



CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Special Meeting
May 23, 2016

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:05 P.M.

Present: Berman arrived at 5:07 P.M., Burt, DuBois, Filseth, Holman arrived at 5:27 P.M., Kniss, Scharff, Schmid, Wolbach

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, Rumi Portillo, Dania Torres Wong, Allyson Hauk)
Employee Organizations: Palo Alto Police Managers' Association (PAPMA); Palo Alto Fire Chiefs' Association (FCA); and Utilities Management and Professional Association of Palo Alto (UMPAPA); Management, Professional and Confidential Employees
Authority: Government Code Section 54957.6(a).

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

MOTION PASSED: 7-0 Berman, Holman absent

Council went into Closed Session at 5:06 P.M.

Council returned from Closed Session at 6:05 P.M.

Mayor Burt announced no reportable action.

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Special Orders of the Day

2. Presentation of the Winners in the Emergency Services/FEMA Art Poster Contest.

Agenda Changes, Additions and Deletions

None.

Consent Calendar

MOTION: Vice Mayor Scharff moved, seconded by Council Member Berman to approve Agenda Item Numbers 3-4.

3. Adoption of the Palo Alto Junior Museum & Zoo Collections Policy.
4. Ordinance 5383 Entitled, "Ordinance of the Council of the City of Palo Alto Repealing and Restating Chapter 16.17 of the Palo Alto Municipal Code, California Energy Code, 2016 Edition, and Local Amendments and Related Findings (FIRST READING: May 2, 2016 PASSED: 9-0)."

MOTION PASSED: 9-0

Action Items

5. PUBLIC HEARING: Approval of a Site and Design and Architectural Review Application and Mitigated Negative Declaration for the Project Located at 2515-2585 El Camino Real to Allow a new 39,858 Square Foot, 3-Story Mixed-use Building Including Retail, Office, 13 Residential Condominium Units and one Level of Underground Parking on a 39,638 Square Foot lot to Replace a 9,694 Square Foot Existing Restaurant (Olive Garden). Approval of a Conditional Use Permit (CUP) to Exceed the 5,000 Square Foot Office for the Site by Approximately 4,835 Square Feet. Zoning Districts: CC(2) and CN. The Planning and Transportation Commission Recommended Approval.

Public Hearing opened at 7:58 P.M.

Public Hearing closed at 8:22 P.M.

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MOTION: Vice Mayor Scharff moved, seconded by Mayor Burt to:

- A. Approve the Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program; and
- B. Approve the Record of Land Use Action approving the Site and Design Review, Conditional Use Permit and Architectural Review application to allow the construction of a three story, mixed-use development, with one level of underground parking on a 39,908 square foot lot at 2515-2585 El Camino Real; and
- C. Require the ground floor be retail; and
- D. Require the project be fully parked; and
- E. Require a robust Transportation Demand Management (TDM) program to ensure a 30 percent reduction in trips.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to remove Part D of the Motion and add to the Motion:

- E. Reduce the current proposed surface parking by four spaces from the Staff proposal, with the resulting land dedicated to common open space; and
- F. Direct Staff to work with the Applicant to redesign the plaza to create an active pedestrian used area.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "authorize up to 25 percent of retail space be allowed for restaurant use." (New Part G)

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND THE SECONDER to add to the Motion, "require the project contribute one complete unit of in-lieu fees towards the Below Market Rate Housing Fund." (New Part H)

SUBSTITUTE MOTION: Council Member DuBois moved, seconded by Council Member Holman to reject the proposed project based on an inability

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to make the following findings, loading space, traffic concerns, mass and scale, and parking.

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER "Council cannot make Architectural Review (AR) Finding Numbers 2, 4, 5, and 6. The Sherman Avenue and El Camino Real street faces cannot make Finding 1."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion, "Council cannot make Architectural Review (AR) Findings Numbers 2, 4, 5, and 6. The Sherman Avenue and El Camino Real street faces cannot make Finding 1" with "further, Architectural Review (AR) Findings Numbers 2, 4, 5, and 6. The Sherman Avenue and El Camino Real street faces cannot be met."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion, "2, 4, 5, and 6. The Sherman Avenue and El Camino Real street faces cannot be met" with "2, 4, 5, and 6 cannot be met regarding Sherman Avenue and El Camino Real street faces."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion, "to make the following findings" with "to make findings in regards to."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion, "findings in regards to loading space, traffic concerns, mass and scale, and parking further" with "Site and Design Finding Number 4, which includes Policy L-12, which the project does not comply with and in regards to loading space, traffic concerns, mass and scale, and parking, nor does the project satisfy."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "additionally there are Code compliance issues having to do with off-street loading."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "and parking."

