria and you've given them all 20 points. It seems to me that Criteria 1, impacts, deserves 40 points. That includes traffic and parking. I think in our discussion the other night where we were talking about the Citizens Survey, it was quite clear that traffic and parking is a manifestation of a serious community concern and problem. It would seem to me that in establishing criteria we ought to reflect that community concern and give that item twice the number of points. Also, on "1b," you say let's use CEQA and the Code to see whether they are meeting traffic needs. I guess we are familiar with CEQA that concludes that every project in Palo Alto does not have a significant impact on traffic. It would be good, I think, if we substituted in there actual traffic count or something as opposed to CEQA. You mention the Code, and I think the Code includes the Downtown Parking Assessment District that built 700 parking spaces and got 9,100 rights to parking spaces. I think we need to have better criteria on measuring traffic impacts. The other element that I would suggest would have more than 20 points would be Number 5 in uses. There you get into dwelling units. I think a big concern as we move forward in the Comp Plan is mixed use areas. It seems to me that the provision of housing is a key part of that. Rather than give 10 points if they have more than four, maybe the 10 points or the 20 points would come if they have ten or more or whether the dwelling units provide enough workers to staff the office space included. Then I would reduce the amount of points given to Items 2, 3 and 4.

Mayor Burt: Council Member Filseth.

Council Member Filseth: I think this is useful. I think Staff came up with a good cut at it. I think we've given some useful feedback. Realistically for the first year, it's really only between two projects. I think let's give them it a shot and see what happens it.

TRANSCRIPT

Mayor Burt Council Member Wolbach.

Council Member Wolbach: I just wanted to comment that I think we've come a long way since where we were a year ago. Admittedly, I wasn't the most enthusiastic about this when we first started talking about it. As it's started to come together through our discussions and through the Staff work on this, I'm increasingly happy with the direction we're heading with this. I don't want to spend too much time patting ourselves on the back, but so far I think we're on kind of the right track here.

Mayor Burt: Council Member Holman.

Council Member Holman: Thank you for bringing this forward. I also have a question about the medical office. I'm wondering if we're creating a loophole here. What if someone builds 5,000 square feet of medical office. A medical practitioner moves in and within—I'll make up a time—six months they move out, does that property owner then have an argument for hardship, if they don't rent it within what amount of time? If the only thing that can go back in that 5,000 square feet is medical office.

Ms. Gitelman: thank you, Council Member Holman, for that question. I don't want to speculate about what would happen, but I think the Council's clear intention in the drafting process of the ordinance was to exempt small medical offices. It means that the medical offices would be approved as medical offices, so they would have to maintain that use or come back for some approval through the City.

Council Member Holman: This would be enforceable even if they were in a zone district that allowed general office. We can legally stipulate that?

Ms. Gitelman: All I can say is we would do our best to ensure if it's approved as medical office, it would be used as medical office.

Council Member Holman: I think we might need a little bit of clarification around that. Having to do with the review criteria—one question about map, can you remind me please. On the map, the Exhibit A, can you remind me why we didn't continue up El Camino, like say where Town and Country is because there's office on the second floors there or where the hotels are? Why didn't we include that area of El Camino? I'm not recalling. There's also—it's very hard to see on this. I can't tell for sure if this includes Churchill because there are offices around there too. Can you remind me why we didn't go up El Camino?

TRANSCRIPT

Ms. Gitelman: If I recall, the sections of El Camino that are not included have some other zoning district. They're not zoned commercial. They're zoned PC or they're zoned residential or something else. I'd have to go back and investigate further to give you a more definitive answer.

Council Member Holman: Town and Country Village, for instance, is zoned commercial or T zoning district. It might be good to clarify that. Quickly on the scoring criteria, I would agree with other comments that have been made about Number 1b, project will receive up to 10 points if they would not result in significant traffic impacts pursuant to CEQA. For me, that's a lot of what we approve that causes challenges in this community are projects that have an impact in a variety of different ways, but don't reach the significant threshold. I would say also that and also because we have—particularly because we have traffic issues in town and we have parking issues in town, I would say also Code required parking. It's like that we don't allow reductions on that. If the project wants to win 10 points or earn 10 points, they need to provide more. Same thing on "3a," the significant environmental impacts. Same concern on "5d," project will receive 5 points if they provide more than required minimum area over .15 FAR of ground-floor retail. We've seen other projects come through that they just—does that mean .16? 100 square feet more? What does that mean? Is there any way to quantify that that would be reasonable and feasible?

Ms. Gitelman: I think we provided a quantitative standard suggesting that you would have to exceed that by some measureable amount to get the higher score.

Council Member Holman: I understand that, but I just—is there any way that we could quantify like what it means? Greater than .15, so that somebody doesn't just provide 100 square feet or 50 square feet more and they get 5 extra points.

Ms. Gitelman: I think we're saying greater than, so you could meet that criterion with just 50 square feet more if it can be quantified.

Council Member Holman: That was my question. Thank you.

Mayor Burt: I just want to follow onto a few of the comments made by colleagues. First to the context of this, we're basically trying on for size this program for two years. I think we should anticipate that there are some imperfections that we'll find in it. Some of which we may even be able to identify right now, but that we don't have to fix if they're not a major

TRANSCRIPT

problem in that first go-round but we want to fix permanently. For instance, we'll probably have to think through what's going to happen more on whether medical office is a problematic exemption or not really. I do have both feedback and concurrence with some of my colleagues that the scoring should be weighted differently. I see some things that really either look a bit misplaced in the category or are maybe repetitious. For instance, under "1a," we have the density of the development, and then in the context of underlying zoning and the site surroundings and under "2c" we have compatibility with surroundings and overall—separately the architectural quality. I think I'm fine with moving the density part under compatibility and have one concentrate on traffic and parking, which was really the number one concern. Hillary.

Ms. Gitelman: If I can just interject. The criterion that are listed in that first column are directly from the ordinance, so that's, if I'm not mistaken, actual ordinance language that we would have to change if you wanted to alter the criteria.

Mayor Burt: This is the first cut we're seeing at the ordinance, right? Yeah.

Vice Mayor Scharff: No, no. We passed the ordinance (crosstalk). This is just the Administrative Guidelines.

Mayor Burt: Sorry. I don't think a nominal variance or exception is anywhere near as important as a traffic impact, for instance. I think that we should have a higher scoring for traffic and parking impacts, whether they're 30 or 40 points, I don't know. That was probably our highest concern. I'll offer also a concern that we—if I understand it, it's kind of a binary scoring. They either get the 20 points or they don't. Is that the way you have this set up?

Ms. Gitelman: No. Our thought was that projects would get different scores, because these criteria each have qualitative aspects to them. Some project could be high and some could be low.

Mayor Burt: For instance, under "1b" where you talk about traffic projects that would get points if they would not result in significant traffic impacts, I think we need qualitative language that says they'll get more points for the least impact. They don't get any points unless they are low impact.

Ms. Gitelman: That point is well taken from a variety of Council Members. I understand.

TRANSCRIPT

Mayor Burt: We had this example of the 1050 Page Mill that was outside of this project area, but with their TDM program, they appear to be virtually no impact. Under "2c," where we're struggling with this enthusiastically recommended, I think maybe a different descriptor, maybe exceptional design quality. Right now to pass ARB, you have to have acceptable design quality. They have a battle to get them up to acceptable. Sometimes they get a project that comes in the door that they think is very good or exceptional. Most of the time, they work to lift it up to whatever is an acceptable quality. I think we're looking for exceptional design and exceptional compatibility. When I jump down to "4" and "5," we have public benefits, but then under uses, 5e says mixed use projects that provide space for cultural amenities. It seems to me that the cultural amenity is a public benefit, and that's what we're really trying to capture there. I think we need to quickly come with any adjustments we have to the scoring as far as recommendations, unless we want this to return. I just wanted to make sure I understand what I believe to be the case is that we have transferrable development rights and we had a project a couple of weeks ago on the Sea Scout Base where we authorized TDRs. Those TDRs would not in any way affect the scoring or approval of projects. Correct?

