



CITY OF PALO ALTO CITY COUNCIL TRANSCRIPT

Special Meeting
February 27, 2017

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:31 P.M.

Present: DuBois, Filseth, Fine, Holman, Kniss, Kou, Scharff, Wolbach

Absent: Tanaka

Closed Session

1. CONFERENCE WITH LABOR NEGOTIATORS

City Designated Representatives: City Manager and his Designees Pursuant to Merit System Rules and Regulations (Ed Shikada, Terence Howzell, Molly Stump, Rumi Portillo)

Employee Organizations: Palo Alto Fire Chiefs' Association (FCA)

Authority: Government Code Section 54957.6(a).

Mayor Scharff: Now, we have a conference with labor negotiators in Closed Session with the City-designated representatives, the City Manager and his designees, pursuant to the Merit System Rules and Regulations. I need a motion to go into Closed Session.

MOTION: Council Member Filseth moved, seconded by Council Member Holman to go into Closed Session.

Mayor Scharff: All in favor. That passes unanimously.

MOTION PASSED: 8-0 Tanaka absent

Council went into Closed Session at 5:32 P.M.

Council returned from Closed Session at 6:03 P.M.

Mayor Scharff announced no reportable action.

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Special Orders of the Day

2. Partner Presentation by East Palo Alto Sanitary District.

Mayor Scharff: ... partner presentation by the East Palo Alto Sanitation District.

Ed Shikada, Assistant City Manager: Thank you, Mr. Mayor, members of the Council. I'll ask Phil Bobel, our Assistant Director of Public Works, to introduce our guests and speaker.

Phil Bobel, Public Works Assistant Director: Phil Bobel, Public Works. Thank you, Ed. From time to time, we want to recognize and thank the partners to our sewage treatment plant, five of them in addition to Palo Alto. Tonight, we have with us Dennis Scherzer, who's a Board Member of the East Palo Alto Sanitary District. We're thrilled to have him, and he'll be up in just a second. By way of background, I'd say why it's timely to recognize and thank East Palo Alto Sanitary District for their engagement and help in moving forward is because we're about to give you, Council, the construction contract approval for our next major project, a \$20 million sludge dewatering building that will allow us to phase out our sludge incinerators in about 2 years. That's important because they use a lot of energy and produce a lot of greenhouse gases. It's an extremely important project for us. It's only the first step because it just takes the sludge to the next step of being dewatered, and it allows us to truck it to another facility, probably another sewage treatment plant, for a period time until we can really get the next technology in place. That's what the East Palo Alto Sanitary District Board and Dennis in particular would like to talk to you about tonight, what should that next technology be that the sewage treatment plant embraces. Dennis has some thoughts on that, and we thought—again it's nothing you need to approve. We've not made a decision on that next major piece of technology. It's good to have him give you his thoughts now, well in advance of a decision you'd be making. The construction decision you're making in a number of weeks is only that first step, and not the second step that Dennis is going to be addressing. Let me introduce you and thank him for years of involvement with the plant. Dennis Scherzer.

Mayor Scharff: Welcome, Mr. Scherzer.

Dennis Scherzer, East Palo Alto Sanitary District: Thank you, Mayor Scharff, members of Council. On behalf of the East Palo Alto Sanitary District, I want to especially thank you for graciously allowing us to share with you findings that we've made. When we were first aware of the process and the proposal of the treatment plant upgrade back in 2014, when the bio-solids facility plant came out, we first started to see what was planned for the future. Laid

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out in that plan—I'm sure you're familiar with all these points. There's about ten of them. These were the things that you said should be accomplished by the new facility. Among them, minimizing greenhouse gas emissions—I wanted to make that clear—and producing renewable energy. Those were two key points that we saw in our process of looking at this. Now, what the Bio-solids Facility Plan recommended is what you see in bold there. That's exactly what it said. One of the things that I saw, as a person who designs reports and information, is how could anyone other than someone who's quite familiar with the technology and the industry know what this says. It took me several hours of research to figure this out. That was one of our concerns, that the way the information was being presented to decision-makers wasn't clear. We wanted to be able to share this decision-maker decision as well. This is one of my things; I always point out Mr. Imhoff because we're going to talk about anaerobic digesters. This is the godfather of our industry. I've been involved with it for about 35 years. He wrote that book, *The Handbook of Urban Drainage*, in 1906, and it's still the bible of what we do. It's still viable. He also patented a device called the Imhoff Tank in 1907. That was kind of a glorified septic tank. When you look at the history of anaerobic digesters, the first thing I could find was 1859 at a leper colony in Bombay. How about that? A couple of things in England, then we see Imhoff in 1907. Then, in the 1930s it picked up because they started capturing the gas, the methane, and using that. The City of LA installed a fairly large facility in the '30s just for that purpose. This is the basic anaerobic digester. It's kind of a facetious thing, but it's very, very true because the same natural processes that go on inside the cow, the same kind of bacteria, are what make the anaerobic digester work. The idea of the anaerobic digester is the bacteria react with the bio-solids, and they reduce the mass. When they do that, they're breaking apart molecules and giving off gases. This is a little bit of humor. That was the cow-to-car program as they called it, trying to create a direct link between the cow's methane and use in a vehicle. Cows produce about 250 liters of methane each day. In an anaerobic digester, there's four stages that happen. The first one, hydrolysis, is just stuff gets wet. It's like soaking the dishes; it makes stuff soft. That's the idea. That creates more surface area for the bacteria to work on. Then fermentation, making alcohol, is the next stage. I call it vinegarization; that's the word I made up. If you leave the fermented stuff, it turns to vinegar. That's acetic acid. Acetic acid is something that's made of both CO₂ and methane. The methanogenic bacteria break that apart and make the methane. That's what is desired to do. That's what that Alternative 2C is, to try and set up the anaerobic digester so they make as much methane as possible in as short a time as possible, then use that methane in an engine, turn a wheel, turbine, to make electricity. They start with thermal hydrolysis. Again, a little bit of humor here, but this is not as facetious as it may seem. Using the water and heat

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and some pressure, you get that material to break down. Just like in the crockpot, if you leave the carrots and potatoes and the meat in there long enough, it'll all turn to mush. When that happens, that's not a liquid. That's a bunch of particles suspended in a liquid, and it's a great amount of surface area for the bacteria to access. This is the four stages, a little chart I made up if you'd like to look at the chemistry and see that. The only thing I'd like you to remember from this is every time one of those stages happens CO₂ is released. In order to break down the molecules, you have to break them apart, and that gas is what's given off. The basic anaerobic digester looks like this. There's a propeller at the bottom that stirs the liquid. The bacteria interact with it. The gases float to the top, are captured, and drawn off for some type of use. Coming from the digester, that gas in the industry is referred to as recoverable or recovered natural gas, in deference to natural gas which comes out of a gas well somewhere. Alternative 2C recommends separating the methane and using it in an engine. In order to use it in an engine, you have to process that methane to take out water vapor and the stuff called siloxanes, which is a silicon dioxide that's floating around in the water vapor. This is one of the most amazing things I discovered: it comes from the bacteria. They actually have a skeleton, a tiny little speck of silicon dioxide. If you allow it to accumulate when the water condenses, it'll crust up engines, pipes, anything. This is what the acetic acid molecule looks like. It's carbon dioxide and methane. The methanogenic bacteria, where the rubber meets the road, breaks this molecule. That's how methane is produced naturally. In the digester, methane and carbon dioxide are often about 50/50. If you are talented and work well, you can get up to that 75-percent stage, but that requires a lot of tending that may be impractical at a treatment plant such as ours. One of the things I discovered was that there's a popular terminology called bio-methane. It's used by people in a way to try and suggest that bio-methane, methane coming from an anaerobic digester, has less of an environmental impact than mineral methane, something coming out of, say, a gas well in Texas. The thing is when you compare the two molecules, they're identical. Methane is methane once it's been produced. There's no different effect. Bio-methane, that terminology has been used a little too much to sell equipment related to gathering the methane and using it from anaerobic digesters. In order for the bio-methane to be somehow greener or more environmentally friendly than methane, that's the process of producing it. The carbon footprint is what matters. Since all the naturally occurring methane on the planet is the result of bacteria breaking apart that acetic acid molecule, it's all bio-methane. This comes from the Bio-solids Facility Plan, and it was developed by the engineers to try and calculate how much methane would be generated if you landfilled the bio-solids. Once they're in an anaerobic environment with the oxygen cut off, those bacteria will start making methane. By the time they're through feeding on it, roughly 39 percent of

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the mass gets converted to methane. There's a practice of land application where it's put in with a composting operation and mixed with other soils. The aerobic environment greatly reduces the methane production; however, the CO₂ will still continue to be generated. Both are greenhouse gases. Industrial agriculture. The bio-solids and the food waste are all industrial waste from industrial agriculture. When you look at the carbon footprint of the source of this material, this feedstock material from industrial agricultural, that's a fossil-fuel-intensive activity. Food is a fossil fuel. Let me give you an example. When you look at what's on the label of this can, Chef Boyardee, there's good stuff inside. See, it says right there no preservatives. You've got ravioli in a tomato sauce with all these different vegetables. There's meat that came from a cow that had to be raised and processed and ground up and cooked. It's a biscuit of some kind. All these things coming from all these different places, and they all showed up at that factory. It was all cooked up and then put in metal cans with paper labels on them. A lot of fossil fuel went into that. A little exercise here to show how inadvertently we create a carbon footprint. I want to talk about fluid milk consumption, nothing to do with the cow to the glass of what those people are drinking, but this calculation for Palo Alto. It's 250 liters of methane per cow, and that comes to about 130 1/2 pounds of methane per year per cow. Two gallons of milk per day is 17.2 pounds of milk a day, according to the U.S.D.A. The average person consumes 195 pounds of fluid milk a year. That's about 24 gallons, 12 cow days or 4.275 pounds of methane per capita generated by people drinking milk. For Palo Alto, the population according to Wikipedia is 64,400. I rounded it down to 64,000, figuring there are at least 403 people who are lactose intolerant in the town. That comes to almost 137 tons a year of methane. Times 22 to give it the carbon dioxide equivalent, you get about 3,000 tons just by the innocent activity of drinking milk. The carbon footprint of bio-solids is greater than what's being shown. The bacteria is always at work. As long as those bio-solids are in existence, they're going to be generating greenhouse gases. In the anaerobic digester, that's the point. That's what they want them to do. That's what that technology does. In most anaerobic digesters being operated for municipal system, for every 100 tons of sludge in, about 95 tons of sludge comes out and has to be shipped offsite somewhere for land application. That's a nice way of saying they're dumping it on the ground somewhere. An example would be Orange County Sanitary. They produce 750 tons of sludge every day, and 41 percent of that is trucked to Arizona where it's directly applied to agricultural land, not composted. In California, places where you can dispose of sludge from your anaerobic digesters—thinking now we have a 30-year lifetime of this project—are disappearing. There's a very good possibility that within 10 or 12 years, there will be no place to send the sludge. There's no guarantee; that's not firm. If there were ever any lawsuits like San Francisco suffered with the flame retardant

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and the tomatoes, that kind of stuff, they're going to sue everybody. That includes you, us, anybody that had any kind of sludge out at the place where there was a problem. Sludge liability needs to be avoided, and we do that right now. Some 50 years ago, smart people here in Palo Alto decided they didn't want to be involved with that. They'd rather incinerate the bio-solids, the sludge. For every 100 tons in, they ship 9 tons of ash away. What never gets shown up and calculated is, by destroying those bio-solids, we also destroy the potential for producing about 5,500 tons of greenhouse gases a year. The incinerators are going to go. This is my little idea that people are always saying the last 35 years that I've been in this business—all the time, "Here's a new thing. We could do a sludge, a new use for sludge." This is my best idea because after 35 years nothing is happening. We could bag it up, put a picture of a reggae singer on it and sell it to the marijuana growers in northern California for \$50 a bag. This is an all-too-familiar sight. To most people, this is tragic and filthy. To me, this is great because what I see there is a tremendous amount of energy. We want to create renewable, electrical energy from this project. That's one of the stated goals. You look at how it's generated. Thermal is the most common, creating heat. Hydroelectric, geothermal and wind, those four all require that you turn a wheel to make a generator go. Solar is different. The thing at the bottom is an acronym I made up that stands for The Thing Out In The Desert With Mirrors All Around It, which somehow focuses sunlight on some type of thermal fluid. The convection of this thermal fluid makes that work. That's all I know about that. Pyrolysis-based system. Pyrolysis is two words: pyro, fire, and lysis, change of shape. It uses high heat but in an oxygen-free environment. Rather than burning it in a furnace, you're baking it in a box. The gases are driven off, and it's a synthetic mixture called syngas. All the gases get burned to carbon. Monoxide carbon, dioxide all get burned, and the gases are highly controlled with oxygen added to make them combust. Also, everything else that's nasty in there, a molecule, subjected to 1200 degrees or more, the molecules break apart. Hazardous materials are destroyed. There's practically no emissions from this type of system. The system we're talking about is, in the modern sense, referred to as thermal anaerobic gasification. Anaerobic digesters are gasifiers; they turn bio-solids into biogas. They are biological gasifiers. The anaerobic digester is actually the chemical reaction vessel in that. In a thermal gasifier, they use heat to create the gases. It can gasify any carbonaceous material, and its reaction chamber is called a retort. Things that are available in a municipal solid waste stream, that could never be used to create energy in an aerobic digester can be used in the thermal gasifier. These things are not big necessarily, especially in terms of how much material they process in a day. They heat themselves to operate that with additional heat going, again, to make steam or burn the gas in an engine to make electricity. Making that same gas, you have all these different

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products. If you're interested in industrial chemistry at all, you sort of get a feel for all the things you can do, which includes making hydrogen for fuel cells. It's using gases and combining them, controlling them, re-condensing them to make liquid chemicals. That's what this thermal gasifier is excellent for. The energy, this is the one of those things that you can't ignore if you're going to generate electricity because you're going to be doing it thermally, and you've got to expend 3,500-and-some BTUs to get a kilowatt hour. It's going to be more than that because you're not going to be able to capture all the heat. This is from the EPA. The stuff on the left, 83 percent of municipal solid waste including about a third of it are the products that you're concerned about, the food waste. You've got yard waste and trimmings that are being exported, I guess, to a site in Gilroy. All those things on the left can be processed through a thermal gasifier. The ones on the right won't gasify. If they get through there, they won't ruin the thing. They just won't generate any electricity. Per pound, the sewage sludge is on the low end. That's why you haven't seen power plants run by sewage sludge. Other than the fact that it's nasty, there's not much energy in it. They're better off using coal at 10,000 BTUs per pound. As you see, the plastics have the latent energy value of gasoline. If you're going to make electricity, you've got all these plastics laying around, carpet, nylon, all that stuff. This is what gets shredded up to put through the machine. This is from a vendor's advertisement. I guarantee it won't look that clean. In waste to energy technologies, you see that using pyrolysis fills all of those requirements. Some of the gasification uses oxygen, and it'll make slag and ash. That's the most preferred one. You see all these different things are possible. When you go to the more or less organic ones, you can make heat and run an engine or heat a boiler and make electricity. They're limited in what you can do with them. The through-put, that's what's left over after you process it. The anaerobic digester is 95 tons per 100 tons, 95 percent. The current incinerator is 9 percent. Depending on how hot you run it, the TAG unit is 5-10 percent. This is what a basic TAG unit looks like. There's a 6-foot-tall man sitting on there. That unit can process between 100 and 200 tons of municipal solid waste a day and produces carbon and heat. This is the pyrolysis-based treatment system that's at the next regional water quality plant up the road in Redwood City. Their bio-solids are dried and then put in the pyrolizer to be turned from bio-solids to biochar. Here's what we said. Technical viability and reliability. Pyrolysis-based technology has been used industrially for 200 years or more. The potential impacts and benefits, especially on a municipal solid waste stream, dealing with that effectively. Capital, operations and maintenance costs, there are fewer processes and smaller equipment, so that becomes easier. Minimizing greenhouse gas emissions, a TAG unit offers the best technology available for that. (inaudible) beneficial use for the bio-solids generated. We've been destroying them for the last 50 years. If we just destroy them and get some

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energy out of them, that will do. Producing renewable energy, we have so many things available to do that with. Manage the organics, all that can be converted to carbon or char. Meet current and future regulations, TAG systems have already been demonstrated under California Air Quality—AQMD. Minimizing odors and other environmental impacts, if you control the gas, you will control those. Our conclusive findings are just what I've said. The TAG units work best. Anaerobic digesters, nothing wrong with them, but they present challenges in dealing with that sludge. There's a limited future for that. Also, if you have the TAG system, you can use other municipal solid waste to generate electricity. I want to thank you and all the other partners, especially Mr. Bobel, our Uncle Phil. I know we're responsible for way too much of his gray hair, but we've got to give him his proper acknowledgement for really staying in there with us and working with us in coming to a good conclusion. Thank you all.