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INCORPORATED INTO THE SUBSTITUE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to remove from the Motion, "and parking."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion, "Findings Numbers 2, 4, 5, and 6" with "Findings numbers 2, 5, 6 and 16."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion, "reject the proposed project based on an inability to make Site and Design Finding Number 4, which includes Policy L-12, which the project does not comply with, nor does the project satisfy, Architectural Review (AR) Findings Numbers 2, 5, 6, and 16 cannot be met" with "return the project to the Architectural Review Board such that Architectural Review (AR) Findings Numbers 2, 5, 6, and 16 cannot be met."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in the Motion, "such that" with "and the Applicant incorporating Parts C-H of the original Motion, to make the project compatible with."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "the approximately 4,800 square feet of ground floor office is converted to retail."

SUBSTITUTE MOTION RESTATED: Council Member DuBois moved, seconded by Council Member Holman to return the project to the Architectural Review Board and the Applicant incorporating Parts C-H (included below) of the original Motion, to make the project compatible with Architectural Review (AR) Findings Numbers 2, 5, 6, and 16 which cannot be met regarding Sherman Avenue and El Camino Real street faces, additionally there are code compliance issues having to do with off street loading. The approximately 4,800 square feet of ground floor office is converted to retail; and

- C. Require the ground floor be retail; and
- D. Require a robust Transportation Demand Management (TDM) program to ensure a 30 percent reduction in trips; and

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- E. Reduce the current proposed surface parking by four spaces from the Staff proposal, with the resulting land dedicated to common open space; and
- F. Direct Staff to work with the Applicant to redesign the plaza to create an active pedestrian used area; and
- G. Authorize up to 25 percent of retail space be allowed for restaurant use; and
- H. Require the project contribute one complete unit of in-lieu fees towards the Below Market Rate Housing Fund.

SUBSTITUTE MOTION AS AMENDED FAILED: 4-5 DuBois, Filseth, Holman, Schmid yes

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace Part H of the Motion with, "with the agreement of the Applicant, the project will contribute two Below Market Rate Housing Units on site."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion Part G, "upon approval of the Director."

MOTION RESTATED: Vice Mayor Scharff moved, seconded by Mayor Burt to:

- A. Approve the Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program; and
- B. Approve the Record of Land Use Action approving the Site and Design Review, Conditional Use Permit and Architectural Review application to allow the construction of a three story, mixed-use development, with one level of underground parking on a 39,908 square foot lot at 2515-2585 El Camino Real; and
- C. Require the ground floor be retail; and
- D. Require a robust Transportation Demand Management (TDM) program to ensure a 30 percent reduction in trips; and

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- E. Reduce the current proposed surface parking by four spaces from the Staff proposal, with the resulting land dedicated to common open space; and
- F. Direct Staff to work with the Applicant to redesign the plaza to create an active pedestrian used area; and
- G. Authorize up to 25 percent of retail space be allowed for restaurant use, upon approval of the Director; and
- H. With the agreement of the Applicant, the project will contribute two Below Market Rate Housing Units on site.

MOTION AS AMENDED PASSED: 5-4 DuBois, Filseth, Holman, Schmid no

- 6. Approval of a Contract With Biggs Cardosa Associates, Inc. in the Amount of \$1,474,297 to Provide Design and Environmental Assessment Services for the Adobe Creek/Highway 101 Pedestrian Overcrossing, Capital Improvements Program Project PE-11011.

MOTION: Vice Mayor Scharff moved, seconded by Council Member Wolbach to approve and authorize the City Manager or his designee to execute Contract No. C12162262, a professional services agreement with Biggs Cardosa Associates, Inc. (Design Agreement), in a not-to-exceed amount of \$1,474,297 for Phase 1 services, to provide environmental assessments, engineering, landscape, and architectural design services for the Highway 101 Bicycle/Pedestrian Overcrossing Capital Improvement Program (CIP) Project (PE-11011), including \$1,340,270 for basic services and \$134,027 for additional services under Phase 1 and return to Council prior to public outreach.

MOTION PASSED: 9-0

- 7. Review and Discussion Regarding the Urban Forest Master Plan Draft Revisions to Goals, Policies, and Programs and Alternate Vision Statement.

MOTION: Council Member Holman moved, seconded by Council Member DuBois to direct Staff to include the following changes in the Urban Forest Master Plan:

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- A. Replace in Goal 1 Bullet 4, "trying to minimize" with "minimizing;" and
- B. Add to Program 1.A.ii. Bullet 6, "and multi-family" after "non-residential;" and
- C. Replace in Policy 3.A. Bullet 2, "WOCULS" with "WUCOLS (Water Use Classification of Landscape Species);" and
- D. Add to Policies 3.A.i., 3.A.ii., 3.A.iii., 3.A.v., 3.A.vi., 3.A.vii., 3.B.ii., and 3.B.iii., "Canopy and other related organizations" after "Office of Sustainability;" and
- E. Add to Policy 3.B.ii., "tree retention, and trimming standards" after "tree selection;" and
- F. Add to Program 4.A.iv., "and add funding goals for a regular maintenance program."
- G. Add to Program 5.B.ix. Bullet 2, "and consideration of alternatives to removal" after "development projects;" and
- H. Direct Staff to improve the language of the outcome description in Program 5.B.xii.; and
- I. Direct Staff to add quantification of benefits to Policy 6.A.; and
- J. Replace in Program 6.A.i., "and divisions" with "divisions, Canopy and other related organizations;" and
- K. Add to Program 6.A.iv., "Canopy and other related organizations" after "relevant departments;" and
- L. Add to Program 6.A.iv., "root impact on and off site" (new Bullet 3); and
- M. Add to Program 6.B.v., "earth stability on hillsides" (new Bullet 8); and
- N. Direct Staff to clarify Program 6.G.i. language; and
- O. Direct Staff to add protections for trees of a certain size; and