Ms. Gitelman: That's correct.

Mayor Burt: They don't in any way add to the square footage that could be built in a given year? They won't change the 50,000 square foot limit. If somebody has a TDR for 70,000 square feet, they don't have an entitlement to use that unless they compete well under the 50,000 square foot cap, right? On the Downtown, we have a separate overall cap. Adding TDRs didn't change that overall cap either. There's a multiyear limit on what can be built no matter how many square feet per year. I think it's important we seem to have a misconception including in one of our leading local publications that somehow a TDR was going to allow certain things to be built that otherwise wouldn't be able to be built. I just wanted basically to correct that. We need to come back with a motion and try to move on. Council Member DuBois.

Council Member DuBois: I'll take a crack at a motion. I'll move the Staff motion to adopt the Administrative Guidelines and ask Staff to add some clarification to each criteria that will allow a sliding scale for scoring, in other words maximize differentiation between projects.

Vice Mayor Scharff: Second.

TRANSCRIPT

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

- A. Adopt the administrative guidelines proposed by the Director of Planning and Community Environment in conformance with Section 18.85.208 of the Ordinance establishing an interim annual limit on the amount of Office/R&D space that can be approved each fiscal year; and
- B. Direct Staff to add clarification to descriptions to allow for increased variation in scoring to highlight successful programs.

Council Member DuBois: Just to speak to it briefly. I think you've heard from all of us. I think if you look at all of these, if there's a scoring system that gives maximum points for even going beyond the minimal requirement, minimal requirement is kind of the middle of the range. Anything below that is less. I think that will spread out these projects so that when we get the scores, we're not looking at a bunch of ties. Thanks.

Mayor Burt: You had the second?

Vice Mayor Scharff: I did have the second.

Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: I was wondering if you would accept as a friendly amendment the notion of Mayor Burt's that it's really the ability to avoid or address potential impacts on traffic and parking, that we give it more points. I would say 20 points if that was acceptable. And that we add the words project will (inaudible) if they would not receive a significant traffic impacts. You used different language. You had better language when you spoke, but I'm willing to with significant traffic (inaudible) CEQA. I would like to add in the concept and a robust TDM plan. And then and if they would provide Code-required parking.

Council Member DuBois: Is it written up yet?

Vice Mayor Scharff: I can repeat it again if it's helpful. The first thing is the 20 points.

Council Member DuBois: I'm okay with the weighting, more weighting for parking.

TRANSCRIPT

Vice Mayor Scharff: It's really traffic and parking.

Council Member DuBois: Traffic and parking.

Vice Mayor Scharff: Will receive up to 20 points if they could not result in significant traffic impacts pursuant to CEQA, have a robust TDM program, and if they would provide Code-required parking.

Council Member DuBois: I didn't want to wordsmith each criterion, but I actually thought the comments were about not sticking to CEQA and awarding points for mitigations even better than that. We had these ...

Vice Mayor Scharff: That's what I'd prefer actually. We could take out the term CEQA. That's why I just added in a robust TDM program because that's sort of at a minimum that they would do that. I'm fine with (crosstalk).

Council Member DuBois: Or again if they add half a second of impact, that's better than 1 second even if they're both not substantial impacts.

Mayor Burt: May I briefly wade in? I think the TDM program is the means to what we would be measuring which is the trip impacts. If they basically have a project that has no trip impacts through TDM or whatever other means, which I can't envision what that might be, then they score really well. If they have modest impacts, they'd score not so well. If they have high impacts, they'd score poorly. I don't know that we have to ...

Vice Mayor Scharff: Can we add 20 if they do not result in traffic impacts?

Mayor Burt: Yeah. Or in lowest traffic impacts. They'd score highest for the least traffic impacts. That's basically what we're trying to get at.

Vice Mayor Scharff: You want to put project will receive up to 20 points if they result in the lowest traffic impacts?

Council Member DuBois: That is fine.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "replace 1. Impacts (b) Considerations for Each Criterion with, 'projects will receive up to 20 points if they result in the lowest traffic impacts.'"

Vice Mayor Scharff: Is Staff going to be okay with interpreting that?

TRANSCRIPT

Ms. Gitelman: Sure. I think the intent of the motion was to interject this kind of qualitative concept in each one of them, so we'd end up with a range. That's good direction. We can follow that lead.

Council Member DuBois: The only difference here is more weighting on traffic and parking.

Ms. Gitelman: Right.

Council Member DuBois: Which we added 10 points here. We need to either 10 points from somewhere else or ...

Vice Mayor Scharff: Or we could just have more points. I'd just have more points. Finally, Mayor Burt actually I thought had a really good point when he said on "2c," I would change it to projects will receive up to 20 points if they are of exceptional design quality as approved by ARB.

Council Member DuBois: That's (inaudible).

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "replace 2. Design (c) Consideration for Each Criterion with, 'receive up to 20 points for the highest quality design.'"

Mayor Burt: Council Member Wolbach.

Council Member Wolbach: On this bit that we were just discussing, I'm wondering if it's redundant because the part about parking has Footnote 2 which refers to the ability to use Palo Alto Municipal Code Section 18.52.050 which also includes TDM. I don't mind additional emphasis on TDM. That's obviously something we're all fans of here. I just want to make sure it's not redundant, and also again want to make sure that we're not creating too much work for Staff when we've passed the ordinance that had, I thought, language that matched what was here.

Ms. Gitelman: Thank you for that question. Maybe I misunderstood the exchange between Vice Mayor Scharff and Mayor Burt. I thought the TDM was not included there because—I mean, the criterion is the ability to avoid or address potential impacts on traffic and parking.

Mayor Burt: Yeah, they'll get that changed.

Ms. Gitelman: The TDM is really a way to ...

TRANSCRIPT

Mayor Burt: They're going to address it with the Clerk. Council Member Schmid.

Council Member Schmid: I would propose for "5c" that the points be increased to 20 and the wording include more than ten units rather than four units. If I could ask the maker of the motion.

Mayor Burt: While we're waiting, there's a problem there as it doesn't refer to the size of the project. You've got a certain number of units. You could have a 100,000 square foot project and it only has ten units, or a 5,000 square foot project and it has nine units. You'd score the 100,000 square foot project really well. I think there's a problem there. Or 50,000 or whatever. There's no correlation between the size of the project and the number of units, so I've got a greater problem with that.

Council Member Schmid: We could have a sliding scale ...

Vice Mayor Scharff: You have to decide first.

Council Member Schmid: ... which would move from four units for a 10,000 foot project to ten units for a 50,000 square foot project.

Council Member DuBois: I'm sorry (inaudible) was helping me word this.

Council Member Schmid: It's on "5c;" I'm trying to get mixed use in there. Increase the number to 20 points available, and right now it says to include more than four units, and I want to (inaudible) larger number in for increasing size of projects.

Mayor Burt: In the interest of time, may I suggest something? Rather than try and put it numerical, because you can't correlate to project size, that whatever number of points, you just simply say projects will receive more points in response to additional dwelling units. It's a sliding scale. The more they have, the more points.

Council Member DuBois: There is an exemption already for self-mitigating buildings, right?

Vice Mayor Scharff: There is.

Council Member DuBois: I think I would accept something like—yeah. You say you want to increase the weighting to 20 and more points ...

TRANSCRIPT

Vice Mayor Scharff: I won't accept the weight increase; I think 10 points is fine. But I like the wording.

Council Member DuBois: More points for more housing units, basically.

Vice Mayor Scharff: Yeah.