Mayor Scharff: Thank you very much for that presentation. Now, we have a member of the public. Herb Borock would like to speak to this item.

Herb Borock: Thank you, Mayor Scharff. I appreciate the presentation about pyrolysis. When Phil Bobel was at, I guess, the Utilities Advisory Commission, at one point pyrolysis was listed as an alternative. However, when Staff Reports came to the Council most recently, I didn't see it there anymore. I would encourage pyrolysis being presented to you as an alternative because I agree it's the best alternative. The facility in Redwood City is a pilot project. I know it was originally set up to process only half of the wastewater because it was a pilot facility and to see how it operated. It is true that municipal solid waste would be another feedstock, but the environmental effects are different. Wastewater comes in underground pipes to the facility. It doesn't arrive at the facility in trucks constantly during the day. Whereas, garbage, municipal solid waste, would have to be arriving that way. It does require an economy of scale to have a lot of that, so you would need a big plant someplace where the traffic problems would not be the way they would be in our facility. The second part of the problem is that over time we have segmented municipal solid waste through recycling and separating out composting. We would have to look at things differently, which is combining it all again and having enough of an input to make pyrolysis justified for municipal solid waste. As we're heading towards this 2021 deadline, not just for us but for other cities, I think it would be a good idea for Staff to consider working with other cities to have such a facility. Thank you.

Mayor Scharff: Thank you. Now, on to our next item. We have Rob de Geus to introduce it. I didn't see any lights on. Sorry. Before you go Rob, there's a question from Adrian.

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Council Member Holman: Thank you.

Mayor Scharff: Council Member Holman, that's fine. You go ahead. I was a little confused; I didn't see your light. Adrian's light is on. It's a little weird.

Council Member Holman: I just thought you would ask for questions, so I hadn't put my light on.

Mayor Scharff: You didn't put your light on.

Council Member Holman: You didn't err in overlooking it. I just thought you would call for questions.

Mayor Scharff: No worries. Council Member Holman, and you don't want to go.

Council Member Holman: Just a couple of things. If Staff were—where'd he go? Already leaving.

Mr. Shikada: Phil Bobel is still here.

Council Member Holman: Phil, if you could please. What kind of economy of scale could we expect to get out of the current, identified site and is it going to have to be a larger, physical site than we had earlier anticipated, and what kind of noise does the—I've forgotten what it was—pyrolysis process generate?

Mr. Bobel: The Redwood City pilot that Dennis referred to is going to give us a lot of information that we don't now have. The very first actually in the country happens to be right next door to us, which is great. We're going to try some of our sludge on it. Whether we could squeeze it into our current site is, exactly what they're doing in Redwood City, a little questionable. That's one area that we're going to have to look at, could we fit that in. The pyrolysis unit itself, as Dennis said, is quite small, and we could definitely fit that in. The problem is you have to dry it before you put it in there. The dryers at Redwood City are larger. We'll have to see if we can fit it in or not.

Council Member Holman: Noise factor?

Mr. Bobel: That shouldn't be a big problem. The noise from the fans of our current incinerator are probably greater because they're older technology. I think the noise of either anaerobic digestion or pyrolysis would be smaller than our current incinerator noise.

Council Member Holman: Thank you, and thank you for your perseverance on this. You've been at this for several years now. Thank you very much.

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Mayor Scharff: Thank you.

3. ~~Proclamation of the Council of the City of Palo Alto Honoring Roy Clay.~~

This Agenda Item continued to a date uncertain.

4. Proclamation of the Council of the City of Palo Alto Honoring Caretha and Ken Coleman.

Mayor Scharff: Seeing no other questions, Rob, Director de Geus.

Rob de Geus, Community Services Director: Good evening, Mayor Scharff and Council Members. Rob de Geus, Director of Community Services. You may have noticed we've had a number of Proclamations coming before Council this month. By way of background, at the January 16th Dr. Martin Luther King Jr. event that we held at the Mitchell Park Community Center, we had Mayor Scharff speak at the event. We also had East Palo Alto Mayor Larry Moody speak at the event. Thank you for doing that. It's been a great collaboration with Youth Community Services for the last 6 or 7 years, I think. At that event, Mayor Moody and Mayor Scharff also spoke not only about the remarkable impact Dr. King has had on our society but also about the importance of February being Black History Month. They talked about what we might do in February. From that conversation, City Staff and our committed partner, Youth Community Service—Leif Erickson, the Executive Director, is in the audience—worked to prepare a number of Proclamations to recognize several individuals, really local heroes, that have made a significant contribution to build and strengthen community, who continue to advocate for social equity and justice, individuals that are compassionate leaders and make a positive difference locally, regionally, and nationally. There are a number of them here in Palo Alto. It's quite remarkable. In addition to the Proclamations that are coming before Council—a couple of have already come and a few more will still come—the City of Palo Alto and YCS hosted a reception last week, February 23rd, in the Chambers to honor the individuals receiving Proclamations. The individuals are Pastor Paul Bains and Clarence Jones, who have already come before the Council, Ken and Caretha Coleman, Roy Clay and Loretta Green. I want to thank the Council Members that were able to attend the event and Vice Mayor Kniss and Council Member Holman for presenting gifts from the City and YCS at that event. In City Hall lobby, you may notice that we have several displays up. On the digital display, you can see and read about the remarkable accomplishments of the honorees. This evening, we had planned two more Proclamations. Unfortunately, Roy Clay is unable to be here this evening, so we've decided to reschedule the reading and approval of his Proclamation to a time in the near future that he and his family can attend. We do have one

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other Proclamation that's for Ken and Caretha Coleman. To receive that Proclamation, we have Ken Coleman's niece, Lynnette Jones, here to accept the Proclamation.

Mayor Scharff: Thank you. We have Vice Mayor Kniss reading that Proclamation.

Vice Mayor Kniss: Thank you, Mayor Scharff. It was a pleasure to stand in for you last week. Karen, thank you for helping with the duties when I had to leave. I appreciated that. She read the Proclamation into the record. That's an astonishing number of accomplishments.

Mayor Scharff: Thank you. If you want to come up to the podium.

Study Session

5. Update on Stanford University's General Use Permit (GUP) Application to Santa Clara County.

Mayor Scharff: Now, we move on to our Study Session. We have an update on Stanford University's General Use Permit, GUP, application to Santa Clara County.

Council Member DuBois: Greg.

Mayor Scharff: Am I missing something? Tom.

Council Member DuBois: Because I have Stanford as a source of income, I'm going to recuse myself from this item. I'll be here, so call me back.

Council Member DuBois left the meeting at 6:42 P.M.

Ed Shikada, Assistant City Manager: Mr. Mayor, members of the City Council, actually Hillary has handed to me the opportunity to introduce our guests here. While the specific topic we have before you this evening relates to the Notice of Preparation on the General Use Permit, our ongoing partnership with Stanford is obviously a very important one for the City. It's my pleasure on behalf of the City Manager to introduce this topic. We have with us this evening Jean McCown, Assistant Vice President and Director of Community Relations, as well as Catherine Palter, Associate Vice President for Land Use and Environmental Planning. I'd like to also acknowledge that Kirk Girard, the County Planning Director, is also here with us this evening. Is he here? We'll see Mr. Girard shortly. The County, as you know, is responsible for the environmental process and ultimate approval on the General Use Permit. We invited Jean and Catherine to provide an overview of Stanford's application under the General Use Permit, or GUP as you'll hear

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it referred to many times this evening, as well as respond to the Council's questions. Santa Clara County is preparing an Environmental Impact Report regarding the GUP and has requested comments on the scope of the EIR by issuing this Notice of Preparation. The City has an opportunity to provide written comments by the close of business next week, March 10th. We thank the County for allowing us this additional time in order to allow the scheduling of tonight's Study Session. With that, Staff will prepare a comment letter based upon tonight's discussion, and we'll bring that back to you next week for Council approval. With that, let me hand it off to Jean or to Catherine.

Catherine Palter, Stanford University Associate Vice President, Land Use and Environmental Planning: Thanks, Ed. Thank you. Stanford's application is for its land in unincorporated Santa Clara County, which is shown in green on this slide. Palo Alto is our closest neighbor, and we're very interested to know about your thoughts and concerns about the application we submitted in November. Thank you very much for this opportunity to come and talk to you tonight. I wanted to spend a couple of minutes going over the current regulatory framework that we have in the county because the 2018 General Use Permit application is really modeled after the success of the 2000 General Use Permit. The first document in our regulatory framework is the Stanford Community Plan, which is the part of the Santa Clara County General Plan that provides high-level policy direction for Stanford's lands. It was adopted by the Board of Supervisors in 2000, and it was meant to be an overarching policy document for more than just one General Use Permit. It includes policy direction such as compact urban development on the core campus, which allows conservation of natural resources in the Foothills. This is encouraged by the placement of an academic growth boundary essentially along Junipero Serra Boulevard, which is very similar to Palo Alto's urban growth boundary. There's also policy direction to address impacts such as a goal of no net new commute trips and building housing on pace with academic development. Probably one of the most important policy directions is that of flexibility with accountability. This is really providing direction for Stanford to have flexibility with regard to the type and location of its academic and housing facilities, while being held accountable to address the impacts that might come from that development. The planning policies for the Stanford lands share very similar values to those in Palo Alto's draft Comprehensive Plan, particularly Palo Alto's principle of promoting infill development within an urban growth boundary, creating a sustainable transportation program to reduce greenhouse gases and single occupancy vehicles, protecting the Foothills and special status species, reducing contributions to climate change, and engaging in regional transportation planning. The second document in the regulatory framework is the General Use Permit. A General Use Permit authorizes a specified

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amount of development and provides conditions of approval. Both the authorized development and the conditions of approval need to be consistent with the high-level policy direction in the Community Plan. Stanford is currently operating under a General Use Permit that was received in 2000, and that permit authorized about 2 million square feet of academic and academic support facilities. About three-quarters of that has already been constructed. It also originally authorized about 3,000 housing units. Last spring, Stanford requested to build another 1,450 housing units to support the Escondido Village graduate student residences project. That project actually received unanimous support from the Council before it was approved by Santa Clara County. Once that project is constructed, almost all of the housing authorization under this permit will be exhausted. The permit also included about 40,000 square feet earmarked for childcare facilities, and then it also included more than 100 Conditions of Approval. Stanford can build its housing and academic facilities as long as it complies with all the conditions of approval. For example, not increasing any of the peak runoff to the creeks and not increasing the commute trips to campus. As we were approaching the end of these authorizations, it was time for Stanford to think about what we might need in the future.

Jean McCown, Stanford University Associate Vice President, Government and Community Relations: Before Catherine shares with you the facts and figures about what is proposed in the current application, I'd like to talk to you about why Stanford believes it will need facilities and responsible long-term stewardship of its lands to support its mission of teaching, state of the art research, and interdisciplinary collaboration that is the key to addressing the most challenging global issues we face. Academic facilities do need to keep up with new fields to attract outstanding faculty and students and to allow for sustained leadership across the many challenges and issues we face. Knowledge is continually and rapidly expanding. Examples of new fields of research include stem cell research, neurosciences, materials science, cybertechnology, and artificial intelligence. As these and other academic fields change and expand, new facilities will be needed. Those often include specialized and larger spaces for experimental work and research instruments. Some of our existing academic programs are housed in aging buildings. For instance, key facilities for the School of Earth, Energy and Environmental Sciences, the Graduate School of Education, and the School of Medicine are many decades old and need to be upgraded or replaced. Finally, opportunities will develop over the course of the proposed 2018 General Use Permit that we cannot predict today. The flexibility, which Catherine referenced, to accommodate unexpected, emerging opportunities has allowed the University to produce some of its most exciting recent innovations, including the Stanford Energy System Innovations Facility, which has completely changed the way campus heating and cooling is done.

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Nor did Stanford foresee the acquisition of the Anderson collection, which brought thousands of major 20th century works of art to campus. What are we thinking through in addressing what should be in the 2018 General Use Permit? First and of great importance, as Catherine mentioned, is the application proposes no changes to the governing principles of the Community Plan. Consistent with the Community Plan, the Use Permit application proposes new academic and support space, more housing, housing to be provided on pace as academic space is added, funding for affordable housing in surrounding communities, the continuation of the goal of achieving no new net commute trips to campus, and the continuation of the principle of compact infill development in the core campus, and the continuation of the academic growth boundary. Catherine will go through some of the more specific details of what the application includes.