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- P. Adopt the proposed alternate Vision Statement replacing Paragraph 5 with, "opportunities presented by new development will be optimized and ensure that the forest thrives and is contiguous, complex, and resilient. Negative impacts of new development will be minimized."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "as redline edits" after "Urban Forest Master Plan."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion Part P, "for enhancement of the urban forest" after "new development."

MOTION RESTATED: Council Member Holman moved, seconded by Council Member DuBois to direct Staff to include the following changes in the Urban Forest Master Plan as redline edits:

- A. Replace in Goal 1 Bullet 4, "trying to minimize" with "minimizing;" and
- B. Add in Program 1.A.ii. Bullet 6, "and multi-family" after "non-residential;" and
- C. Replace in Policy 3.A. Bullet 2, "WOCULS" with "WUCOLS (Water Use Classification of Landscape Species);" and
- D. Add to Policies 3.A.i., 3.A.ii., 3.A.iii., 3.A.v., 3.A.vi., 3.A.vii., 3.B.ii., and 3.B.iii., "Canopy and other related organizations" after "Office of Sustainability;" and
- E. Add to Policy 3.B.ii., "tree retention, and trimming standards" after "tree selection;" and
- F. Add to Program 4.A.iv., "and add funding goals for a regular maintenance program."
- G. Add to Program 5.B.ix. Bullet 2, "and consideration of alternatives to removal" after "development projects;" and
- H. Direct Staff to improve the language of the outcome description in Program 5.B.xii.; and

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- I. Direct Staff to add quantification of benefits to Policy 6.A.; and
- J. Replace in Program 6.A.i., "and divisions" with "divisions, Canopy and other related organizations;" and
- K. Add to Program 6.A.iv., "Canopy and other related organizations" after "relevant departments;" and
- L. Add to Program 6.A.iv., "root impact on and off site" (new Bullet 3); and
- M. Add to Program 6.B.v., "earth stability on hillsides" (new Bullet 8); and
- N. Direct Staff to clarify Program 6.G.i. language; and
- O. Direct Staff to add protections for trees of a certain size; and
- P. Adopt the proposed alternate Vision Statement replacing Paragraph 5 with, "opportunities presented by new development for enhancement of the urban forest will be optimized and ensure that the forest thrives and is contiguous, complex, and resilient. Negative impacts of new development will be minimized."

MOTION AS AMENDED PASSED: 9-0

Inter-Governmental Legislative Affairs

None.

Council Member Questions, Comments and Announcements

Council Member Wolbach reported his attendance at the Valley Transportation Authority (VTA) Town Hall meeting last Wednesday. Several Palo Alto community members were also in attendance.

Council Member Schmid reported his attendance at the Bay Area Water Supply & Conservation Agency (BAWSCA) meeting this past week. At the meeting it was reported that the Hetch Hetchy and San Pedro Dams are at 75 percent of capacity and the normal level is 82 percent. The Agency reported there is sufficient water for three years under drought conditions. The following was reported at the meeting, BAWSCA member agencies have

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achieved 88 percent of targeted water savings; the State Water Resources Control Board is moving towards a self-certifying model for water districts; and the San Francisco Public Utilities Commission (SFPUC) is beginning an update to the water maps, which determine the allocation of water to each water district customer. The water allocation for Palo Alto may be reduced.

Vice Mayor Scharff reported his attendance on a telephone call with the Federal Aviation Administration (FAA) earlier today. Various flight routes were discussed. He reported his attendance at the Association of Bay Area Governments (ABAG) General Assembly and Executive Board meetings last week. He provided an update on the potential merger of ABAG and the Metropolitan Transit Commission (MTC). He reported, the MTC is scheduled to review and potentially approve the merger on Wednesday.

Mayor Burt reported on the San Francisquito Creek Joint Powers Authority (JPA) this past Thursday. The five member agencies announced additional funding contributions, which cover the budget short fall for the downstream from Highway 101 project. The JPA plans to continue exploring ways to increase the allowable construction schedule for the project. The presence of endangered species has limited the construction schedule to several weeks each year. He reported his attendance this past weekend at the 2016 Smart City Conference & Expo and Job Fair at the Santa Clara County Building. Numerous City of Palo Alto smart city initiatives were highlighted during the Conference.

Council Member Kniss announced that the California League of Cities, Peninsula Division quarterly meeting is scheduled this Thursday night, with a discussion of affordable housing.

Adjournment: The meeting was adjourned at 11:45 P.M.