Council Member DuBois: I would accept that, but I don't know if that's what you proposed. Instead of changing the weighting, it would still be 10 points, but you receive more points for more units of housing.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "remove from 5. Uses (c) Consideration for Each Criterion, "than four."

Council Member Schmid: Let me propose that as an amendment, that it does go to 20 points, but I accept the wording of just increased housing.

Mayor Burt: I don't see a second.

AMENDMENT: Council Member Schmid moved, seconded by Council Member XX to add to the Motion, "replace in 5. Uses (c) Consideration for Each Criterion, "10 points" with "20 points."

AMENDMENT FAILED DUE TO THE LACK OF A SECOND

Mayor Burt: Council Member Holman.

Council Member Holman: Wanting to go back to ...

Council Member Schmid: I'm sorry. Did the maker and the seconder approve the first part in the motion?

Vice Mayor Scharff: We did, so you can add that in.

Mayor Burt: If the maker and seconder look at the language while we're hear from Council Member Holman.

Council Member Holman: Wondering if under impacts, 1b, given our parking situation in Palo Alto, if maker and second would consider Code-required parking without reductions.

Vice Mayor Scharff: I would just need Hillary to go through them. I think on the Page Mill project where we actually put teeth into it, I actually

TRANSCRIPT

thought they over-parked frankly and wasted money on it. It wasn't their fault. I think that's because of us. In general I agree that I would like to cut down on that, but I want some—given a robust TDM program, you shouldn't have to build all the parking necessarily if you really believe the TDM program is going to work. I don't know how we integrate that. I'm supportive of your concept; I just think there should be some ability to say they're not going to create more cars here, we don't need to build the parking.

Council Member Holman: Our problem is that our TDM programs are not enforced and mostly not even enforceable. That's where the rubber hits the road.

Vice Mayor Scharff: I don't believe that's true.

Council Member Holman: It is true. Except for like I think two projects, maybe three in town. They're self-reporting and the City does not follow up on them, partly because of staffing capability and bandwidth.

AMENDMENT: Council Member Holman moved, seconded by Council Member XX to add the end of Part B of the Motion, "and code required parking without reductions."

AMENDMENT FAILED DUE TO THE LACK OF A SECOND

Mayor Burt: May I offer a way that we not necessarily as part of this, but going forward that we are going to be able to address this. With our RPPs, new projects whether they be commercial or residential, if they're ineligible for residential permits in the RPP zones, then it really addresses the under-parking issue to a much greater degree than we've ever been able to. I don't think we can include that—I don't foresee a way that we can include it tonight, but I wanted to put that on the table, because it's a valid concern and how do we reconcile driving toward TDM programs. If somebody eliminates say, hypothetically, half of their car trips as a result of TDM but they still have to have the same number of parking spaces even though they have half the cars, that's really in all seriousness what we're trying to move toward. We're going to have to figure out how we reconcile that, but I don't think we can do it tonight.

Council Member Holman: I don't disagree with the vision, but it's just implementation to this point in time. That was my only comment.

TRANSCRIPT

MOTION RESTATED: Council Member DuBois moved, seconded by Vice Mayor Scharff to:

- A. Adopt the administrative guidelines proposed by the Director of Planning and Community Environment in conformance with Section 18.85.208 of the Ordinance establishing an interim annual limit on the amount of Office/R&D space that can be approved each fiscal year; and
- B. Direct Staff to add clarification to descriptions to allow for increased variation in scoring to highlight successful programs; and
- C. Replace 1. Impacts (b) Considerations for Each Criterion with, "projects will receive up to 20 Points if they result in the lowest traffic impacts;" and
- D. Replace 2. Design (c) Consideration for Each Criterion with, "receive up to 20 points for the highest quality design;" and
- E. Remove from 5. Uses (c) Consideration for Each Criterion, "than four."

Mayor Burt: Let's vote on the board. That passes unanimously. Very good.

MOTION AS AMENDED PASSED: 9-0

Ms. Gitelman: Thank you. As I understood the motion, you're leaving a little bit up to Staff to work with each of these to make sure we'll have an explanation that will end up with a range. There was a typo that Council Member Berman found that we'll correct. There were a couple of other clarifying changes in the Administrative Guidelines that we'd like to make going forward. We'll make sure the Council receives a final version.

Mayor Burt: Thank you.

Council Member Holman: Could I just ask one question please?

Mayor Burt: Sure.

Council Member Holman: If Staff could get back with us the clarification about why we aren't running up the rest of the way on El Camino in this map, what the direction was and if this is accurate.

Ms. Gitelman: I just hesitate—I'm not sure I'm going to be able to go back and recreate what all the thinking was in drafting the ordinance. As Mayor

TRANSCRIPT

Burt indicated, this is an evaluation period, so the ordinance will come back to the Council at some point, and you'll be able to reconsider some of these things. The boundaries and the medical office are the two things that were raised tonight.

10. Envision Silicon Valley County Sales Tax Measure: North County and West Valley Cities Position Advocacy.

Mayor Burt: Our next item is the Envision Silicon Valley county sales tax measure and the North County and West Valley cities position advocacy. Welcome.

Ed Shikada, Assistant City Manager: Thank you, Mayor Burt, members of the City Council. Ed Shikada, Assistant City Manager. Perhaps just a quick tee-up for the item before you at this point. This is an ongoing conversation involving agencies throughout Santa Clara County. As the Council's aware, Santa Clara County VTA, Valley Transportation Authority, has been discussing the proposal of a sales tax for the November ballot. Through the course of discussion with a number of cities in the West Valley and North County, the Rail Committee considered an advocacy position that identifies potential funding framework within a set of conceptual categories that could be used as a starting point for discussion with both VTA and other key stakeholders in development of the ballot measure. What we have before you this evening is a recommendation from the Committee that the Council consider and provide direction to your advocates, whether they be through Staff at the technical advisory committee, with other cities through the Mayor and City Manager, and other venues through which the sales tax proposals are being discussed and will ultimately come together through in all likelihood VTA Board action toward placing an item on the November countywide ballot. With that, Mayor, back to you for Council discussion.

Mayor Burt: Thank you. This shared position which has been the result of a group of North and West County cities have discussion over the last what? Six months. Under Council Member Holman's term as Mayor, these discussions were commenced, and she represented us through much of the second half of last year as this was emerging. It really came about because of concerns over the need to better address the transportation needs of North and West County cities. As we've discussed as a Council, our greatest priority has been about trying to make sure that this prospective tax measure be a very strong funding source for Caltrain and in particular for future grade separations. We've seen that somewhat for a first time, this group of cities has had its voice elevated, but we also should acknowledge

TRANSCRIPT

that not all the cities are taking identical positions. We have a majority of those that have gone to the Council and either are in the process or have already adopted as a position the same as what we have before us. We have a few of the West County, three of the West County cities, I think, smaller cities that one is not taking it to their Council because they want actually something that's even more parochial and specific to their city's interest. Another that thinks that it is too specific for our region's interest and that the process that we have through VTA is sufficient. The other thing is that the group of cities acknowledged that this is part of an iterative process. This position reflects a strong belief by this group in what is really needed to serve both really the county as a whole as well our areas of the county. There are other parties that will have slightly different variations that are coming forward. We'll see some negotiation, frankly, that's going to be coming about in the coming weeks that will build a consensus position amongst the various parties. The Council supporting this set of recommendations, I think, allows this group of cities to proceed and advocate for what we believe are in the best interests of both our region of the county and the county as a whole. That's my best summary of what's happening. Ed or Jim, do you have anything to add?

James Keene, City Manager: Right on. I think the fact that it's iterative, that it's a collective, we're stronger certainly, so hanging together for as long as we can, we ought to do that tonight. That's for sure.

Council Member Kniss: Mayor Burt?

Mayor Burt: Yes.