Ms. Palter: Specifically, this application includes a development request of 2.275 million square feet of academic and academic support uses; 3,150 housing units or student beds; again, 40,000 square feet for childcare facilities or for facilities that support transportation demand management programs, like a transit hub. As before, we identified where we think this development might occur through the use of development districts. You can see on the chart that most of the development is in the central campus. There is no development proposed for the Foothills district beyond the academic growth boundary, or in the San Juan district, which is the faculty/staff subdivision. As with the existing Use Permit, there is no expiration date, but it's anticipated that this development would be completed by the year 2035. Just thinking about the development request for a moment, it's very similar to the amount that was originally authorized in the 2000 General Use Permit, and it equates to an average annual increase of about 1.2 percent. It's also consistent with the historic growth rate that has occurred on campus for the last 5 decades with the exception of the Escondido Village project, which was a very unique, large project. It's also consistent with the moderate growth scenario in the 2009 sustainable development study. The sustainable development study was a condition of approval of the 2000 General Use Permit. It was required by the County because the placement of the academic growth boundary was a new concept, and the County wanted to make sure that Stanford could develop in a very compact way and stay within the academic growth boundary. Stanford was authorized 2 million square feet, but the condition said, "By the time you've finished your first million, we want you to prepare a study that shows how you developed the first million, and then how you anticipate developing the second million square feet of academic development and an entire new General Use Permit beyond that." Since Stanford didn't know what that General Use Permit would look like, it was anticipated at that time to be between 2018 and 2025. Stanford created three different scenarios

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for analysis. The moderate growth scenario reflected the historic growth rate, and it was bracketed by an aggressive growth scenario, which had a lot more development, and a minimal growth scenario. The study showed that all three of those scenarios were able to fit within the academic growth boundary because Stanford was developing in a compact way. After a number of public hearings, it was approved by the Board of Supervisors in 2009. The application that we submitted in November is consistent with both the timing and the amount of development in that moderate growth scenario. Once again, the application includes something similar as in the 2000 General Use Permit, and it's known as a housing linkage. This is what ensures that housing is built on pace with academic development. For every 500,000 square feet of academic facilities, Stanford needs to build 605 housing units or student beds. It goes up in a stairway fashion. At the end of the day, when Stanford has finished all of its academic square feet, Stanford must have developed 2,753 housing units or student beds. Some of the housing that Stanford builds qualifies as RHNA housing. The undergraduate units are group quarters, so they're not considered housing units under the State's definition. The graduate student apartments are considered housing units. Because of the rent that Stanford charges compared to the median income in the county, they are also considered affordable. The County has documented in its Housing Element that Stanford has built 816 affordable housing units on campus between 2000 and 2014. Looking ahead, of the 3,150 housing units that Stanford has requested for approval, it's anticipated that about 900 of those would be graduate student beds, and they will most likely be in the apartment style that we've been constructing lately. Given that the rent that Stanford charges is about 40 percent of the current market value, it's anticipated that these would also fulfill the County's RHNA requirements in their future Housing Elements. In addition to building affordable housing, Stanford does contribute to an affordable housing fund that's managed by the County in order to support the construction of housing in the local community. This payment to the County is accrued every time Stanford adds academic square feet to campus. To date, more than \$25 million has gone to the County, and it's anticipated that amount will grow to \$39 million by the time the academic square feet is built out. The County has disbursed more than \$13 million of this to four projects in Palo Alto and one in Mountain View that together had supported 319 new affordable housing units in those two cities. Stanford has proposed to continue that contribution to the County's affordable housing fund at a rate of \$20 a square foot against the academic square feet and increasing with inflation each year. Using those amounts and assuming that the academic square feet take 17 years to build out, it's anticipated that would generate \$56 million to go to the County to be disbursed in the community. As you know, it's a little bit unique to have a single project both build affordable housing and contribute to affordable

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housing in the community. Usually projects do one or the other. As I mentioned before, we have a high-level policy in our Stanford Community Plan about no net new commute trips. This means that Stanford does not increase commute trips in the peak hour in a campus-commute direction from a baseline level that was established in 2001. This high-level policy direction was reinforced in the 2000 General Use Permit where it became a performance standard mitigation measure. These trips are physically measured. The County hires an independent consultant that, at their direction, monitors these trips each year. There are actually two types of trips that are measured. There are the trips that are removed from the campus itself, coming to and from campus. There are also trips that are removed from the local roadway, kind of the impact area around campus including Palo Alto. They come off the road because of Stanford's efforts like the Marguerite shuttle. It's those two types of trips that together determine whether Stanford meets its no net new commute trips goal. Despite adding more than 1 million square feet, Stanford has met this no net new commute trips goal every year since 2001. The way that Stanford has been able to do this is to continue to invest in and evolve its transportation demand management program, continuing to add new options to the menu over time. Stanford recognizes that's going to have to continue into the future, to be innovative and continue to invest in this program in order to meet the goal. There is one slight change in the application to what happened in 2000. As I mentioned, the first place that trips are counted is at the core campus itself, sometimes known as the core. That's shown in the pink area. Those are the first place that trips are removed. In addition, you can see the green impact area when Stanford's efforts take trips off the road from that area as well. What's new for this application is Stanford has proposed that if no net new commute trips is not met through those two methods, Stanford would pay a fee to Santa Clara County who could then disburse that money for other community-based transportation demand management programs, like investments in public transit or improvements to bike and ped facilities, very similar to the affordable housing fee where they would control that money and disburse it. Stanford would need to pay that fee any year it did not meet its no net new commute trips goal, so there would be continued incentive to continue to meet it. If Stanford didn't, it would pay into that fund. That was really to guarantee that the congestion impacts were going to be addressed. As Jean mentioned, there's no change to the high-level policy direction in the Community Plan. There are a couple of very small changes that are more cleanup action items with regard to land use designations and zoning for the campus driving range and nine faculty homes on campus, just to better reflect their current use. The application also suggests deletion of some of the text in the housing section of the Community Plan because it's been effectively superseded by the County's Housing Element. Lastly, the application includes a request for Stanford to

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build the suggested routes to school improvements on its lands that are next to Nixon and Escondido schools. Just stepping back a minute. The application submitted in November has a lot of different components. What I've been talking about here is all contained in the project description, which is in Tab 3. While Stanford was thinking about its development request and what to put in the application, we also did a lot of technical and environmental studies so that we would understand the potential environmental impacts of what we were requesting. Those analyses helped shape our request, and we've also provided them in our application so that the County and the public could review them. The County will be having its experts do an independent review of these studies as well. They're available on the web if anyone's interested in looking at them. I'm going to touch on just four of them and give you some quick highlights of them. That's going to be vehicle miles traveled, greenhouse gases, water supply, and parks and recreation. As you know, the State is moving to a new way of looking at transportation impacts, and it's vehicle miles traveled, moving away from congestion types of impact analysis. The reason for this is to encourage infill development and decrease sprawl in order to reduce emissions and get cars off the road. The State is looking at a threshold standard of having a project meet 15 percent below the current Vehicle Miles Traveled (VMT) average for our region. In that way, if you can bring people 15 percent below, it will help make the State's greenhouse gas goals for that time. Stanford did conduct a vehicle miles traveled analysis and found that we will at full build-out do much better than that 15-percent reduction. Stanford's average commuter VMT will be 75 percent below the current regional average. The VMT of our campus residents will be 40 percent below the regional average. These numbers are really just quantification of the benefits that happen when Stanford gets its population out of its cars either through Transportation Demand Management (TDM) or by providing housing on or near campus. As Jean mentioned, the flexibility of the General Use Permit provided Stanford the opportunity to make a huge impact in the area of greenhouse gas emissions. That was development of the Stanford Energy System Innovations (SESI) project, which created a new heat recovery facility used for heating and cooling of campus. It replaced a natural gas-fired cogeneration facility. The immediate impact of that was to reduce our greenhouse gas emissions associated with campus heating and cooling and electricity use by 50 percent immediately. Because it's fueled by electricity, there's an opportunity to continue to provide more emission reduction as the electricity supply gets greener. To support this, Stanford developed a solar farm in Kern County and installed rooftop panels on campus. Together those two projects will supply more than 50 percent of Stanford's electricity demand, which takes the emission reductions from 50 percent to 68 percent. Looking forward, we also did a greenhouse gas technical analysis in the application. The State of California has created greenhouse gas goals for the

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state in 2020 and 2030. The Bay Area Air Quality Management District took that State goal for 2020 and converted it into a per capita efficiency standard in order to help support that goal. The District determined if in our region we could get to 4.6 million metric tons of carbon in 2020, we could support the 2020 goal of reaching 1990 levels of greenhouse gas emission. Stanford will have, instead of the 4.6 goal, 2.5 million metric tons of carbon per person, well meeting that goal. If you use a similar analysis for 2030, we would need to as a region get to 2.7 million metric tons of carbon in order to meet the very aggressive goal of 40-percent reduction below 1990 levels in 2030. Looking at after build-out of Stanford's development request being at 1.8 million metric tons, again well below that aggressive standard for greenhouse gases. That's on a per capita basis. Also if you just look at total greenhouse gases, not on a per capita, there will be no increase in greenhouse gases from today despite the build-out of the development request. Another performance standard in the 2000 General Use Permit was that associated with water. There was a desire for Stanford to stay within its Hetch Hetchy allocation of 3 million gallons per day. When we began in 2000, Stanford was using about 2.7 million gallons per day of water. Of course, it was expected to increase as we developed housing and academic facilities on campus. Stanford underwent very robust conservation programs and as a result, despite adding 1 million square feet of academic facilities and 2,000 housing units, the water use went from 2.7 million gallons per day down to 1.9, a 30-percent reduction between 2000 and 2015. It went actually lower last year to 1.8 million gallons per day, which is about half of the water use in 2000. The application also includes a water supply assessment. The State requires that you make sure, if you propose a development, there is sufficient water both in normal and multiple drought years. The water supply assessment that we included in the application does show there's sufficient potable and non-potable water demand even with build-out of the development request. Finally, the application includes a parks and recreation study in order to determine any potential impacts from future campus residents that would be added to campus and their use of neighborhood parks. Through use of a survey, we determined the amount our current campus residents are using the neighborhood parks and then created metrics in order to forecast what our future residents would do, and compared it in order to determine whether there would be significant deterioration of any of those neighborhood parks, and found that there would not be an environmental impact under California Environment Quality Act (CEQA). We also noticed that there was kind of a higher proportion of use in the College Terrace parks because of the residences located in that general area. In the application, Stanford has offered to pay for the improvements to the College Terrace parks that are included in Palo Alto's capital budget.

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Ms. McCown: Our last slide shows a graphic that is trying to reveal the review process that will happen over the next many months, probably through about a year or so from now. The circle up at the top left is a date back in June of 2016, when Stanford hosted a number of open houses in the community before we actually put this application together for submission to the County. The very light circle on the right there, Number 2, is when we submitted the application in November. The County now has a requirement for an application like this to hold an early community meeting to present information about the application. That was the meeting we held on January 25 at Mitchell Park Community Center. We were very pleased to have over 100 people come to that meeting. On February 8th, the County hosted a meeting that it holds to receive comments from the public as to what the Environmental Impact Report should study. Obviously, your meeting this evening is to focus on that same aspect. While the Draft EIR is being prepared by the County's consultants—that's where the red ball and arrow is showing—Stanford intends to actively offer additional meetings with other local cities, with community groups, with anyone who would like to hear about the application and give us direct feedback about it. Circle Number 6 on there, there's no date assigned to this, but this is the point in the process when the County will issue a Draft Environmental Impact Report (EIR). That will then become available to the community to review the work that the County's consultant has done and its analysis of all of the relevant impact issues. There will be public hearings at that stage conducted by the County to receive community comments about that draft. The County's consultant will take all of those comments and questions, respond to them, and issue a Final Environmental Impact Report. That document will then go through, again, additional public hearing, meetings with the County Planning Commission, and ultimately with the Board of Supervisors. That Final EIR needs to be reviewed and considered by both of those entities before any decision is made on the final application. Again, we haven't assigned any dates to any of these because we don't know quite how long it will take and what dates will come up. We're at best thinking sometime a year from now is when this will be getting ready for decision making. With that, we're open and available to answer questions.

Mayor Scharff: Thank you very much for that presentation. We have a number of members of the public who would like to speak. Let's go to the public. Fred Balin to be followed by Herb Borock.

Fred Balin: Thank you. I'll talk first a little bit about the Foothills. We have the Foothills district within the Stanford lands, those across Junipero Serra, and we have Foothills Park of Palo Alto. An analogy was made between the Foothills in both jurisdictions. Foothills Park is controlled by a Charter amendment to the City of Palo Alto, and it cannot be used for any other

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purpose unless there is a vote of the people and the majority of it for that purpose. The Foothills district is constrained by a term in your document that there will be no change in the academic growth boundary through the duration of the General Use Permit. There is a higher level of control above that in the Community Plan, which is the area plan of their General Plan, analogous to ours. That says at any time they can change it if four or five Supervisors vote to change the academic growth boundary. The other one that was put in in 2000 after a big discussion was that there will be no change in the academic growth boundary for 25 years and until the housing or the building area of academic and support facilities and student housing reaches 17,300,000 square feet. We're not renewing that; we are just extending it. In 2025, the first condition passes unless something changes. As far as the 17.3 million square feet are concerned, we have information again in the Community Plan that the expectation for this project at the end of this period would be that there would be—let's see. They would be 1.5 million square feet short. Under the old application, they haven't used about 600 square feet of academic space. It doesn't only count academic space; it's also housing space for students. We have 1.8 million being put into four ten-story towers over at Escondido Village, three-quarters of that will be new. That's going to add up about another 1.5 million square feet. The point is, by the time we get to 2025, both conditions will be gone, and there will be no guarantee that there won't be any application proposal that can come through to have growth in the Foothills. We need to have a long-term agreement as part of the General Use Permit that there will not be development in the Foothills district. Let's go out to traffic. I think there's a good point in the Staff Report that we should be looking at increasing the length of the peak hours. We're now looking at one-way commute trips at a 2-hour stretch. We're going to have the campus that's going to be running at many, many hours during the day. We really need daily counts. We're particularly concerned in College Terrace, so we want—I didn't realize. Am I 3 minutes or 2 minutes?

Mayor Scharff: Three minutes, but your 3 minutes (crosstalk).

Mr. Balin: That was 3 minutes?

Mayor Scharff: That was 3 minutes.

Mr. Balin: I sent my points in to the County. Obviously if they can get the no net new commute trips at the same level without loosening the top level that they have now and do it again, I'll come back and eat my hat.

Mayor Scharff: Thank you. Herb Borock to be followed by Steven Woodward.

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Herb Borock: Mayor Scharff and Council Members, City Staff says there's a deadline to respond, but I can't see what the deadline is in any of the Staff Reports that you received. Stanford campus and lands are part of Palo Alto's planning area in the Comprehensive Plan. The appropriate process for submitting comments to the County should have been followed, which is on a timely basis the Planning Commission should have received this issue and made a recommendation to the Council, and then the Council on the basis of the Planning and Transportation Commission recommendation should have given direction to Staff to write the letter. That hasn't happened, even though it's been 3 months since the application was filed and 8 weeks since the Notice of Preparation was issued. I hope in the future the Council gives appropriate direction to Staff to follow that kind of process for planning issues. Stanford's presentation mentioned no net new trips. One way they've accomplished that is by moving some operations off of the campus into Palo Alto and now some to Redwood City. I just want to focus on the Palo Alto planning area because it's the same local transportation network. Based upon the experience of what happened under the current Use Permit, it seems that the EIR should include data on Stanford development within the City of Palo Alto similar to the historical data that's shown for the campus in the current Use Permit and Community Plan for the Medical Center and for the Research Park and for the East Bayshore employment district, and that projections for those areas for the term of the Use Permit should also be shown. The second item of data refers to the fact that there may be creative ways for Stanford to get more development in the Palo Alto planning area outside of the campus in exchange for moving the academic growth boundary and having fewer acres within that boundary. To be able to do that, we would need information on what land is under the founding grant, which can't be sold, and which land is not in the founding grant and is alienable land that can be sold any time the Board of Trustees wants to do that. That will enable trades within the Stanford property based upon planning approvals. Thank you.

Mayor Scharff: Thank you. Steven Woodward.