Council Member Kniss: Quick point of information. Under the recommendation, it says approve advocacy direction to City representatives. Who are they?

Mayor Burt: That's one of the things that really in Recommendation Number 2 we need to clarify.

Mr. Keene: Yes, I apologize for that. Recommendation 2 actually deals with the fact that there will be some of these ongoing meetings, and there may be some adjustments and adaptations. Actually, this has not been just something at the City Manager and Staff level, but we've had a representative from the Mayor. We neglected to point that out to you, that we shared this morning in pre-Council that two should be amended, I think, to say to authorize the Mayor and the City Manager to engage with VTA and

TRANSCRIPT

other stakeholders, so that you have both the political policy representation from the Council and the Staff support on our side.

Council Member Kniss: It reads Mayor and City Manager?

Mr. Keene: Correct. As amended.

Mayor Burt: Should we hear from members of the public first, and then go into our discussion? If anyone else wishes to speak, please bring cards forward. I see that we have representatives of some of our neighboring cities' Councils. Welcome. Each speaker will have up to three minutes to speak. Our first speaker is Bret Andersen, to be followed by Andrew Boone. Welcome.

Bret Andersen: Thank you. Yes, my name's Bret Anderson. I'm a resident in Palo Alto, Midtown area. I am basically here just to show up in person in support of the letter that was sent to Mayor Burt and other members regarding looking at an allocation of all of these public funds that could be raised by this tax measure and focusing those on investments in transportation that would have the most return for our community. Specifically to try and steer away from investments that just perpetuate the existing status quo of a car-based transportation system. Given the fact that we're built-out basically in the Peninsula, that we've built all the roads in the open spaces that we can. The only alternative really for further car-based transportation is to expand the roads, widen the road, which has minimal impact on congestion reduction and parking problems. Those problems that we have are basically kind of a burden or a gift of economic success. We have to live with those going forward. I don't think that we can expect to reduce congestion necessarily with any of these initiatives, alternative or investments in the traffic in roads. What we're looking for is multiple benefits, alternatives to the car that provide access to people, to jobs that would be in Palo Alto that today might not be able to get here without an automobile. That's for economic efficiency. We need an investment that provides a sustainable infrastructure, so alternatives to the automobile which is a pretty inefficient from a carbon perspective. We also need to look at health and safety issues when we make these investments. Additional cars on the road is not really improving the safety in terms of all the alternatives that people have for walking, biking or for transit. My main message is really to look at the multiple benefits that we can get from alternative investments to the automobile as a mode of transportation and maximizing what we can do with our trains, with busing, with walking, biking. If we do have to invest in expressways and roads, let's make sure

TRANSCRIPT

we're investing in high occupancy vehicle modes of transport or complete streets as a philosophy rather than just perpetuating what we have which is just basically status quo congestion. Thank you.

Mayor Burt: Thank you. Our next speaker is Andrew Boone, to be followed by Herb Borock.

Andrew Boone: Good evening, Council Members. My name is Andrew Boone. I've been following this sales tax proposal pretty closely, because I personally am very concerned about a looming expansion of our highway and expressway. Santa Clara County Staff themselves are proposing 1 billion—that's in your list here—for expressway car traffic expansions. Half of that 1 billion just to put Lawrence Expressway underground, basically convert part of Lawrence Expressway to the way Central Expressway is. That's what we're talking about. That's what you're being asked to agree to. Spend 500 million of sales tax dollars on what is it? One or 2 miles of making something like Central Expressway. I don't think this matches with the priorities that you described before. In your Staff Report, they're listed when you're first asked about this. August 2015, they were funding for Caltrain, bicycle and pedestrian improvements, first and last mile service from transit and transportation demand management. You didn't ask for originally any let's make the highways wider, let's get some bigger interchanges. You understand that reducing demand for driving is a lot better investment than trying to build our way out of congestion, than trying to follow a policy that's been failing for 60, 70, 80 years. I know this is a negotiation with the other eight cities in the group, that you want to express a common interest, but I don't get the feeling from those other cities a \$1.5 billion expansion of expressways and highways is what they really want either. On January 19th, the Mountain View City Council certainly said that they were not in favor of that. All of the Council Members who spoke on the issue said we want to reduce the amount of money spent on expressway and highway expansions and increase the amount of money spent on other ways to reduce the demand for driving. Finally, I do think 500 million for bicycle and pedestrian sounds like a lot of money, but this is 30 years. These are the modes of the future. These need to be prioritized. We don't need to spend—it's 1.5 billion for highways and .5 billion for biking and walking. Really, you need to consider seriously reversing those numbers. Climate change is real. This is a solution. This is a solution that we can do. SB 375 is already the law. We're required to reduce greenhouse gas emissions from private automobiles. It's State law. Passing a sales tax that violates State law or doesn't explicitly violate State law, but it's obviously in contradiction, seems imprudent. Thank you.

TRANSCRIPT

Mayor Burt: Herb Borock to be followed by Arthur Keller. Welcome.

Herb Borock: Thank you, Mayor Burt. Good evening, Council Members. I want to thank the Mayor for shining a light on the fact that this discussion has been going on for six months. I want to compare it to another item that was on your Agenda on your Consent Calendar this evening, the contract regarding airplane noise. For the first time, I believe, attached to that Staff Report was a letter from Congresswoman Eshoo pointing that it would be helpful to get the Council's response to the FAA's proposals by the end of January, and that was a December letter. I don't recall seeing that one before. Here, with the recommendation from Staff that the Council designate who its representatives are, I just heard that this has been going on for six months. I try to keep track and pay attention to what's going on with the Council, but I don't recall hearing about that kind of discussion before. To get to the specific points in the proposal, I'm not sure how we can have a joint proposal when we're not sure with whom we are bargaining. Are we bargaining with Mr. Guardino who's sitting in the back row here? I provided you a copy of an article from *The San Francisco Chronicle* from November of 2014 where essentially the discussion was that they're about short \$1.4 million to bring BART to Santa Clara. Here we're talking about a position \$1.2 million to San Jose. You're just mixing up those two numbers. The second thing is in regard to Bus Rapid Transit. We've been advised by Supervisor Simitian that that proposal could kill the tax measure at the ballot, and yet there's no connection here with saying that neither this money nor future money for a period of time could be spent for Bus Rapid Transit in this part of the county. Finally, in spending for money grade separations, normally you would think that it is Caltrain and the High Speed Rail Authority that would be responsible for paying for the mitigations for their projects. Already there's included in here money to do the additional gap for the Caltrain modernization program that's beyond what they've gotten themselves from the California High Speed Rail Authority, and they want money from each of the three counties. I guess that's what this \$400 million is for. I'm not sure whether you can bargain to get more or whether this is just to say we're going to get less than what's here. Thank you.

Mayor Burt: Thank you. Arthur Keller to be followed by Adina Levin. Welcome.

Arthur Keller: Thank you. I'm speaking in my own capacity, not as Co-Chair of the CAC. Thank you, Mayor and Council Members, for bring up this item. First of all, I think people know that I've been in favor of a covered trench for Caltrain since 2008 when I was featured in an article of the *Palo Alto*

TRANSCRIPT

Weekly before the statewide bond issue was passed. I think we need to make sure that there's a cap in funds for BART, because otherwise we'll see that that will absorb more than is allowed. Simply saying an approximate percentage or an approximate number is not nearly enough. We've seen that that grows beyond that. We've had promises before of what would happen, like the Palo Alto Intermodal Transit Center was promised from a previous sales tax, and we haven't seen a dime go for that. I think that we should Palo Alto be able to redirect the funding that the County wants to put towards the Page Mill Road widening and be able to use that for congestion and management and things like that, that make sense for Palo Alto and/or reduce congestion. I think that allowing us to redirect that funds would provide additional funding. Also, I'm not sure that I see a plan for how we achieve grade separations for Caltrain. There's going to be a lot of money needed for that. They money here isn't enough for Palo Alto and Mountain View. I'm not sure if Sunnyvale wants some or not. There's certainly not sufficient money for all of that. Where are all the other (inaudible) from? I don't see a picture of that. I also wonder whether any supplementary funds will be needed from Palo Alto and a plan for obtaining those supplementary funds. I think that Caltrain is an important spine of commuting for the mid-Peninsula and for going between here and San Francisco and here and San Jose. I think we need to figure out how we fund that. In order to increase the ridership of that, we need to increase capacity. In order to increase capacity, we need grade separations. I think that's an important thing that I think everybody's bringing forth, but we're not talking about how to fund that ability. Thank you.

Mayor Burt: Thank you. Adina Levin to be followed by John McAlister.

Adina Levin: Good evening, Council Members and Staff. Adina Levin with Friends of Caltrain. First of all, I'd like to thank the Palo Alto City Council for working with Mountain View, Sunnyvale, Cupertino and the other cities in the region to come up with a package of investment that meets common needs including making sure that there's a good packet for Caltrain capacity improvements that are going to be needed and really making sure that that happens. One of the things with regard to that, as the previous speaker said, the items in here are about Caltrain capacity like longer platforms and longer trains, but also grade separations which not everyone thinks about as a capacity solution, because it's not just about allowing cross-town travel. It's about enabling much more frequent service with Caltrain and High Speed Rail over time. That's a really important message to make for people here in this room and people outside in the community. This is about getting more rail service over time. I also wanted to talk a little bit about

TRANSCRIPT

some things that I have learned regarding the expressways. Since Palo Alto first reviewed the expressway plan and realized that while Stanford would prefer to reduce the congestion into Stanford Research Park through reducing driving, the county expressway plan as it was construed at the time only had one tool in the toolbox. The only tool they had was to expand roadway capacity. However, a couple of things. The idea that Palo Alto had has actually come up through this process several places around the county. Palo Alto is not the only place that is interested in having flexibility to relieve the congestion which is a high priority for voters but with more than one tool in the toolbox. Also, the new rules for CEQA have come out. They say that if you're doing a major roadway project which will have a tendency to increase driving, those projects will be deemed to be having a significant impact. The impact can be mitigated with TDM, with transit and/or with tolling. Agencies that before said the only thing we can do is expand capacity, we can't analyze, we can't plan, we can't deliver, the way that CEQA is about to work will require these major roadway projects to self-mitigate with regard to those. Having that item have the flexible funding to be able to self-mitigate is something that I think is a reasonable approach in addition to looking carefully and potentially taking some of that money and using it for investments to get people out of cars. Thank you.

Mayor Burt: Thank you. Council Member McAlister to be followed by Mayor Chang.

John McAlister, City of Mountain View Council Member: Good evening, Mayor, former Mayor Holman, Council Members. It's a pleasure and a thrill to be here it. Not necessarily at this hour, but a thrill to be here to circle back. When I first came up in August the 17th to get this ball rolling of the collaboration between the North County and West County cities, it is a pleasure and a thrill to see how far we've gotten. I want to echo the words of the Mayor and City Manager about collaboration and staying the course, of how much we can achieve when we work together, and that our voice is greater. I wish and I hope that you stay that way and continue to keep our collaboration strong. As we go down the path of negotiation or refinement of these various dollar amounts, we have a stronger voice and a little more power behind it. I was reading through your report, and I just wanted to do a little clarification on Item 1 on page 4. It says the VTA Board and the Envision Silicon Valley ad hoc committee, and you have the Mayor Jeannie Bruins. She is only the VTA Board. I just want to point out to you that we sort of have another need to be collaborative. The VTA/Envision ad hoc committee, there's six members. Location: San Jose, Santa Clara, Santa Clara County, Campbell, San Jose and Gilroy. There's no mention about

TRANSCRIPT

North County or West County. That's why it's important that we continue to do this. I applaud you and hope you continue and have an early night.

Mayor Burt: Thank you. Mayor Chang.

Barry Chang, City of Cupertino Mayor: Good evening. My name is Barry Chang, and I'm the Mayor of City of Cupertino. I'm also the candidate for State Assembly District 24. I'm here, the hour is not that bad in comparison to our meeting. 11:00 is not that. I'm here to urge you to approve it. The reason is the collective effort will have more (inaudible). Myself, I would like to see \$900 million. In order to get my City Council to agree, I compromised to \$800 million for what we want. We got unanimously approved from our City. When I talked to West Valley City, the Mayor say \$500 million will be fine with them. I'm willing to compromise, so I voted yes for \$500 million for what we've been asking. Of course, it's not exactly what I wanted, but politics is always a compromise. If we don't get united together, we don't get that much. North County doesn't get much, and West Valley doesn't get much at all. Look at the situation; it's going to get worse because VTA has been failing to do the job, to move people around. VTA always want to move people where VTA want them to go, not move the people where people wants to go. That's a major problem, and we cannot change that paradigm unless we change VTA Board structure. At the meantime, we have to solve the problems. I urge you to vote yes. Hopefully we can get a little bit more out of it. Thank you.

Mayor Burt: Thank you. Shani Kleinhaus, welcome.

Shani Kleinhaus: Good evening, Mayor Burt, City Council. Just over a week ago Palo Alto celebrated its sustainability and Climate Action Summit where we talked about how a revolutionary transformation was needed away from automobiles, and how important it is to find alternatives that don't impact our planet and our health that much. The Transportation Element of the new Comprehensive Plan is not finished. I do not speak for the CAC, but as a member I can report that shuttles dominate the conversation, grade separation does, widening roads is not. I'm also a member of the Executive Committee of the Sierra Club Loma Prieta Chapter. The Sierra Club which endorsed, I think, all of you opposes additional freeway or expressway lanes. It is not likely to support this tax if it contains these sort of expansions. To one of the previous comments, CEQA is done for the expressways, so it did not include TDMs as a mitigation measure. Lastly, in my job for the Santa Clara Valley Audubon Society, I commented on CEQA documents for expressways and freeways in the county. Some of our

TRANSCRIPT

comments included wildlife corridors and impacts to wildlife. Those were dismissed. I think perhaps one of the things where Palo Alto takes such care of nature and what it means to all of us, perhaps ask that some of that money, if they move forward with this, will be allocated to wildlife crossings over 17 near Los Gatos and maybe also for Highway 101 over in Coyote Valley. I think that would be a tremendous value to our environment and probably more so than expanding Page Mill Road. I think there's a problem when the river is of oil or wider than a river is of water. Thank you.

Mayor Burt: Thank you. Our final speaker is Carl Guardino. Welcome.

Carl Guardino, Silicon Valley Leadership Group: Mayor Burt and members of the Council, thank you for taking up this important issue this evening. My name's Carl Guardino with the Silicon Valley Leadership Group. It's a pleasure to be here once again. First, I want to commend the Council of what we continue to hear is the understanding that we need more local funds for local priorities with local accountability and transparency to meet local needs. That is a great step forward. The second thing that I just want to commend you for, as you've worked together as a Council and with neighboring cities and towns, is something that is very similar to what we've been working on as one organization for three-plus years with stakeholder partners, public and private sector, in terms of the categories that you're considering this evening. I also think it is commendable of the Staff recommendation recognizing the Mayor and your City Manager to continue negotiating on the part of the City for something that is best not only for the North County and the West Valley, but for our county and communities overall. What it comes right down to is the need to continue to refine numbers to reflect sound policy and the best projects that help build a systems wide approach to the transportation needs that we have in this valley when we know that we are resource constrained. What I would suggest is that you don't feel a need to rush tonight to approving dollar amounts in every category. Dollar amounts at this point, I don't believe best serve those ongoing negotiations for the Mayor and Manager to make. Already, as you know, those other West Valley and North County cities, as the Mayor indicated, are not finding common ground in that approach. That doesn't hurt your ability to continue to negotiate. Los Gatos on a 5-0 vote voted not to move forward with specific dollar amounts. The same signal has been sent from Saratoga. It's also been sent from Monte Sereno. That's three of the five West Valley cities alone. Do move forward with the recognition that we need more funds, that we need basically these categories. We have a couple of disagreements on the categories, but we'll work through that together. We believe that there's no need tonight to lock

TRANSCRIPT

yourself into dollar amounts that are this specific, when there's a lot more thought process that we could mutually put in with it. I want to thank you again for your hard work, for your collaborative spirit and our desire to work closely with you over the next 273 days towards the successful effort on November 8th.