Steven Woodward: Thank you. I'd like to make two quick points. This is the second GUP in the years I've lived in Palo Alto, which involves a major expansion of Stanford buildings without mention of an ultimate build-out for the campus. At the long-term growth rate, Stanford daily population will double in approximately 60 years. It's hard to imagine that important TDM goals, for example, will not be blown by in the course of that level of expansion. Secondly, I think it's interesting that the current GUP proposal anticipates exceeding the no net new trips limits. Those limits will not be exceeded in a generally diffuse way around the campus. They will impact certain entries and exits to the campus more severely than others. I would

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like to see very careful traffic analysis on areas that will be specifically impacted. I think College Terrace is an obvious area that needs to be considered very carefully. The ability to mitigate the impacts on College Terrace are quite limited. Thank you very much.

Mayor Scharff: Thank you. Now, we return to Council for questions and comments. Council Member Fine.

Council Member Fine: Thank you, Mr. Mayor, and thank you very much for the presentation. That was helpful. I know you've been doing lots of workshops around the community and across the county. A few comments and a few questions. First, looking over this data and seeing it at some of the meetings, I think it's worth noting and celebrating that in many cases Stanford has some of the best opportunities across the entire county to do low transit, low impact growth going forward actually. That in a way is something to be celebrated and modeled for other communities. Stanford has a robust TDM program. VMT is lower. It's producing more affordable housing than many of the other entities across this county. I think that's something to be celebrated and something that isn't brought up quite enough. There are some questions about the methodology behind the no new net trips issue. My neighbor, Fred Balin, brought those up. I think it would behoove Stanford to share those measures explicitly and get feedback from some residents. There's a letter from the Southgate neighborhood to Council on this issue about really being a little more explicit on the timing and how those measures are made. I think that would be helpful. A few questions. One, what issues does Stanford foresee with the County? What feedback have you heard from County Planning so far on this GUP? I'm just wondering.

Ms. Palter: I think they believe as we do that the framework that we've established has been very successful. One piece of feedback we received is that they appreciate the ability we have to look at things comprehensively and solve things comprehensively because of the landholdings. To increase that wherever possible, we established a number of measures in 2000. We are going to be addressing historic resources in the same way; we are doing that to respond to their comment to continue to look at things comprehensively.

Council Member Fine: Thank you. My last question is about the academic growth boundary. As I've understood it, it does expire in 2025 with some extra conditions. What's Stanford's thoughts on that? Is that purposeful? Would you be willing to extend it further? How do you see that decision coming to bear on your plans?

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Ms. Palter: I just want to make clear that the academic growth boundary doesn't expire or go away. It stays in place as long as the plan is there. I think what people are referring to is there is a certain standard for asking to move it. It doesn't go away.

Council Member Fine: I would encourage you to be upfront about that, saying the conditions to change in 2025 and here's how they change and here's what we might be asking for.

Ms. McCown: It's the thing that one of the speakers alluded to. Up until 2025, any proposal to change it would need four out of five votes at the Board of Supervisors. After 2025, it goes back to their normal majority, but the academic growth boundary doesn't go away.

Council Member Fine: It's a one-vote change. That's helpful. Otherwise, I think this is a helpful plan. I like having Stanford in Palo Alto. I think you guys contribute a hell of a lot here. I hope this is helpful to you too.

Mayor Scharff: Vice Mayor Kniss.

Vice Mayor Kniss: Thank you all for coming. It's a bit of déjà vu. It's interesting. It sounds to me as though it very much mirrors the 2000 GUP. Am I right? Especially in growth. Two or three things, the TDM in particular. I don't know if you can pull up the slide on the TDM again or not. That was particularly interesting in what you have done. Did you model that on any other university's TDM? Were there others? I've heard that Harvard has to have one among others. Apparently, it's not uncommon for universities to now have this kind of—a formal plan for transportation.

Ms. McCown: As you would recall, there was a General Use Permit before the 2000 General Use Permit; it was the 1989 General Use Permit. That had quite a bit of content in it going as far back as that around transportation measures because it was the first step of recognizing that that was probably the more significant performance standard to look at rather than just square feet per se or population per se. I think we can claim being ahead of any other university in the country ...

Vice Mayor Kniss: Certainly ahead of Harvard.

Ms. McCown: ... in what we've done on a continued improvement plan, so to speak, and adding new programs. I think the most significant one, as you all are aware, is when Caltrain developed the Go Pass program, which allows employers to buy passes for their employee population. Actually it was really initiated by a partnership between the University and Caltrain to start that program. Now, many other employers are using it as well. Again, I

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think one of the strengths of this has been that while the performance standard of no new net trips is very clear and, as Catherine said, a 2001 baseline figure that we measure against, the exact techniques we use and the tools we use have been left to us and the flexibility for the University to figure out what really is the most effective. I think that's one of the hallmarks of why this has been as successful as it's been.

Vice Mayor Kniss: Because we're moving in that direction so definitively, I think it's important for us to hear what you have done and how you've accomplished that. I think we can borrow from that. Jean, this one's particularly for you, because I remember being at a meeting together. It could be 6 years ago now. We talked a lot about Caltrain at the time. As you know, it looks like the electrification is in trouble. How do we pay for grade crossings? We have passed Measure B. Tell us what other involvement do you think Stanford would plan to have with Caltrain? It seems to me at least—I'll surmise that for the TDM to work well you really need Caltrain. I don't know how many riders you anticipate you have a day. We would like to see those two improvements made possible somehow. It's been very frustrating for any of us who have sat around for a long time and watched Caltrain, in particular, not make a lot of strides over the last few years.

Ms. McCown: I know you know this statistic, but the University Avenue train station in Palo Alto is the most heavily used Caltrain on- and off-boarding station anywhere on the line between San Francisco and San Jose by a huge factor. Certainly, some of that is employees coming to Downtown Palo Alto, but a huge part of that is University support for the program bringing employees to campus. We are very concerned, as you are, of the challenge to the funding for the electrification. We think the increase in Caltrain's capacity by 20 percent, which is what that electrification program is promising to provide in 2020, is vital for us. It's vital for the region. Our President, Marc Tessier-Lavigne, wrote a letter to Washington along with many others in the last month, speaking up on that point on behalf of the University. We have other ongoing engagements with other employers. There's a group called the Caltrain Commuter Coalition, which is a group of companies including Stanford as an employer, wanting to continue to help Caltrain think about its long-term funding options and what should be thought about in terms of that long-term future. We're very, not in a big, visible, public way particularly, involved in working on these issues with Caltrain.

Vice Mayor Kniss: Some of us will be in Washington in a couple of weeks. On our agenda is exactly that, to talk to whomever we think may be influential about California ...

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Ms. McCown: I think it has to be Republicans, if you know any of them.

Vice Mayor Kniss: Actually there are a number on our list. We think this is so critical that we're really kind of stunned that this has happened like that, when it was so clearly on our agenda for such a long time. One lighthearted question. Are you going to let Lake Lagunita fill this year or not?

Ms. Palter: It is full, if you haven't been over there to see it.

Vice Mayor Kniss: I guess I haven't.

Ms. Palter: No, it is full. It fills with runoff from the Foothills, and we haven't had a lot of that in the last years. I don't know if you're aware, but it is filled in accordance to support the California tiger salamander reproduction. In those years when they have bred and laid their eggs in the lake and it's about to dry up and those eggs are going to be sacrificed, we do fill it in order to support that reproduction. It hasn't been filled in many years in the traditional recreational sense.

Vice Mayor Kniss: This year, it filled naturally?

Ms. Palter: It filled naturally, yeah.

Vice Mayor Kniss: I'll have to go take a look. One more issue that comes up on a constant basis. It came up at our—Eric and I were at a City/School Liaison meeting on Thursday morning. The discussion is how will this affect the number of kids in our schools and will it be to the extent that the School Board needs to look differently at any number of schools they may have or how they may go forth in the future planning for the schools and for whatever number of kids it is. Maybe you can help us with a breakdown of what you anticipate from families versus those who are single students living in a different kind of situation.

Ms. Palter: I mentioned we were requesting 3,150 housing units. While we don't have exact numbers, we think there would be no more than 550 faculty/staff units. We don't expect any of the student units, even the graduate student units, to involve families. We have sufficient housing on campus for our student families. Any of the school-aged children would be associated with those 550 units that could be built. In the application, we used the District's rate of half a student per—it's likely very high density housing, so it could be up to 275 students in that time period.

Ms. McCown: One of the things we wanted—it may not be as clear as we could have made it. The 550 are not single-family homes. It'll be a dense, apartment-style set of buildings over on the sites on Quarry Road near the

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Shopping Center. Obviously, exactly what size units these will be, which population we're serving, all of that will be part of an ongoing process, when they would come online. One of the things we do now with the School District is meet with them on a regular basis to give them much more specific data on when specific housing units that might have families are being built, like the ones we're building in Palo Alto today for faculty. We're regularly talking with them about those units and when they're potentially going to be occupied. We keep them posted so that their annual enrollment forecasting is being kept up to date.

Vice Mayor Kniss: And includes that. One of the things we were looking at is that 5 or 10-year stretch, having a closed high school that we are still in a lease situation with. Looking at something like that, because that was a major decision point over the last few years. That would really help us. I don't want to make this up, but are you saying roughly 300 kids maybe?

Ms. Palter: The application assumes if we built the 550 faculty/staff—it's, I think, 0.5—so 275.

Vice Mayor Kniss: Somewhere in that range. Thank you. Again, thanks for being here tonight.

Mayor Scharff: Council Member Holman.

Council Member Holman: Thank you very much for being here and for doing such hard work on this and for holding a good number of public forums. Really appreciate that. I do have some questions. Just to start somewhere, you mentioned something about the Stanford driving range. I didn't quite catch what you said around that.

Ms. Palter: The application includes changing the land use designation and the zoning for that. Currently, it's designated for medium-density housing. It's an academic use, and it's anticipated to stay an academic use. It's just changing to that land use designation and zoning.

Council Member Holman: It takes me to something else that was referenced. I know in the last GUP, there were changes made to the golf course and also to the driving range. I notice in looking at the map—there weren't slide numbers on these pages. A couple of them caused me to go, "What about that?" I'm just wanting to understand if there are going to be changes that will minimize or lessen the access or facility of the driving range, the golf course, the Stanford barn and exercise ring, the tennis courts, anything that's currently on the campus having to do with exercise facilities. Is anything going to be reduced? As the population grows, that

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use is going to—you're saying the impact is going to stay on campus and not in the community. Is it going to remain as-is now?

Ms. Palter: The golf course itself is outside the academic growth boundary, so there's nothing proposed to change that. There's nothing really proposed to change the athletic facilities. We recognize that as we add more students to campus, that's another need that happens when we add students.

Council Member Holman: I understand (crosstalk) ...

Ms. McCown: To go back to the driving range ...

Council Member Holman: ... you recognize the need, but I don't hear "We're not going to lessen the facilities."

Ms. McCown: To go back to the driving range point, the present zoning that was adopted in 2000 tentatively could make that a housing site. What we're changing is to take it out of that designation so that it remains an academic facility. Recreation uses are a part of our academic facility. It's basically putting it back into a category that establishes that that's the continued purpose of it, as a recreational facility. Whether a particular tennis court gets moved, I don't think we have any answers to that. I'm not aware of any such plans, but could we move a tennis court in the future? It could happen.

Council Member Holman: I don't care if it's moved just as long as it isn't lessened in numbers. You've known me for a long time, Jean. Understanding that you're changing the zoning so it can stay an academic use, is the intention to keep it in athletic facility as part of the academic buildings, for instance, and expansion there?

Ms. McCown: To my knowledge, the answer to that is yes. I'm not aware of any proposal to change the use at the driving range.

Council Member Holman: To stay on that same kind of topic. Appreciate what you were saying about making contributions to the College Terrace CIP funding. I think one of the needs that we have—let's just suppose, because especially in College Terrace or perhaps in an expanded area too, there might be some spillover of recreational need. Would Stanford consider instead looking to help purchase some park facilities within the City that might be impacted? In other words to face demand that might be created.

Ms. McCown: I think the EIR will need to look at that question. As Catherine said, our own internal study and survey of how much is being

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made from campus residents outside is we're not seeing an impact, but that's certainly a fair question for the EIR to look at.

Council Member Holman: Would really like that to be one of the considerations please. I think members of the public had broached this subject too. What's the ultimate build-out? Here we are just 18 years later, and we're looking at another 2 million square feet of expansion. What's Stanford looking at in terms of ultimate build-out? What can the community expect? It can't go forever. Of course, you've gone to Redwood City for some of the expansion of the broader Stanford campus. What's an ultimate build-out?

Ms. McCown: Not to be flip about it, but how would the City of Palo Alto answer that question? Most long-term planning takes a look at a long-term increment forecasting as best you can for a reasonable period what you think is going to occur and what may be needed, and then you look at it again. Whether other constraints, water, carrying capacity will change what somebody 30, 50 years from now may project is possible. I would expect that would be the case. I don't think we have that concept, that today we say we know there's some point at which we know it's exactly this. It's really doing the responsible long-term thinking for reasonable, long-term forecasting for what the University expects it needs.

Council Member Holman: I didn't mean it to be a flip question; I truly didn't.

Ms. McCown: I didn't mean it to be a flip answer. Sorry.

Council Member Holman: I understand that. We're good. I guess what I was looking for was for something else to be looked at either by Stanford or in the EIR is there will be limits in terms of water supply, land available without broaching the urban growth boundary. There are some limitations that exist. What is that limit and when do you anticipate that might be reached? I'm not saying the year 2051; just give us some idea, give us some kind of parameter of what we can expect there. One of the things that's been broached, speaking of water, a different aspect of it—something that's been broached several times and still is a concern, especially as we're looking at different solutions for bridge construction having to do with flooding, is an upstream catch basin to help alleviate flooding concerns and at San Francisquito Creek. It's not necessarily an EIR question, but it's a question having to do with what community benefits Stanford would consider providing to the long-term health and wellbeing of the neighboring community as we are neighbors to each other. The no net new trips, there have been some good comments made about that. There was reference—I can't remember where I read this. I think it may have been in what was

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provided to us by you already—to expanding the peak hours. As I was on Page Mill Road at 2:40 in the afternoon coming east, not even going west, watching the traffic going west, I was astounded at how far it backs up. From 280, it backed up all the way to Foothill, and then there was like a block and a half break, and then it was backed up all the way again almost to El Camino at 2:40 in the afternoon. Expanding the peak hours, I think, is essential to understanding traffic management and traffic demand management. You are in a unique position, as has well been stated, that you can take a comprehensive look at that. Also having to do with that, is there going to be any peer review of TDM success? It's not to question Stanford's capability, but I think it's just a good community standard that when anybody comes forward with a project or proposal, whether they do the consultant report or whether the City provides it, one or the other provides peer review. I think it's a good community foundation to indicate how peer review will be done to determine the success of TDM programs. I know you'll be looking at—I can skip that one. The housing, I'd be interested in understanding, as a part of the EIR, whether the housing is going to be built ahead of the demand that more academic buildings will create, how the housing will or will not be provided to, at least first access, workers, staff, and teachers. That would be Stanford staff. As a part of the EIR, please lead the way—Palo Alto has not been good at this—to count as a part of your Environmental Impact Report what the greenhouse gas impacts are of construction and demolition. It's a real, measurable thing, and I would appreciate Stanford leading the way on that as we look to you to lead many things. I may be close to ... I know you'll be looking at ways to expand access to the campus through whether express buses from the East Bay—you'll be looking at all those different measures. There is something—I had mentioned this to you guys when we met previously. Because Stanford had an impact and would continue to have an impact on College Terrace and, perhaps to a lesser extent, on Evergreen Park, Stanford is part of the last—one of the earlier proposals contributed \$100,000 to a study of traffic impacts in College Terrace. After that, a study was conducted and an RPP put in place in College Terrace. That need was determined, and the City now funds that on an annual basis. I think it's reasonable to ask Stanford to help pay for that annual RPP program—that's a little bit redundant—the RPP in College Terrace and perhaps to a lesser extent in Evergreen Park. Surely if we go back to former data, we can determine what a reasonable share of that might be. I think those are my points. Thank you so very much.