Mayor Burt: Thank you.

Mr. Guardino: Thank you, sir.

Mayor Burt: We'll now return for discussion and a potential motion. Vice Mayor Scharff.

Vice Mayor Scharff: Thank you. Thank you to all the speakers. I think, first of all, we really desperately need regional improvements in our traffic. These are all good projects. We do want to get BART to San Jose finished. Caltrain improvements are very, very important to us. I think, as Mr. Guardino said, it's really a negotiation of where the funds are going to go and what we're going to achieve with those funds. I think when we looked at this with the West Valley cities, I think this is a pretty good approximation of where we want to go. By passing this tonight, which I think we should do, I don't feel we're locking ourselves in to these numbers. In fact, this is an iterative process. I think the motion that Staff suggested is that it be an iterative process. In fact, part of it is to authorize the City Manager and the Mayor or their designee to engage with the VTA and other stakeholders to refine the City's position and work forward. I think that's really important. When I've attended some of these meetings on these issues, it seems to me that the categories themselves are not very far off. In fact, if you wouldn't mind if I ask Mr. Guardino a question?

Mayor Burt: Go right ahead.

Vice Mayor Scharff: I guess when looking at these categories that we have in this advocacy position, I mean would you agree they're fairly similar to your own categories?

Mr. Guardino: They are very similar. We've added a category that I'm not sure is captured there around basic transit services for the most vulnerable in our valley, seniors, the disabled, students, low income workers. We think that's a very important ingredient to add, but most of the other categories are very similar.

TRANSCRIPT

Vice Mayor Scharff: I guess, I know you've been working with coming up with a revised dollar amount in these different categories. Do you have a sense of when you'll have something for public consumption with your Board and sort of the latest iteration?

Mr. Guardino: It's a fair question, especially when we've been working on it for three-plus years. Since I enjoy being employed, I don't want to get too far out in front of my Board and members. We've been trying to track in a thoughtful way with the Envision Silicon Valley process which their next big milestone is a workshop on April 22nd. We had planned to wrap up our work by April 8th, so that we could thoughtfully weigh in on that. As professional staff to the Leadership Group and working with our members, your professional transportation staff and others for three-plus years, there are some minor differences, but minor differences matter. I believe you mentioned Caltrain earlier. We believe in a very robust investment, as I've said to this Council in previous times that you've invited me to come, and most of the funds coming to the North County because so much of the economic growth is happening here, so many of those key grade separations are here, in Sunnyvale, Mountain View and Palo Alto. We believe, as professional staff to the Leadership Group, that that's where that should go. We're a little early by only about 45 days of having those final numbers for you to review. Those final numbers have been three-plus years of data-driven analysis.

Vice Mayor Scharff: You expect those final numbers to be very supportive of grade separations?

Mr. Guardino: Yes. Again, from a staff perspective—I just want to make that clear—from a professional staff perspective, we believe the package should be \$900 million for Caltrain commuter rail improvements with 600 for grade separations all in North County, in Sunnyvale, Mountain View and Palo Alto.

Vice Mayor Scharff: Thank you.

Mr. Guardino: You're welcome.

Vice Mayor Scharff: At this time then, I'll move that we approve an advocacy direction to our City representatives regarding the proposed Santa Clara County sales tax including general funding levels within expenditure categories as developed in coordination with the other North County and West Valley cities and, two, we authorize the Mayor and City Manager or

TRANSCRIPT

their designee—a little different than what's there—to engage with VTA and other stakeholders and refine the City's position and maintain consensus with other cities while supporting maximum regional funding for rail grade separations. I'm going to change it to say and congestion relief, which his slightly different.

Council Member Kniss: Second

MOTION: Vice Mayor Scharff moved, seconded by Council Member Kniss to:

- A. Approve advocacy direction to City representatives regarding the proposed Santa Clara County sales tax, including general funding levels within expenditure categories, as developed in coordination with other North County and West Valley cities; and
- B. Authorize the Mayor and City Manager or their designees to engage with Valley Transportation Authority (VTA) and other stakeholders and refine the City's position and maintain consensus with other cities while supporting maximum regional funding for rail grade separations and congestion relief.

Mayor Burt: Would you like to speak further to your motion?

Vice Mayor Scharff: I would. I think I'd like to first emphasize that I don't believe we're locking ourselves into funding levels within those categories. I think it's very, very important, as many speakers have said and Supervisor Simitian has said, that we don't want to see this money get transferred to BART somewhere along the process. If there are over-runs in that, what we really want to see is that we have a funding source for grade separations, for Caltrain improvements. That's what's really somewhat important to us in this process.

Mayor Burt: Council Member Kniss.

Council Member Kniss: I would agree. I don't think this lock us in. Carl, I heard your admonitions about that. I think just as this says in here, this is not a starting point. I think it is at least a midpoint, because a lot of negotiations have been done, and a number of people have been involved in this. They've looked at it carefully. My only warning would be, when you look at the numbers, remember—as I recall this is 30 years, Carl? This is a 30-year program? In 30 years, I'm hoping we'll—aside from the fact that I don't anticipate even being here. I think by that time, people will be

TRANSCRIPT

transported in a very different way. They'll either be in cars that drive themselves. They'll be in, I would guess rail if it was far more extensive than it currently is. There are going to be so many changes in the next 30 years. If you look back on some of the other tax measure that have passed, starting back in '96 with Measure B and so forth, huge changes have taken place. As we look at this, even now I think we have to think ahead and discern which of these may change very dramatically over the next few years. In the meantime, I do think this is a good starting point. A lot of work has been done on this. A number of us have been involved in this from the policy angle. Thank you, Cory, for filling in for me from time to time. My last comment would be to remember this money will be controlled by VTA, and it'll be important for us to keep an eye on how it is spent and to continue to lobby VTA and to hopefully sometime within the next few years to have somebody from Palo Alto back on VTA. That's my comment, and I'll be supporting the motion, of course.

Mayor Burt: Council Member Wolbach.

Council Member Wolbach: I think I'm going to support this. I'm not sure if we need to add any amendments to it. I do want to share a couple of comments. If Staff or my colleagues think they're worth incorporating into the motion with amendments, please speak up. I just want to first say again thank you to Carl from the Leadership Group, also representatives from other cities, Council Member McAlister, and Mayor Chang as well as others who have spoken from Palo Alto and neighboring cities, who have come to express their opinions. A couple of things I'd like to emphasize. One, as one member of the public pointed out, Mr. Boone, our four priorities that we've identified and stuck to don't highlight expressways. There are some expenditures around expressways that I think are important even in Palo Alto. Those have to do with safety. For instance, Page Mill Road and 280. We've known for a long that it's a safety issue. We have had tragic reminders of that recently. I think that safety improvements especially to provide for bicycle and pedestrian safety near expressways and at expressways or on expressways is really important. I'm not going to advocate for eliminating the expressways category. I do think that having flexibility around how that expressway money is spent is important. We should focus on what are the problems with our expressways. Safety and congestion. On the congestion side, this one of the reasons I'm supportive of the motion, I think we're heading in the right direction. If we're trying to solve the issue of congestion on our expressways, the way to do it is going back to our four priorities. I hope that we'll continually refer back to those. It's through transportation demand management. For instance, working

TRANSCRIPT

with Stanford, I'm so excited that they are going to be presenting to us so we can hear how their progress in going in their work with the Stanford Research Park transportation demand management efforts. If we can take money that was at one point discussed, tens of millions of dollars to widen Page Mill Road, and spend that instead on transportation demand management to Palo Alto, whether it's long-range shuttles or whatever, we could obviate the need for widening Page Mill Road. What I'm hearing from folks at Stanford is they're increasingly of the same mind. Having that flexibility as far as how that money is spent is really important, rather than thinking about a single tool in the tool box. As another member of the public pointed out, CEQA may even require that moving forward. Let's be ahead of the curve and not behind it. I don't think we need to be too fixated on the numbers. Looking at these numbers here, I'm just going to put this out there for future consideration by the Mayor, by the Staff and by others from outside of Palo Alto who are here, the numbers around expressways and the one above that on our chart, congestion relief, transit and mode shift, we've suggested here 1 billion for expressways and 500 million for congestion relief, transit and mode shift. I would posit that flipping those numbers might not be a terrible idea. It's just my position, but I think that's worth considering. Congestion relief, transit and mode shift encompasses an awful lot. Also transit includes transit and mobility for people who are transit dependent, who we haven't focused on a lot here. I think it's worth noting. I saw a letter or a report by the Mayor of San Jose highlighting the importance of not forgetting those who are transit dependent. There were a couple of questions that were asked on page 3 of the Staff Report. Just to go through them quickly. Number 1, I agree that this is a pretty good starting point. That was this proposed advocacy position should be an initial starting point. I agree. Number 2, as we heard earlier, we could take slightly different positions or at least express views that aren't exactly locked into what's been agreed to by the other cities, but still move forward with negotiations. I think Number 3, expressway congestion, can be addressed through traffic relief programs, not just expressway expansion. As I was saying before, I think that's great. Number 4, should the City support the tax measure if Bus Rapid Transit is not officially taken out of consideration? I don't think that's a very good idea. There's Bus Rapid Transit in multiple parts of the county. I don't think that our support for this tax measure should be predicated upon not having any Bus Rapid Transit anywhere in the county. Just to make sure that the record is clear about what the Bus Rapid Transit policy advisory board, which I'm Palo Alto's liaison to, approved at the end of last year, it was to explore and move forward with a pilot program that Palo Alto could or could not participate in, and it would be up

TRANSCRIPT

to us whether we would participate. If the pilot went forward, Palo Alto could opt in or opt out. Local control was still preserved in what that policy advisory board recommended. That was for a pilot that would not completely take a lane away from others, but would be open to high occupancy vehicles. Being a pilot would be not permanent. I don't think we should predicate our support for this on anything related to Bus Rapid Transit. Those are my critical comments for now.

Mayor Burt: Thank you.

Council Member Wolbach: Like I said, if there's anything that needs to get put in the motion, I'm open to others' thoughts.

Mayor Burt: Just want to make everybody cognizant of our hour. Council Member Holman.

Council Member Holman: A couple of questions. If this is like a midpoint, isn't this a time that we should suggest any changes or continued collaboration amendments to this? I mean, if not now when?

Mayor Burt: The intention actually is to have a common set of positions at this point in time. I would say no, just the opposite.

Council Member Holman: It's a different set of people now than when I was there, because of so many of our cities having one-year Mayor terms. When I was there—I don't want to misrepresent it. John was there. Nice to see you, by the way. It seemed like because this was going to come back to our various Councils, that the group was interested in what the full Council input was going to be. It wasn't just like here's what the Mayors and City Managers are recommending, take it to your Council and we expect a rubberstamp. That wasn't what the anticipation was, as I understood it at the time.

Mayor Burt: Maybe I can clarify. There'd be a distinction between what we are supporting as our current advocacy position and input on any other elements to this that Council Members think should have greater emphasis. The wanting to have one common advocacy position at this time and then input from the Council on any other priority emphasis as we moved forward.

Council Member Holman: The collaboration is important in having a common message, agree. It seems to me—I know there was a lot of discussion. Again, it's a different set of people mostly. We were focusing on congestion relief. It was pretty widely considered that the BART to San Jose

TRANSCRIPT

did not provide congestion relief for the majority of the West Valley and North County cities. It did go sometime back from 25 percent to 20 percent. I still think there's room for some movement there that could reach consensus at that group. Again, a different set of people. The other thing is I was appreciating Mr. Boone's comments too about expressways, streets and highways is 25 percent or 1.5 billion. There's not very good clarity; there are a couple of examples. Page Mill and 280, it would be great to get that fixed, but there's not a very good description of what those roadway improvements would be. Again, the discussion last year when I was there was if we're just talking about resurfacing and making roadway conditions better by resurfacing and such, that doesn't do anything to help relieve congestion. I'm not hearing much movement or flexibility in what's before us tonight.

Mayor Burt: Maybe I should add one other comment. There was a recognition by the cities who have been conversing on this that if the North and West County cities were to design the measure themselves and have the authority to determine what would be in the countywide measure, it would be different from what this set of proposals are. We don't have that ability, so what we're looking at, as Mayor Chang had said, is a set of positions that we think will be viewed as within the range of what is reasonable by the other parties who will be negotiating at this. We have the VTA, we have San Jose, we have Leadership Group who are all part of this process. We don't get to decide what the whole measure would be.

Council Member Holman: I do understand that. It is an advocacy body, and I don't see any harm in trying to advocate collaboratively with the other North and West County cities for a little stronger position and for congestion relief in the North and West County cities. I don't find the two mutually exclusive. I would like to see us go a little bit further than what's presented in front of us this evening.

Mayor Burt: Council Member Filseth.

Council Member Filseth: I think this is a good framework. I'm very happy to be able to support the motion. There was a little bit of discussion about the role of numbers at this point, the midpoint. I think some flexibility is reasonable at this point, but I think it varies a little bit by which number we're talking about. I mean, if the local streets and roads ends up being 800 million instead of 1 billion or 1.1 billion, that's fine. I think there's two numbers in here that are really, really relevant to Palo Alto. I think we should be very, very focused on those. One is the BART to San Jose figure,

TRANSCRIPT

and the other is the Caltrain grade separation number. The BART to San Jose figure, as one of the members of the audience pointed out, there's sort of a history of that project sucking up money over time that it wasn't really supposed to when the measure was passed. I think the idea of having some kind of fixed cap on that so that it doesn't go beyond 1.2 billion, I think that's actually pretty important. The other one is the railroad grade separation program. I think \$900 million, as a number of people have said, is the right number for grade separation potentially with another 400 for other Caltrain improvements on top of it. I think if it ends up going below 900 million for grade separation, I think it becomes much more difficult for us to support. Thanks.

Mayor Burt: Council Member Schmid.

Council Member Schmid: It makes sense that we be flexible and work cooperatively with our neighbors. The proposal doesn't have everything we want, but there are things that are important to us that are in there, grade separation, mode sharing. It seems to me there's a real unique opportunity in here. One of the big elements is local streets and roads. It's a formula program, so it's hard to break away from that. I would urge Staff and my colleagues to look seriously at whether it might make sense for us who have been investing a lot of our infrastructure funds in upgrading our local streets to get in that program, take advantage of it and shift a substantial amount of infrastructure funds to other uses.

Mayor Burt: Thank you. Council Member DuBois.