Mayor Scharff: Council Member Filseth.

Council Member Filseth: Hi. Thanks very much, folks, for coming out and doing this and spending this evening with us. I had a couple of questions about the housing. There's 3,150 units, of which 550 are earmarked for

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post-docs and faculty and staff. Where do the other 2,600 go? Is that all undergrad and grad students or is there ...

Ms. Palter: It would be assumed now to be undergraduate and graduate students.

Council Member Filseth: At the end of that, do you folks—I know the Escondido expansion was to bring a lot of grad students on campus. At the end of this, are basically all the grad students housed on campus?

Ms. Palter: No. It would still be around 75 percent.

Council Member Filseth: The 2 1/4 million square feet of expansion, how many jobs do you folks anticipate that producing, not including grad students but regular job kind of stuff?

Ms. Palter: I don't have the number off the top of my head. There is a tab in the application that shows the anticipated population that would come as a result of this development request. It breaks down by undergraduates, graduates and staff and faculty. I don't have it right here. I think it's Tab 5.

Council Member Filseth: Tab 5. Thanks very much.

Mayor Scharff: Council Member Wolbach.

Council Member Wolbach: Thank you very much for the presentation. A couple of questions. First, when is exactly the deadline—I just wanted to make sure I was clear. When is the deadline to submit comments to the County?

Hillary Gitelman, Planning and Community Environment Director: Thank you, Council Member Wolbach. The County was generous enough to give us 'til close of business on March 10th.

Council Member Wolbach: Is there still any opportunity for this to be heard by the PTC in sounds like just a couple of weeks? Maybe not, but ...

Ms. Gitelman: I don't think we could swing that. They do have a meeting on the 8th, but it's pretty full.

Council Member Wolbach: Understood. I do think if we can get really day counts both inbound and outbound, I think that's important rather than just looking at peak periods. If we have, of course, nuance of when they're happening as well, that would be excellent. Looking at some public comments, I didn't have a chance to cross-reference in the text itself. I just

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wanted to check. Was the 6-mile limit for use of affordable housing funds dropped?

Ms. Palter: The 6-mile radius for the affordable housing was part of the 2000 GUP. In our application, we made a suggestion that it be along transit corridors in order to further the important benefits that come with that. That's Stanford's proposal. I think that will shake itself out in the process.

Council Member Wolbach: I'm not sure I fully understand that. Do you want to elaborate on that a little bit more? Is it Stanford's proposal that we drop the 6-mile radius in exchange for doing it along transit corridors or is it in addition to along transit corridors or a slightly larger radius along transit corridors so that it has to do with time of transit? How do you look at (crosstalk)?

Ms. Palter: The application was going to say instead of the 6-mile radius, put it along transit corridors. That was a thought just because of our focus recently. I think going back to the 6-mile could be considered. That's what I'm saying. It could shake out in the—the most important thing is that Stanford is committed to putting the money in the fund, and we're probably less concerned about where it's spent. We just thought from our judgment it made sense along transit corridors.

Council Member Wolbach: Speaking just for myself, something we would consider for comment and encouraging—I would suggest both, that it would be within 6 miles and it also emphasize along transit corridors, whether that's strengthening those transit corridors so that they can be more effective. Was it just last week or 2 weeks ago we were talking about a project on El Camino? I raised my concerns with El Camino and how we can see it be a more effective transit corridor. We were talking about the contributions that Stanford makes towards improving our transit corridors and Stanford's contribution to our housing funds. Thinking about how those coordinate is important obviously. I know that you're well aware of that. I'll just speak to why I think it's important to maintain this 6-mile radius. The proximity of Stanford to Palo Alto is one of the major contributing factors to the demand to live in Palo Alto and to live close to Stanford, whether it's along transit corridors or not. That helps contribute—along with many other things that make Palo Alto a wonderful place, it contributes to the high cost of housing here, making the acquisition of land for affordable housing in Palo Alto particularly challenging. Maintaining that 6-mile radius is still worthwhile. On Caltrain electrification, will Stanford work with us to make sure that Caltrain gets electrified no matter what?

Vice Mayor Kniss: I want to hear the answer.

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Ms. McCown: Again, as I said earlier, we're strong supporters of it. Beyond trying to push the advocacy or help others with the advocacy to get the traditional methods of funding these things, which is not new, that you put together Federal, State and local money to make these projects happen, which we think that's the right societal investment on this. If that truly is not possible, obviously we're going to be part of a discussion of what comes next, if that really is not going to be the way this project happens. I don't know what that would mean. I don't think anybody quite knows what the Plan B is, if this truly is a roadblock.

Council Member Wolbach: It sounds like you're open to continuing that conversation. In the meantime, a couple more thoughts on that. I didn't catch the name of the group of employers that you mentioned earlier. What was the name?

Ms. McCown: It's called the Caltrain Commuter Coalition, and it was formed a number of years ago. The purpose at that time was to address the absence of a secure, consistent sales tax revenue. Many other transit agencies have passed sales tax—San Mateo County clearly—that give a steady stream of support for their transit programs and their transit facilities. Caltrain has never had that. That was the origin of the discussion a number of years ago. It probably goes back at least 5 or 6 years.

Council Member Wolbach: Is there anything more you can tell us about how conversations are going with that group or work with them?

Ms. McCown: I don't think that's been an active—obviously several things have stepped in front of that such as the Santa Clara County transportation measure from last year. There have been other things that have replaced that discussion in terms of transportation funding. There hasn't been any recent discussion about it. Again, I think their focus understandably has been to try to get this electrification funding from the Federal government.

Council Member Wolbach: A couple of other thoughts picking up on something you mentioned earlier. Frankly, the Republican Party controls the executive branch as well as the Congress in D.C. You asked if we knew any. I would just ask—there's a conservative leaning institution at Stanford called the Hoover Institution, which probably includes some people who have some connection to D.C. I was curious if you've had any conversations with any of the people there to help share their experience on the ground, understanding the importance of Caltrain electrification with any of their friends, at least.

Ms. McCown: We have not done that yet.

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Council Member Wolbach: I'd recommend that. Also, I actually just looked it up. I had forgotten it or maybe had missed it before. A lot of people have been talking about House Majority Leader Kevin McCarthy essentially uses our area as something of a piggy bank. He comes here a lot for fundraising. He is from Bakersfield, a Central Valley Congressman from the 23rd District, I believe. I think it's important to make sure that we communicate—I know Carl Guardino from the Silicon Valley Leadership Group has been communicating with him, but I hope Stanford will join in communicating with House Majority Leader Kevin McCarthy to make sure that he understands that Caltrain electrification is not inherently tied to High Speed Rail. It has been separated by the State Legislature. The courts have ruled that it is distinct. In order to support Caltrain electrification, one, in Congress, the Department of Transportation need not support High Speed Rail. Make sure that he understands that if our region is going to be able to be economically vibrant and provide the fundraising resources that he wants to do and to be the influential figure he is in Washington, D.C., we're going to need to stay vibrant. We're going to need our transportation to be functional, and that requires Caltrain electrification. I hope you will join in the next few weeks as we communicate with Mr. McCarthy and others in Washington to make sure they understand the gravity of the situation.

Mayor Scharff: Council Member Kou.

Council Member Kou: Also, thank you so much for being here and being flexible about the date change and coming back again. Also, thank you for being a leader in a lot of the innovation that you have provided at your campus and overflowing to Palo Alto. I hope that we get to see you continue with leading in these innovative ideas and implementing it but also being accountable to the neighboring communities. My first question is was there ever a maximum build-out that was discussed in the 2000 GUP? I know many of us have already asked that. Talking with community members who were involved in the 2000 GUP, there was mention that there was discussion or maybe even implementation was there of maximum build-out.

Ms. Palter: The Sustainable Development Study that I mentioned was approved by the County in 2009 and did address the idea of a build-out study. There was a couple of paragraphs in the very beginning, like starting on Page 2, that says essentially what Jean said before. It becomes so speculative in a sense that it's not even helpful. That's why the sustainable development study looked at the horizon that it did.

Council Member Kou: Would also Stanford also consider for the Foothills to be Foothills and open space forever?

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Ms. Palter: The Foothills are considered an academic resource. There isn't any immediate—there are limited academic facilities out there. There isn't any plan right now for any substantial development out there. That's why we're not seeking to move the academic growth boundary. Permanency is something entirely different.

Council Member Kou: That's quite a concern since no maximum build-out is discussed. I understand that it's hard to consider what could happen in the future. Yet, that's a very important open space with an ecosystem of its own out there. Also, in what you were talking about, you spoke mostly about housing for the students and for your faculty. I didn't hear anything about housing for the workers, your janitors and lower-income staff members who, I understand in some of the community meetings that I've been attending, come from the East Bay. Is there any plans in order to provide that sort of housing for them on campus since we're also trying to reduce the number of trips that are incoming?

Ms. Palter: Traditionally, Stanford has been a residential university since its beginning. The core campus has really been used for students and faculty. It's part of that living/learning environment and really the access to each other in order to continue the teaching and research. Stanford has provided quite a bit of staff housing, but it's outside this core campus area that this permit addresses. There's staff housing at Stanford West. We have an application pending in Menlo Park for more. When we're talking about the core campus, the priority really is for students and for faculty because of that mission. I will say we do seek to support staff in other ways with these TDM programs that are continuing to evolve. We are hearing the discussions that we've heard at these community meetings and trying to get a better handle on exactly what types of solutions might work in terms of if people are coming from the East Bay how can we support them through TDM as well.

Council Member Kou: Talking about TDM, there's a group of Council Members that are going to D.C. and going to be speaking with some of the other officials over there about transportation. I'd hope that Stanford would also join in, in terms of pushing for regional transportation that is a little bit more longer term and strategically thought out in terms of things like subways. I know these are all long-term things, and there's a lot of funding that might be needed. It's definitely a good thing if you can lobby along with the cities that you have boundaries with, then perhaps we can resolve some of these issues in terms of trips and so forth. Can you do that? We've been talking about Caltrain mostly and electrification and funding for that. I think in a bigger picture and on a higher level we have to look at regionally. Just coming up with these little solutions about providing shuttles and

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providing these busing or TDMs is just a very short-term method. If we're going to continue to grow the way that we are, which based on your numbers you can see that it is large growth. To be successful at your no net new commute trips goals, it has to be viewed at a higher level. I hope that you can commit in terms of lobbying State as well as Federal for a more strategic outlook on transportation. There was a gentleman here that spoke about traffic analysis. While there's a lot of good that Stanford does, there's also a lot of negative impacts that the community surrounding you does get to feel. One of them is you speak a lot about VMT; however, I would really like to see you also take on the Level of Service (LOS) as well, what the impacts on our intersections are here in town locally because that's something that is felt locally. While you're saying there is no net new commute trips, for us who live here we don't feel that. We feel there is an impact there. I hope that you won't just cross out LOS evaluations in your traffic studies and only look at VMT.

Ms. Palter: I can clarify. The EIR the County will produce will have a level of service analysis, and it will assume that the no net new trips does not work. It will disclose the impacts if Stanford is not successful. On top of that, there will be mitigation to say you would meet no net trips. Those congestion impacts will be disclosed in the EIR.

Council Member Kou: Do you have ongoing traffic analysis after—should the GUP be approved, is there ongoing traffic analysis that you guys do, that Stanford does?

Ms. Palter: The County does. The County hires and manages an independent consultant who does the no net trips calculation. That's not a Stanford calculation.

Council Member Kou: Lastly, that slide on the no net new commute trip goal, you said that if Stanford violates the number of trips, there is a fund you have to pay. Since 2000, has there been any violations?

Ms. Palter: Under the 2000, we have not. We've met that goal every year. The idea of a fund is brand new. It's part of this application. Right now ...

Council Member Kou: For the 2018?

Ms. Palter: Yeah. Right now in the 2000, if Stanford didn't make its no net new trips goal, it would need to pay its proportional share of intersection fixes. It was very much the traditional EIR analysis, where you would pay to fix intersections. Taking that idea and shifting it a little bit, saying instead of fixing the intersections, why doesn't that money go to having other TDM programs that the community would do.

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Council Member Kou: That fund actually goes to County?

Ms. Palter: It would go to the County, yes.

Council Member Kou: County decides how it's going to attribute the funding to whichever city it is.

Ms. Palter: That's right.

Council Member Kou: Palo Alto would not possibly get it.

Ms. Palter: I think it would be similar to the affordable housing fund. If funds are generated by the County, they could say, "We have these funds available." Palo Alto could say, "We've got a program that we think, if we had this funding, we could implement, and it would take these number of trips off the road."

Council Member Kou: I see. Thank you.

Ms. McCown: What they've done with the housing funding—this is all a proposal, so obviously it's open to further comment and discussion. Under the housing concept, they accumulate a certain amount of the affordable housing funds, and then they make a notice of availability to the nonprofit community and say who would like to propose a project that might use some of this money. If that's a model, that could be the way they handle a transportation program.

Ms. Gitelman: If I could interject one thing that maybe Council Member Kou is getting to. I think the fund that Stanford is proposing accrues in years that you don't meet the goal. So many transportation programs and projects are contingent on a steady stream of funding and being able to predict when funding is going to come online. It's going to be a little harder to make valuable use of those funds if it's just this is the year and all of a sudden there's a deposit in the account. If you know what I mean.