Council Member DuBois: I think my biggest concern is I think we've entered the horse trading stage. We're getting away a little bit from a rational basis for the allocation of the funds. My understanding, and this could be wrong, is that the proposed percentages originated with the Mountain View staff. I'm not sure how much they've really been vetted. While we may not have agreed with the VTA/Envision process, at least it was a process. For me, understanding where these percentages come from is important. We are where we are. What I'd like to do is just tell you as our City representatives, City Manager and Mayor, kind of where I think we should go for more and where we should be willing to give up some, kind of on a relative basis. Again, I've mentioned it before. I think San Mateo and Alameda County offer useful examples. Their sales tax measures broke down into percentages similar to this. Just for a comparison, San Mateo's Measure A had 30 percent for transit. With BART and Caltrain, we have 27 percent. That seems like it's in the right ballpark. San Mateo had 15 percent for

TRANSCRIPT

grade separations. We have 15 percent. San Mateo had 1 percent for congestion relief. We have 8 percent. For expressways and highways, they had 27 1/2 percent; we have 25 percent. That also seems like it's in the ballpark. Local streets, San Mateo was 22 percent; we're 17. Bike/ped, they were 3 percent which was \$45 million, and we're at 8 percent. I do feel that 8 percent for bike/ped is high. It's an amount equal to our local streets. It's an amount greater than Caltrain. Again, I think we need to look at these percentages as part of the whole. Keep in mind that our local street money includes complete streets which includes bikes. We're covering bikes in two places. On terms of the expressways, again I'm concerned. I'm glad Council Member Wolbach brought it up about safety on the 280 and Page Mill interchange. Again, we had a Study Session on that. I think I disagreed with many of you that I actually liked the County plan to add the bike plan there and to improve those intersections. We never voted on it. I don't want it represented that we don't want any money or we don't support the expressway. I think it's important for a lot of the county. There's 500 million in this proposal, I guess, for congestion relief. I think that's a good amount. It tends to be less costly than building freeways. Again, there's flexibility in the local streets here which is \$1 billion to be used for congestion relief. Again, there's potentially two sources for that money to come to us. I do think we need to be clear on BART to San Jose. I don't think there's anything wrong with saying we don't necessarily support using money for BRT in Palo Alto specifically. I'm concerned actually that there may not be enough money here for grade seps. I kind of see 900 million as the minimum. I certainly wouldn't support 600 million. To be clear, I want to see a pretty balanced approach with reasonable amounts in all these categories. I would actually propose a friendly amendment that we direct our City reps to advocate a hard line of at least 15 percent for grade separations and consider increasing that amount. A 20 percent cap for BART, and that we maintain the suggested percentages for congestion relief, expressways and local streets. The purpose of that is really just to give an indication to our representatives of where we want them to negotiate.

Vice Mayor Scharff: I don't think is the time for hard caps. I don't think it's the time for drawing lines in the sand. I think that's not the way to have a collaborative and working relationship. I think what we need to do is to continue to work with the West Valley or the North cities and move this forward and all of our interests.

Council Member DuBois: The idea was not a cap against those cities. Would you accept different language describing the BART negotiation?

TRANSCRIPT

Vice Mayor Scharff: No. When you mean the BART negotiation, you say a 20 percent cap, no.

Council Member DuBois: I'm saying if the word cap was not in there.

Vice Mayor Schmid: I may. I think we need to end up with a cap for BART. I don't know what that number is. It may take 1.4 billion to finish BART.

Council Member DuBois: That's what's there, or 1.2 billion.

Vice Mayor Scharff: We have 1.2 billion. I think we need to further vet that. I think it's in all of our interests to make sure we end up with a measure that is supported by the County. Obviously finishing BART to San Jose is something that's really important to San Jose. San Jose is a large part of this county.

Council Member DuBois: We haven't talked about BART to Santa Clara. I think we're all saying BART to San Jose.

Vice Mayor Scharff: I think that we're going to have other opportunities to talk about this. I think that we need to leave ourselves some room. I think we have to wait and see the Leadership Group's response, frankly, which they'll be coming out with in a fair amount of time.

Council Member DuBois: Again, what I was trying to do was to communicate kind of (crosstalk).

Vice Mayor Scharff: Carl's right there if you want to communicate.

Council Member DuBois: I think he's hearing me. I think we've captured part of it in that we've called out grade seps and BART. I guess, the other part of it kind of where are we willing to give. Pat, as our representative, do you feel like you have enough?

Mayor Burt: Yes. This is going to be fluid. It's going to come back to the Council. It's whatever emerges as a next iteration for a full Council discussion. I think that as we've discussed previously as a Council, this is probably our best opportunity to get really major funding for grade separations. Out of the other parties that are involved with Caltrain modernization whether it's Caltrain or the High Speed Rail Authority as they come, in each case they support grade separations philosophically, but it has not to date been part of their priority funding plan that they would come with those dollars. This is going to be real important. At the same time, I

TRANSCRIPT

don't think we should assume that this measure will be the full funding source for the grade separations in the county. If we get something in the vicinity of what we're looking for here, it's going to be a tremendous foundation for grade separations that we've never had to date.

Mr. Keene: If I just might add. I think it's pretty clear to us. We already have existing general policy direction from the Council that grade separations are really our top priority, whether it relates to this measure or not. I think that's always going to inform any kind of negotiation. If there are things that are moving, I think we have a sense of certainly that is the top priority.

AMENDMENT: Council Member DuBois moved, seconded by Council Member XX to add to the Motion, "direct City representative to work towards increasing the percentage to at least 15 percent for Caltrain grade separation and cap Bay Area Rapid Transit (BART) to San Jose funding at 20 percent."

AMENDMENT FAILED DUE TO THE LACK OF A SECOND

Mayor Burt: Let's vote on the board. That passes unanimously. That concludes this item.

MOTION PASSED: 9-0

Inter-Governmental Legislative Affairs

None.

Council Member Questions, Comments and Announcements

Mayor Burt: We have final Council Member Questions and Comments. Council Member Holman.

Council Member Holman: If we're ready to adjourn the meeting, do you have any other Council Member comments?

Mayor Burt: Pardon?

Council Member Holman: Could I adjourn the meeting?

Mayor Burt: You'd like to wait until the end.

Council Member Holman: Yeah. As the Vice Mayor has comments.

TRANSCRIPT

Mayor Burt: Council Member Schmid.

Council Member Schmid: I just want to report the BAWSCA report, those are the Bay area cities that are dealing with Hetch Hetchy. The report at year end was Hetch Hetchy had 70 percent capacity. The San Pedro dam that's a backup for it is down to 30, same as most other dams in California. Hetch Hetchy felt that even in a drought situation for the next three years, there would be sufficient water to get the Hetch Hetchy supply through. They further said that the goal of the Palo Alto and the other Bay Area cities of achieving 25 percent savings had been achieved through year end. They're looking forward to maintaining that through the wet season. Good news from it.

Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: Just a briefly. I'm on the ABAG administrative committee. I think negotiating is the wrong word. We're going through a process where we're trying to determine how to move forward. If anyone wants to let me know their thoughts on the MTC/ABAG merger, I'd be happy to listen to what you have to say. At the moment, I think I'm advocating for a full merger of the two as opposed to MTC just taking the planning staff from ABAG. I don't think ABAG would survive financially. Under that, I think it'll be a crippled organization and won't work well. I think they need a full merger if they're going to move forward on that approach. I just wanted to let you know. One other thing. On the Cities Association, we started the really long, involved process of talking about how we would structure a sub-RHNA, which we now call Sabrina. I thought I'd just pass that along.

Mayor Burt: I'd like to report that the Broncos won the Super Bowl. Council Member Holman.

Council Member Holman: Along those lines, I was just thinking that in honor of the events of this last weekend, it seemed like the appropriate way to adjourn this meeting would be with one word: Omaha.

Adjournment: The meeting was adjourned at 11:47 P.M.