Mayor Scharff: Thank you. I also had a couple of comments. First of all, I wanted to thank you for the presentation. I thought the plan was very well thought out. I thought you guys did a really good job. I think you're going in the right direction. I think the framework is really well done. With that said, I think my only real concerns were you talked about—Cory touched on the 6-mile radius issue. I guess it's a broader issue. You have the fine issue—maybe not fines. If you exceed the trips, you said you were going to pay into a fund. My concern is that the money would go frankly far afield in Santa Clara County as opposed to being in this region where the impacts are. I think we need to really look at that. There's four supervisors who

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have other districts, who obviously need money as well. If the impacts are here, I think the fund should stay here. I think that's especially true of transportation. I would much rather, frankly, have any transportation dollars come to us. We know how to spend them better, frankly, than the County does in terms of impacts in Palo Alto. I don't necessarily think it's very helpful to have the money just go to the County to be doled out for transportation projects. I think it'd be much more helpful for us to, frankly, have it or at least share that in some way. I do think that there will be some impacts on Palo Alto on all of this. To the extent that it comes in, I would encourage the mitigations, frankly, to be the way we worked the hospital issues out, where they were mitigated and we had funds to deal with the mitigations. I think that's a lot easier than any other way in solving these issues. In looking at the broader issue, I think if there were transportation issues, I would be interested in funding. Obviously, I think it behooves both Stanford and Palo Alto to work together to help with the Stanford Research Park TMA to the extent that could use more funds. That benefits Stanford. The more we can put money into transportation in the Stanford Research Park, the more we're solving a particular problem. I think that helps College Terrace. I think it helps everyone. I would also say that, frankly, helps the Downtown and helps California Avenue. I think we can create linkages between California Avenue and the Research Park and solve trips in both of those. I think everyone benefits. We're going to need a California Avenue TMA. To the extent that Stanford can be involved in helping get that off the ground, I think that helps reduce trips. I would encourage you to think creatively and to think how—in going forward on this, this shouldn't be viewed as a negative in some way, but how we can actually reduce trips. I was struck by your water usage. People still talk about there's a limit to water. At 2.73, you were coming up against that water limit, and you reduced it in half and added a million square feet. I don't necessarily think there are limits. I think it's just smart planning that goes along with it. You guys seem to do a really good job with that, and you have the resources to do it. I would just encourage you to use those resources to make it a win-win situation for everyone involved. Thanks. With that, I think we're done with that item. Thank you very much for coming. We should get Tom. Is he in the back? Does someone want to go back?

Agenda Changes, Additions and Deletions

Council Member DuBois returned to the meeting at 8:11 P.M.

Mayor Scharff: Our next item would be Agenda Changes and Deletions. Staff requested that Item 11 be continued to March 6. You requested that the SoBi bike be moved to March ...

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Ed Shikada, Assistant City Manager: Ninth—6th. Sorry. It's Item Number 9.

Mayor Scharff: Nine and 11 both be moved to March 6th. Is that correct?

Mr. Shikada: That's correct. At this point, if I could be clear on that. We are anticipating that Item Number 9, the SoBi bike item, could remain on Consent Calendar. If there are any questions that Council Members would like to pose to Staff, we have our window to do that. We can respond accordingly.

Mayor Scharff: I understand you were moving this because there were some technical issues you needed to resolve in the next week, and also there were some Council Members that indicated they may have some questions regarding the SoBi bike issues. I would encourage you, if you do, to have those questions answered. I believe I need a Motion to move Items 9 and 11 to March 6th.

Vice Mayor Kniss: So moved.

Council Member Holman: Second.

MOTION: Vice Mayor Kniss moved, seconded by Council Member Holman to continue Agenda Item Numbers 9 - Approval of a Contract With SoBi ... and 11 - Adoption of a Resolution Amending Resolutions 9473 and 9577 ... to March 6, 2017.

Mayor Scharff: If we could vote on the board. That passes unanimously with Council Member Tanaka absent.

MOTION PASSED: 8-0 Tanaka absent

City Manager Comments

Mayor Scharff: Now, we have City Manager Comments.

Ed Shikada, Acting City Manager: Thank you, Mr. Mayor and members of the Council. I believe we've got a graphic we want to show. I do have a few items I'd like to cover, one of which is related to storm preparation and response. Recognizing the storms over the last week in particular but also over this entire season to date, we certainly want to acknowledge the challenges that other communities have had. That said, here in Palo Alto, we want to both recognize our good fortune that we have not had significant flooding events. As I say, sometimes it's better to be lucky than good. In our case, I would like to say that our Staff has been really good in both the preparation and the coordination that's been needed in order to maintain

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safety in our community. I'd like to spend just a couple of minutes going through some of the particular items and actions that the City has been involved with. First, noting that this has been a multiyear effort, certainly since the last major flooding in Palo Alto, there has been major capital investment as well as ongoing planning for significant upgrades along the San Francisquito Creek. That said, on an ongoing basis, every year the City does participate with a number of our partner agencies in preparation both for avoiding the likelihood of flooding as well as being prepared to respond. Really, over the past 4 years or so, we have been practicing and coordinating on a regional basis with two counties, at least three cities, and multiple agencies in order to maintain a state of readiness and ability to respond quickly. In particular, over the course of the last year, during the first week of September, the San Francisquito Creek Joint Powers Authority, JPA, coordinated its annual 2-day walk with the Cities of East Palo Alto, Menlo Park and Palo Alto as well as San Mateo County and the Santa Clara Valley Water District to inspect the creek bed between Highway 101 and Sand Hill Road. We have a photo of the walk in the lower left corner as well as some of the vegetation that is typically found in the creek bed. As in years past, the City of Palo Alto has participated with these agencies in order to identify the appropriate responsibility and jurisdiction for agencies to do clearing of vegetation where consistent with environmental regulations. In the past year, gone so far as the City contacting individual property owners to gain rights of entry to trim trees and remove vegetation where the existing easements were not sufficient. During the past year prior to the storm season, within Palo Alto City Staff has completed a number of regular tasks including checking storm drain out falls in every creek, assembling sandbags for distribution—this year more than 5,000 sandbags were filled with sand by Staff—removing trash and vacuuming all seven of the pump stations to ensure they're functioning, clearing trash capture devices as well as 3,000 inlet and catch basins. All of these completed before December 1st. Staff also inspected approximately 25 private development sites that have been identified as potential discharge sites for the storm drain system as well as ongoing routine pruning and tree inspections outside the creek as well during the course of the year. In terms of emergency preparation, City and in particular Office of Emergency Services led a number of regional emergency operations and preparedness workshops in preparation for the season including a number of exercises to remind and prepare staff from multiple agencies of responsibilities in the case of large events. The simulated exercises have been particularly put to practice during the six storm events to date this season. Whether these events were requiring diligence and particular monitoring in the evening, weekends or whenever it happened to require extra staffing, Staff provided this ongoing monitoring of the situations and communication among agencies, including weather forecasts through the City's homepage as well as special flood

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webpages and very active and live streaming of information via the City's website, also conducted ongoing inspections of what we refer to as the trash rack at West Bayshore Road at the Highway 101 crossing over San Francisquito Creek as well as coordinating with Caltrans on its repair. We see in the upper right corner a photo of the damaged trash rack after the last major storm, which through our direct contact with Caltrans as well as our State legislative representatives ensure that Caltrans was aware of the sense of urgency that was needed and followed up very quickly. This past storm on February 7th, the measured flow in San Francisquito Creek was roughly 4,800 cubic feet per second indicated in general in the upper left photo where, as you see, this flow reached approximately 2 feet from overtopping floodwalls along the creek. Our coordinated efforts with Caltrans, East Palo Alto, the Joint Powers Authority allowed us to ensure that this situation was monitored and Staff was prepared to address specific issues such as localized flooding as well as levee reinforcement, which is shown in the upper center of the photo, in order to address small leaks that were identified during the storms. While we're not officially out of the storm seas, we certainly want to acknowledge the hard work of our Staff in a variety of circumstances in order to maintain our diligence as well as respond quickly when needed to address storm issues and maintain community safety. Moving on. In terms of looking forward to a few items on the Council agenda as well as items of upcoming information. In the Evergreen Park/Mayfield Residential Permit Parking item, I wanted to let the Council know that—to provide you with a quick status report on the rollout of the Evergreen Park/Mayfield RPP program that you approved on January 23rd. Staff is finding that the implementation tasks are taking a bit longer than hoped, and specifically signs which will implement the new parking restrictions will not be installed until April. This means enforcement will begin in early May. We will be using the time between now and then to make sure that residents and employees are informed of the program and to make permits available via our website. We expect that residential permits will be available starting mid-March. Employee permits will be available in three phases, first to people on the waiting list for lots and garages, then to low-income workers, then to other workers in the program area. We are preparing a mailing to residents and businesses with a precise timeline and program (inaudible) disseminate these details via the Nextdoor platform as well as our website. Of course, we'll also keep the Council informed as this rollout continues. Next, a study that has been anticipated for some time, the Center for Disease Control and Prevention Epi-Aid study. We expect the final report on this work to be released this Friday. As you will recall, at the beginning of 2016, the Palo Alto Unified School District with support from the City and Project Safety Net requested that the Center for Disease Control and Prevention conduct an Epi-Aid study to better understand youth suicide both within our City as well as in our region. In collaboration with the Santa

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Clara County Public Health Department, the Epi-Aid Study has now been completed. We understand that the report will be released this Friday morning, March 3rd, on the Santa Clara County Department of Public Health's website. I'll provide the address here, and we'll also distribute it. It's www.sccphd—Santa Clara County Public Health Department--.org/epi-aid. The City is working closely with Palo Alto School District and Project Safety Net partners and will coordinate dissemination of the report as well as a response to the report's findings after it is released. On March 22nd from 4:00 to 6:00 p.m., Project Safety Net is planning to host a special community forum on the Epi-Aid report. A location has yet to be determined, but the meeting will be open to all that are interested. More information will be posted on the psnpaloalto.org website. Just a couple more upcoming items of note. Community meetings related to the California Avenue parking garage that is being developed in conjunction with the Public Safety Building. On March 8th, two community meetings will be held to present options and gather input for the proposed California Avenue parking garage to be constructed in advance of the planned Public Safety Building. The first meeting will be held during the day, 9:30 a.m., at the Palo Alto central meeting room, 122 Sherman Avenue, Suite A100. Second meeting will be held that evening at 6:30 p.m. at the Escondido Elementary School multipurpose room. The information presented at the meetings will be identical, so those interested would only need to attend one of these meetings in order to fit their schedule. Finally, I would just like to note—I'm sure I'm testing your patience here in City Manager Jim Keene's absence. I just wanted to report to you that we all know that his return is eagerly anticipated. He's now, I think, informed all of you of his planned return in mid-March, a few weeks longer than originally expected to be out. As we all know, recovery from a medical procedure can take its time. Jim is doing fine, but he's not running. Thankfully he's not out running yet, so hopefully you won't see him out running on the street. If you do, let me know. I'll have a conversation with him on that. We have been juggling items on the Council agenda so that we can cover the items or actually allow time for Jim to involve himself directly on those items he's indicated he wants to have personal involvement with. As a result, we may be juggling some items to a slightly later date than originally anticipated. I also want to apologize for some of the hiccups that you've seen in our choreography of the items and perhaps being a little less nimble in anticipating the time it will take to get things through the Council discussion. With that, I'm sure we all look forward to seeing Jim back. That concludes my report.

Mayor Scharff: Thank you very much.

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Oral Communications

Mayor Scharff: Now, we'll move to Oral Communications. We have a number of speakers. You'll each have 2 minutes. Our first speaker is Beth Bunnenberg, to be followed by Sea Reddy.

Beth Bunnenberg: Hello, Beth Bunnenberg, 2351 Ramona Street, Palo Alto. I'm speaking tonight as an individual. This is just a brief report to you about the Palo Alto Historical Association. As you may or may not know, the Historical Association has a contract with the City to maintain the archives. Currently, that's located down in Cubberley at Room K-7. In addition to that, we have been given the extra job of providing information about Palo Alto to the public. We have once a month Sunday meetings. I want to bring to your attention a special one that's coming up. This one is about a very sad series of events that happened about the time of the beginning of the Second World War. It is the 75th anniversary of Presidential Order 9066 for the internment of Japanese-American people in isolated camps such as Manzanar, Tule Lake, and Delta. The program is being presented by Dick Mansfield, who's well known, and Mr. Shimomura, who will be describing his actual experiences in one of these camps. These camps produced emotional trauma to the people who were there, produced terrible physical suffering, and of course financial loss. This has eerie aspects of things that are going on today. Hope you can come. March 5th, and you should have announcements up at your place.

Vice Mayor Kniss: Thank you, Beth. Sea Reddy is next, followed by Mark Grossman. Good evening.

Sea Reddy: Thank you, Vice Mayor. All aspiring young people—not necessarily young, everybody comes. They seek education and jobs worldwide. They do not expect to come and be shot by an alcoholic. This happened in Kansas last Wednesday. There's a lot of talk about racism and all that, but I think more importantly this gentleman had a chronic alcohol issue. He was depressed with his father being passed away. How did he get hold of the gun is the question. Who was careless? I think we all need to reflect back on this. Alcoholism plays a major role in many of the elements in our society. I request that we all be vigilant, make sure that we protect them, give them the help we need. That way, the victims' families do not suffer the rest of their lives. Thank you.

Vice Mayor Kniss: Thank you very much. Mark Grossman followed by Timothy Mulcahy.

Mark Grossman: Thank you. I'm Mark Grossman, 2063 Byron Street. I'm here as an individual and representing the leadership and membership of

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350 Silicon Valley, a local grassroots climate organization with over—I don't know how many active members, hundreds, with many of them living in Palo Alto. I'm here to ask the City to create a measure to move financial services and holdings to an institution not funding the Dakota access pipeline as taxpayers, a lot of us, want to make sure our City invests its money according to the values of the City, which largely are extremely environmentally positive. The Dakota access pipeline project harms not only the local communities, native American land—some of it sacred—but it also harms the climate. It can come right back and affect Palo Alto. Completing this pipeline—it conveys some of the dirtiest fossil fuels on earth for production and would be the equivalent of creating 30 new coal-fired power plants. Climate change has already affected us. It'll contribute to extended droughts, which we've seen, and to severe flooding, which we've also seen. We're due for more drought. Earlier this month, hundreds of people appeared in front of City Hall. Council Member Wolbach spoke in support of our demonstration in front of the banks Downtown. I'm asking you to continue to green Palo Alto and take this additional step. Thank you.

Vice Mayor Kniss: Thank you. Hang on just a minute. Are you Timothy? Yes, come on up. What we'd appreciate is that you don't clap or boo or cheer, because whomever is at the mike may be intimidated by that. We'd appreciate that. You can wave your hand or something to indicate support or not support. Thanks. Welcome.

Timothy Mulcahy: Thanks. Hi. I'm name's Tim Mulcahy. I'm a dentist in Palo Alto. I'm here to speak again about the RPP program in Evergreen Park. I recognize that this is a really important community program. The City Council hopefully also recognizes that it, as written, has serious consequences. The parking needs of our dental practices were not considered or even discussed in setting this program up. We are left without the opportunity to purchase any parking permits. Yet, companies that have been here a shorter amount of time and have a bigger impact on the parking are able to purchase these permits. This is not fair. It's not right. Over 1,100 people have signed a petition saying so. I think you guys have gotten that petition and the information from that. Without permits, our patients will have to park in the neighborhood. This is inconvenient to them. More important, it doesn't make much sense. It brings more traffic into the neighborhood and creates more movement. Even the mini section of Park Avenue right outside my office is considered part of the residential parking district, and now we won't be able to use it in this deal. I would like our Council to consider crafting an amendment to the RPP granting permits to local dentists and, at the very least, delay enforcement during the first pilot year until we can get some resolution involving all stakeholders, everybody. I ask that we be able to use Park Avenue, the little mini street in front of our

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offices, because as of right now we won't even be able to use that. It's common courtesy. I think that in general we should have been consulted. It should have been part of the deal. We should have been in those meetings, and we were not invited. Thank you. Appreciate your help. Thank you.

Vice Mayor Kniss: Thank you. Our next speaker is Stan, whose last name I won't try to pronounce.

Stan Bjelajac: Good evening all. I'm a dentist in Palo Alto. I just wanted to echo some of the comments from my colleague, Tim Mulcahy, and reiterate here on the record that our dental community strongly supports the RPP program. As it's set up in the Evergreen area starting April, we won't be able to provide for our staff. I know that the City never intended for that to happen. A lot of our neighbors are our patients. We are all one community. All we ask for is an opportunity to either bring this back on the agenda—not the RPP program itself but the distribution, the type and quantity of permits or direct the Staff to work with us so that we can make this pilot program a success for everyone involved and set a precedent for years to come. I hope that you guys can accommodate us on that end. Thank you.

Mayor Scharff: Thank you. Melanie Liu to be followed by Tara Sood.

Melanie Liu: Hello. I'm Melanie Liu, 2003 Edgewood Drive. Native Americans were the original habitants of this land. They were the original protectors of this land.

Mayor Scharff: Why don't you pull the mike down just a little bit. Thanks.

Ms. Liu: Can you start my time over? I'll start over. Melanie Liu, 2003 Edgewood Drive. Native Americans were the original inhabitants of this land. They were the original protectors of the land, the air, the water, and of life yet unborn. After 500 years of resistance against ruthless suppressors of astonishing greed and as a prophecy of the seventh generation has foretold, at a time when life as we know it is on the brink, members of the Standing Rock Sioux Nation have risen. They have called for an end to business as usual, an end to the Dakota access pipeline, an end to the pillaging of mother earth. Many people in the Bay Area, including our town of Palo Alto, have heeded this call, people from all walks of life. We've had four rallies in Palo Alto. Our last rally on February 11th yielded 600-700 people who rallied in front of City Hall and marched to eight banks, asking to defund DAPL and respect mother earth. We commend Ash Kalra for submitting AB 20 for legislative review to divest CalPERS and CalSTRS from DAPL. We commend Cory Wolbach for coming out to our rally and speaking in front of City Hall in support of this issue. We commend Palo Alto for

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having a Chief Sustainability Officer. I spoke with Gil Friend last Friday. He said it was a good question that I asked of him, which was where does Palo Alto bank. He said my reason for asking this question was a just and good reason as well. After some digging as a good citizen acting on behalf of life yet unborn, I found from Tarun Narayan that we bank with Wells Fargo and U.S. Bank. I urge Palo Alto as a self-declared leader in environmental issues to walk the talk, to pull our money out of DAPL, out of institutions that bank and fund DAPL. Think globally but act locally, divest. Secondly, adopt ...

Mayor Scharff: Thank you.

Ms. Liu: ... a socially responsible banking Ordinance post haste. Thank you.

Mayor Scharff: Thank you. Tara Sood to be followed by Robert Walmsley.

Tara Sood: Good evening. Thank you for allowing me this opportunity to speak to you. My name is Tara Sood. I'm an emergency physician. I was at Standing Rock in December 2016. I can assure the atrocities that you've probably seen on the media and through social media were only a tip of the iceberg of what was actually occurring at Standing Rock. Most of my time there, I was the only physician at camp, so I was witness to the injuries and the illnesses that were caused there. I took care of the lady who lost her eye to a rubber bullet. I took care of the man who suffered from hypothermia because they stripped him down to his underwear outside in negative 30-degree weather. I cared for injuries and broken bones that were caused by senseless beatings. I cared for grandmothers who had chemical pneumonitis from teargas. Sorry, I get emotional because this is very personal to me. I'm not a lawyer. I don't understand the legal definition of human rights violations, but I do know what's happened there is wrong. By investing in banks that fund the Dakota access pipeline, we're indirectly participating in these atrocities. We cannot sit around and pretend we don't know what our money is supporting. I urge you to divest from the banks that are funding the Dakota access pipeline. Thank you.

Mayor Scharff: Thank you. Robert Walmsley to be followed by Kirsten Flynn.

Robert Walmsley: Hello. My name is Robert Walmsley. I come here to speak to you tonight on what I believe will be considered the defining issue of my generation, climate change. We will have to answer to our children and our grandchildren as to what we did or did not do to avert this crisis. It is now too late to entirely avoid the consequences of what we have wrought, but there is still time to avoid burning down our planet. I come to you tonight to ask for one small step in the long fight to save our planet. Let's say no to the Dakota access pipeline and the environmental destruction it

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enables. I ask for the socially just action of removing our money from the institutions that financially support this project. As we are all aware, we cannot look to Washington for help. We must act in whatever ways are open to us. Money is the one thing these institutions really care about. Let's take it away from them. I ask the City Council of Palo Alto to divest from all institutions that support DAPL or in fact any activity that furthers the destruction of our planet. This is the very least we can do to support those who fight courageously for this cause in our name, most of whom are native peoples. Thank you.

Mayor Scharff: Thank you. Kirsten Flynn to be followed by Keith Bennett.

Kirsten Flynn: Hi there. Thank you for listening to us. I really do appreciate it. Got to get my phone to go on. I'm here as a Palo Alto citizen, and I live in 471 Matadero in Ventura. I ask that the Council, as my previous speakers have, consider divesting from all banks that offer any kind of financial support for Dakota access pipeline or the newly resurrected Keystone pipeline, which I thought we were finished thinking or talking about. I was raised in Palo Alto. I went to the same elementary and high schools as my kids. I raised three children in Palo Alto, and I actually have 15 family members in Palo Alto. I think of Palo Alto as a good place to raise a family, and I think of it as a City that cares about families. I also think I'm a reasonable person. I usually leave you guys more or less alone to do your jobs, because I think you do a pretty good job. There are times that I make decisions based entirely on values. Any monies that are spent on fossil fuels are monies that are spent directly against the future of my children, because it is them that will have to reap the effects of global climate change. For those reasons—I should have turned it not to turn off—every dollar is a vote how you want the world to be. It's one of the only votes that, I think, sometimes counts. Please spend our City's dollars wisely. Thank you so much. Please consider this action.

Mayor Scharff: Thank you. Keith Bennett to be followed by Mark Petersen-Perez.

Keith Bennett: On March 7th, Council will discuss regulations for construction dewatering. Save Palo Alto's Groundwater has sent two presentations to Council, a presentation to the December 14 PSC and information requested on local versus broad-area dewatering prepared by Dan Garber. Dan and I are available to answer questions and provide additional information as requested. Palo Alto residents have been concerned about the impacts of construction dewatering since before 2004. We now have hard factual data, not just hypothetical reports, supporting our previous concerns. The amount of groundwater extracted and dumped in

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2006 from the construction of eight basements was enough to irrigate 5,000 average Palo Alto lots for one year. Groundwater levels are significantly lowered during dewatering, not only under the applicant's property but under neighbors' properties hundreds of feet away. Local area dewatering using secant or cutoff walls is a proven locally used practice for underground construction in areas of high groundwater. However, we should also carefully analyze the cumulative effects of basements and cutoff walls to ensure that they don't permanently impede groundwater flows and reduce storm water management capabilities. The enhancements of Staff's proposed 2017 program mainly correct obvious deficiencies in the current program. We request that all new regulations apply to all projects from enactment onwards without grandfathering and without exceptions. Community groundwater can no longer be treated as construction waste. We also ask that you direct Staff to propose policies for 2018 onward that achieve zero waste of groundwater without increasing flood risks. This goal can be achieved by working together. Thank you.

Mayor Scharff: Thank you. Mark Petersen-Perez to be followed by Rita Vrhel.

Mark Petersen-Perez: Mr. Mayor, before you start the clock, I need to hook up the ...

Mayor Scharff: Sure, absolutely. Let us know when you've got it.

Mr. Petersen-Perez: I think we all know who this person is. It's one of the reasons why Palo Alto Free Press went dark. He filed a federal complaint indicating that we copyrighted this photo. I'm in the middle of a legal battle with Go Daddy and other entities and concerns. For the general public, if you want to know, this is the reason why. He claims to be a First Amendment advocate, but obviously that's not true. I just wanted to share a couple of things with you. I'm getting set to go off on an expedition again. This is one of my vehicles. This is on the island of Isla de Ometepe in Nicaragua. I'm a citizen of Nicaragua. I live in a—speaking of groundwater, I live in Ticuantepe, which is—we're sitting on one of the largest aquifers in all of Central America. Believe me, the water is quite tasty. I'm set to take off on expedition again. I'll be driving my vehicle to Panama. I'll be putting my vehicle on a [foreign language], and then I'll be traveling on to Caracas, Venezuela, and beyond. I've made the trip to Panama, roundtrip, seven times in various vehicles. It's quite a journey. I'd like to dispel the myth about driving through Mexico. I've traversed all of Mexico, all of Baja, California, Guatemala, Nicaragua, Belize. I've just been in just about every country in this side. Nicaragua is the second poorest nation in the western hemisphere, next to Haiti. There's a lot of poverty there. I'll tell you that

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my total monthly expenses is less than \$400 a month. My investments there—my rate of return generally has been about 10 percent for the past 20 years. It's an incredible return on my investment. I would encourage anybody to visit Nicaragua. It's a warm, friendly, embracing place. Before I go, I'd like to tell the person that's covering for Jim Keene you've done a fantastic job pitching in for him. I spoke to Jim on the streets of Palo Alto the other day, and he's recovering. Thanks again for the tremendous effort that you have put forth.

Mayor Scharff: Thank you. Go ahead.

Rita Vrhel: Rita Vrhel. I'd like to invite the public to the special City Council meeting on March 7th, Tuesday, at 6:00 when the important issue of the 2017 and '18 regulations for dewatering during residential basement construction will be discussed and voted on by the City Council. This will probably be the accumulation of savepaloaltosgroundwater.org's probably about a year and a half of work. In February of 2016 we were asked to present alternative methods of construction which would decrease groundwater extraction, and we did that. We've worked with Public Works to formulate reasonable regulations. Some of those were taken out. I'm hoping that the City Council will settle this issue once and for all by simply regulating that no extracted groundwater can be put into the storm drains either in 2017 or 2018. This would protect property owners' rights. They could build their basement; they just have to figure out what to do with the groundwater. They can use alternative construction techniques. They can percolate it back onto their own land. They can have some of it trucked away for use by others, or they can have the neighbors use the water. They can schedule construction so that minimal delays occur, which also will protect the groundwater. This is the community's groundwater. As Keith said, in 2016 eight projects dumped 140 million gallons of groundwater. Extracting groundwater compacts soils and sets us up for floods. Thank you.

Mayor Scharff: Thank you. Jeff Shadoin to be followed by Mehran Fotovajah.

Jeff Shadoin: Good evening. My name's Jeff Shadoin, and I wanted to make mention of the Residential Parking Permit program. I live in Evergreen Park, and I work in Downtown Palo Alto. I just want to be honest; I've never really had a problem finding a place to park in Evergreen Park, but I do have some concerns with some of our local doctor offices and them being able to find places for their patients and also for some of their workers. Some of my colleagues that I work with currently have access to residential parking in Downtown Palo Alto, which I think works fairly well. A couple of concerns with it going to lower-income folks and not being even across the

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board. I think that's another topic. I really hope that you guys would take that into consideration for some of these folks. Second one I wanted to mention is I don't think El Camino is in the guidelines for the RPP program. I do on a very constant basis see a lot of camper and mobile homes parked on El Camino, which I think tarnishes Palo Alto a touch. Just wanted to make mention of that. Thank you.

Mayor Scharff: Thank you. Mehran to be followed by Christopher Bedford.

Mehran Fotovajah: Good evening, Council Members, Mayor. My name is Mehran Fotovajah, and I'm (inaudible) practices dentistry on 1805 El Camino, which basically falls into Evergreen district. I understand the RPP for our district was voted on last month. We also feel that we never had a chance to really investigate and measure the impact that this imposes on our practice. We were informed that there are 250 permits that were issued to the employers in our district. However, my understanding is that all those permits have been sold, and now there's just a long waiting list. My building gives us four parking spaces, and I have five employees including myself. All of my employees travel long distance. Two of them actually live in the East Bay. We decided to basically try different things. One of the things is to park in the parking structure on California. It takes them a good 15-20 minute on top of their long commute to get to our building. Even parking on El Camino is becoming more challenging. If you try to park after 7:30 a.m., those parking spaces are all filled. It seems all of those filled by either the employees from Stanford or their students. This is a major problem. We understand the concern that Palo Alto residents have, and we're not against RPP. We just want a better solution that meets everybody. It appears that the Council Members will be voting on RPP for the Downtown area next Monday. We feel that all this district are tied together. We're requesting to put the RPP for the Evergreen district back on the agenda so we also can express our concerns. Thank you.

Mayor Scharff: Thank you. Christopher Bedford to be followed by Eric Wu.

Christopher Bedford: Hi there. Thanks for letting me speak. My name is Chris Bedford, and I'm not a resident of Palo Alto. I work in Palo Alto, and I like Palo Alto a lot. I'm here to second the other speakers who were talking about your City's hopeful divestment from anything associated with the Dakota access pipeline. I'd like to add to that I really hope that you guys consider divesting from any financial institution that's investing in any kind of pipeline. The reason I am urging you to do that is I agree with the other speakers. They made some really good points, especially the Dakota access pipeline is really desecrating a lot of ancestral burial grounds of native Americans. I really think that after 500 years those folks have really

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suffered enough. There's a moral argument to it, and there's also, I think, a really practical business argument to divestment. Aside from the fact of climate change and we're all at risk of having our planet burned to a crisp and seeing droughts and floods—there's that—does an oil-based economy really make economic sense? From what I've read, we subsidize the oil and gas, fossil fuel, industry. We subsidize them \$4 billion. There was an article in the *New York Times* recently, the title of which was Should We Really Be Subsidizing the Fossil Fuel Industry to the Tune of \$4 Billion a Year. I've also seen estimates of 10 billion. I don't know what the exact figure is, but I do know that most of those estimates don't even begin to take into account the amount of money we spend on military adventures in the Middle East to protect our access to these oil supply lines and the blowback that we get from being in these countries from terrorists who don't want us there. This whole bet on an oil-based economy, to me, makes no sense at all. We shouldn't be subsidizing companies that are continuing to make that bet. Thank you very much. I appreciate your time.

Mayor Scharff: Thank you. Eric Wu to be followed by Stephanie Munoz.

Eric Wu: Good evening, Mayor and Council Members. Eric Wu, orthodontist in Evergreen Park. I realize the RPP in Evergreen Park isn't scheduled until the March 6 meeting, but I wanted to add a few thoughts this evening. First of all, I'd like to say our office, our staff members, our patients support the RPP program in Evergreen Park 100 percent. We understand the importance of decreasing the number of single occupant vehicles and nonresident parking. In fact, we were the first orthodontic office years ago to be certified as a Bay Area green business by the County of Santa Clara and continue to do so voluntarily. However, with the current structure of the RPP program in Evergreen Park proposed, I am very concerned with the inability of myself to purchase parking permits for my eight, full-time, highly skilled employees, who serve the residents of the greater Palo Alto community. In a week's time, Council is set to hear from many of my other dental colleagues throughout the City of Palo Alto on March 6th. I can tell you the dental community has been working very closely with neighborhood leaders over the course of the last few weeks. We've made great strides in our progress. I do respectfully request Council to consider amending the RPP for Evergreen Park to prioritize and allow neighborhood-serving businesses such as healthcare providers, such as dentists to purchase parking permits for their employees. Thank you.

Mayor Scharff: Thank you. Stephanie Munoz to be followed by Neilson Buchanan.

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Stephanie Munoz: Good evening, Mayor Scharff and Council Members. There's a trilogy that keeps going around and around in this Council and back to the newspapers and back to the public and back to the Council. It's the housing, the transportation, and the industry and the money, the taxes to pay for it all. When Ms. Stanford got together with her friends and developed the City of Palo Alto, like the medium is the message, the town was the Comprehensive Plan. They said we're going to have houses here, nice houses. We're going to have some stores here and some doctors and some dentists. We're going to have all these things in this town. Nearly 100 years later after the second World War and people had a different way of looking at life, they decided that we needed something more. We needed a lot of money. It would be good to have industry up on the Stanford lands instead of houses because it brings in money. Whereas, houses don't bring in money. They never stopped to think that it brings in also traffic. If you put the industry here and the workers have to live over yonder, they're going to have to get back and forth somehow. That means cars, and that means bad air quality. We've been looking at that. I think two things about that. Because you're studying Stanford tonight, I'd like to ask you to please, please do not let Stanford tear down Escondido Village. Council Member Holman talked about embedded energy a few times ago. It's really very wasteful to take houses that are useful and not too spread out and throw them away, especially when Stanford has thousands, literally thousands, of acres to put their new housing on. Please. Thank you very much.

Mayor Scharff: Neilson Buchanan to be followed by Reza Riahi.

Neilson Buchanan: Thank you, Council. I'm here to say a couple of things about the launch of the Evergreen Park permit program. I'm not sure why I get roped into some of these tangential things. Apparently I'm the longest and oldest surviving resident person with the Permit Parking program. I hope I'm not, but that's what I was told. Let me just reflect on the launch of the Downtown Permit Parking program. The program was a pretty safe start because we started with an outrageous 2,000 limit on sales. There was just no way you were ever going to have to worry about not having enough permits to distribute to people who were interested. Indeed, that's what happened. There are a couple of risks with the launch here. One, you've got a whole lot of people a little bit nervous about getting started. That's normal. I keep telling people to keep your eye on the ball. What you really want to think about is mid to late-May, when the thing is stabilized, they're starting to give tickets, parking patterns settle down, we'll know whether we've got stability. The question is between now and then will there be enough permits to serve the businesses Downtown. That was one of the tenets of the Downtown Parking program. We were not going to disadvantage anybody that was currently employed. We weren't going to be

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business disruptive. I'm pretty sure Staff has got the right number, that would be a safe number to get started. What I object to and I think is dangerous is the prioritization. There's a three-step prioritization. I think some people might get on the first priority that really don't deserve it. What happens if you're selling permits to a business that is nonconforming? By having strata, you actually could have maldistribution. I think it'd be a better launch to have a free-for-all and not have the priorities that the Staff has recommended. Thank you.

Mayor Scharff: Reza Riahi.

Reza Riahi: Good evening, Council Members. I've been coming here for some time also, not as long as Neilson obviously. I've brought my son tonight. In case this takes longer, he'll take over after me. I'm here to talk about the RPP Ordinance in Evergreen Park. I've met with several of you in the past. In the past few weeks, we've been working with the resident members as well, the leaders. The ordinance as its going through was put together without any input from the business community, particularly the healthcare providers. Come April 1st, none of the dental practices there are going to have any parking for their staff. It's caused obviously a great deal of concern for my colleagues over there. This comes at a time where it's really difficult to get any staff to stay with us. We have very qualified staff that we spend years training. Because of the length of commute that they have to go through, it's become very difficult. If you, in fact, talk to most of the practices, they have open positions that they haven't been able to fill for months. Just to remind you, these are community-serving businesses that we have pretty much come to agreement that are necessary for the residents of Palo Alto. When you look at the numbers that came out of last year's survey, any office has somewhere between 70-90 percent of their patients coming from Palo Alto residents themselves. We're asking that, if Council can meet together and bring back the Evergreen Park area RPP and put it on the agenda for next week. We have some solutions, working with the resident leaders, that might help them as well so these businesses aren't hurt in April. Thank you.

Mayor Scharff: Thank you. That concludes oral comment.

Minutes Approval

6. Approval of Action Minutes for the January 30 and February 6, 2017 Council Meetings.

Mayor Scharff: Now, we need the Minutes. I need a Motion to approve the Minutes.

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Council Member DuBois: So moved.

Mayor Scharff: Second.

MOTION: Council Member DuBois moved, seconded by Mayor Scharff to approve the Action Minutes for the January 30 and February 6, 2017 Council Meetings.

Mayor Scharff: Vote on the board. That passes unanimously with Council Member Tanaka absent.

MOTION PASSED: 8-0 Tanaka absent

Consent Calendar

Mayor Scharff: Now, we come to the Consent Calendar. I see Council Member Kou's light on. Council Member Kou.

Council Member Kou: I did send a note to our Assistant City Manager to ask to have Agenda Item 8 pulled from the Consent Calendar. May I say why or how does that work?

Mayor Scharff: You just ask to pull it; you don't say anything further. You need to get two Council Members.

Council Member Holman: Second.

Council Member DuBois: Second.

MOTION: Council Member Kou moved, seconded by Council Member Holman, third by Council Member DuBois to pull Agenda Item Number 8 - 670 Los Trancos Road [16PLN-00266] ... to be heard on a date uncertain.

Mayor Scharff: The item is pulled from Consent and will be rescheduled to a date uncertain.

Council Member Kou: Thank you.

Mayor Scharff: Fair enough. If there's nothing further on the Consent Calendar, we need a Motion to approve.

Council Member DuBois: I move to approve.

Mayor Scharff: That's Council Member DuBois moving to approve, and Council Member Kniss seconding. If we could vote on the board.

Beth Minor, City Clerk: Mayor, you have speakers.

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Mayor Scharff: We do? I did not notice that. Forget the vote. You guys need to give me the speakers. Herb Borock on the Consent Calendar.

Herb Borock: (inaudible)

Mayor Scharff: It's pulled; you don't want to speak then. Kim Atkinson, do you want to speak on Number 8? Go ahead.

Kim Atkinson, speaking regarding Agenda Item Number 8: Good evening. My name's Kim Atkinson. I'm a lifelong resident and homeowner in Palo Alto. I raised my children here and went to the same schools they did. Tonight, I wanted to speak to you about Item 8 regarding the property above Arastradero Open Space Preserve at 670 Los Trancos. I'm glad it has been removed because I was here to request that from the Consent Calendar—that's terrific, thank you—so the public can hear a discussion about this issue. This proposed development does not meet requirements for our open space. As I understand it from the Palo Alto Municipal Code open space review criteria, the proposed development at 670 Los Trancos is unlawful for several reasons. Number 1, the main building is in clear sight of the open space preserve. Palo Alto's open space criteria says that any development should not be visually intrusive from public roadways or public parklands. I brought some photographs with me—they're not prepared for the screen—that I took when hiking in Arastradero last December. The proposed property was flagged and marked and quite visible from the trail I was on at acorn and meadowlark intersection at the top of the hill. The second problem with this development is that it should be located away from hilltops and designed to not extend above the nearest ridgeline. This is in the review criteria. I have photos showing that this is highly visible from the park. I'm also deeply concerned about the secondary dwelling that is proposed for this property, which has been inaccurately labeled as an accessory building. It is surely not an accessory building with two bedrooms, two bathrooms, a kitchen, dining room, and living room at 1,600 square feet. I'll just conclude by saying that for many reasons this proposed development is unfair to the public, impedes on our open space, and seems to me to be unlawful. Thank you.

Mayor Scharff: Bill Ross do you still want to speak on Item 9? I think he left. We have Ilya Mushovich [phonetic]. Do you want to speak on Item 9? That's been continued to March 6. She must have left as well.

MOTION: Council Member DuBois moved, seconded by Vice Mayor Kniss to approve Agenda Item Number 7.

7. Approval of a Regulatory Agreement, Declaration of Restrictive Covenants, and Option to Purchase for 3020-3038 Emerson Street

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(Plum Tree Apartments). The Project is Exempt From the California Environmental Quality Act (CEQA) per Section 15061(b)(3).

8. ~~670 Los Trancos Road [16PLN-00266]: Approval of a Site and Design Review to Allow the Construction of a Single Family House and Guest House With a Total of 10,959 Square Feet. Environmental Assessment: Categorically Exempt From the California Environmental Quality Act (CEQA) Pursuant to Guidelines Section 15303 (New Construction or Conversion of Small Structures). Zoning District: OS.~~
9. ~~Approval of a Contract With SoBi for Implementation of a 350-Bicycle Bike Share Program for Five Years With no Ongoing Cost to the City Following an Investment of \$1,104,550 in Capital Costs for Bicycles and "Hubs."~~

Mayor Scharff: Now we can vote on the board. That passes unanimously with Council Member Tanaka absent.

MOTION PASSED: 8-0 Tanaka absent

Action Items

10. Public Hearing: Adoption of an Ordinance Amending Palo Alto Municipal Code (PAMC) Title 18 (Zoning), Chapters 18.04 (Definitions), 18.30(F) (Automobile Dealership (AD) Combining District Regulations), 18.52 (Parking and Loading Requirements), and 18.54 (Parking Facility Design Standards); Adding Sections 18.40.160 (Replacement Project Required), 18.40.170 (Deferral of Director's Action), and 18.42.140 (Housing Inventory Sites Small Lot Consolidation) and Repealing Chapter 10.70 (Trip Reduction and Travel Demand). The Proposed Ordinance is Exempt From the California Environmental Quality Act (CEQA) per Sections 15061(b)(3).

Mayor Scharff: Now, we move on to our Item Number 10, a public hearing on adoption of an Ordinance amending Palo Alto Municipal Code. Does Staff have a presentation?

Clare Campbell, Senior Planner: Thank you, good evening. Clare Campbell, Senior Planner. As a quick reminder, you were provided with an at-places memo for this discussion tonight. That memo highlights some text changes that we're proposing for the draft ordinance and also included an attachment for the housing inventory sites discussion that we're going to have later. Tonight, Staff is bringing forward a collection of Code amendments that we consider to be, for the most part, relatively noncontroversial. These proposed amendments are focused on implementing the City's Housing

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Element, modifying Code provisions to reflect current practices and policies, correct text errors, and to introduce new policies relative to affordable housing and the transportation management plans. Staff has brought these proposed amendments to the Planning and Transportation Commission twice in the fall of last year for direction and comments on the amendments. The topics that received the most discussion were changes to the loading requirements, the mechanical parking lifts, and the housing inventory sites small lot consolidations. At their December meeting, the PTC unanimously recommended approval of the proposed ordinance. I'm going to briefly walk through the proposed changes that are detailed in the Staff Report. The first amendment is to update to housing-related definitions. This is for consistency with our Housing Element. These two terms, transitional housing and supportive housing, are being modified to remove the reference to multifamily use and instead use a broader reference of residential use. The ordinance outlines the specific language for these two definitions. The next set of changes are related to off-street loading requirements. The first one is to correct errors in the loading requirements table for a few specific land uses. Back in 1992 when we had a Code update, there was some information that got lost when the formatting was changed. We're correcting that now. The second item is to clarify the application of loading requirements for mixed-use projects. This is where each land use will be evaluated specifically for the loading requirements for the whole project. The last one is to allow Director's approval for off-street loading adjustments on a case-by-case basis and if the circumstances warrant that. We've included as an attachment some project examples that show you some loading adjustments that were supported for some projects. That's in Attachment D of the CMR. In recent years, parking lifts are being more often proposed with the technology becoming more available and more accepted. Attachment E of the Staff Report provides a list of projects going back to 2006 where we have lifts or other mechanical devices that were used for these projects. We have approved them. These projects are mostly mixed-use projects. We do have one project that was an office project approved in 2015. The proposed language specifically allows lifts in association with specific uses. Those uses are multifamily, office, hotel, automotive, industrial or institutional uses. We've also included some other guidelines for design standards and for some logistical requirements that need to be met in order to support the use of mechanical lifts in a project. For the next item, I need to refer to the at-places memo. The language in this memo is to replace the text in Section 3 of the draft ordinance. That's Attachment A of the CMR. The current Code has a provision that requires projects subject to Architectural Review to be approved first before any demolition can be allowed. We want to expand this to require all discretionary approvals to be completed prior to issuing a demolition permit. We're also clarifying that except for deconstruction projects no demolition is

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allowed for single-family homes or duplexes in residential districts unless the building permit plans have been approved for the replacement project. The next one is the deferral of the Director's decision. On a case-by-case application, projects with multiple entitlements, where one is required to have Council action, can be packaged together and forwarded to City Council for review and action. This allows the Council to consider all of the project components together when making a decision for a project. Additionally, we've added provisions to give the Director some latitude to forward other projects to Council if deemed appropriate. This is also an existing practice that we just need to codify. Again, for the at-places memo, there was an attachment to that that provided some additional parcel information for the specific lots identified as small lot consolidation opportunities. This is really (inaudible) to what we're talking about now. The new language is to comply with the Housing Element Program H-2.1.9, where the City is to provide incentives to encourage consolidation of small housing inventory sites to develop affordable housing. We have 27 parcels currently identified as these consolidation opportunity parcels. Twenty-one of them are located in the RT-35 zone district; we have two in the CD; and we have four in the CS zone. These are shown on Attachment F. There's a map provided for you that shows these parcels. In the Ordinance language, Staff has outlined a number of development requirements in order to qualify for the proposed incentives. Two examples just to share with you. For a mixed-use project, for example, it's an 85-percent requirement that the floor area must be devoted to the residential component of the project. A second example is that the affordable units must be deed restricted for 30 years minimum. The incentives proposed to comply with our Housing Element include reducing guest parking by 30 percent; eliminating parking for residential units that are 500 square feet or less; streamlining the planning review process for the design review and for the subdivision; and waiving the planning entitlement fees. The next amendment is related to when a transportation demand management plan is required for a project. In consultation with our Chief Transportation Official, we've developed these thresholds for a TDM plan. The first one is for when a project generates 100 or more new peak weekend or weekday trips; that would require a TDM plan. Secondly, if the applicant is requesting a parking reduction or needs to support some lower trip generation figures, we also need a TDM plan to review and confirm that information. In addition, we've also modified the language for monitoring requirements to be every 3 years instead of once every 5 years or once after the first 5 years—that's a new one—and to add possible penalties for a TDM noncompliance. The last one, we are proposing two amendments to the automobile dealership overlay. The first one is to exempt floor area used for customer vehicle queuing for service drop-off from the floor area ratio calculations. The second one is to exempt floor area used for required parking related to service areas from the floor area

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ratio calculations. Next steps. Upon the City Council's adoption of this draft ordinance, we need to come back for a second reading. We have that tentatively scheduled for March 20th. Following the second reading, it will take 31 days for the new Ordinance to take effect.

Jonathan Lait, Planning and Community Environment Assistant Director: Mayor, I'll just let you know that Commissioner Eric Rosenblum is also in the audience and can offer a few comments from the PTC's perspective. Thank you.

Mayor Scharff: Welcome, Commissioner Eric Rosenblum.

Eric Rosenblum, Planning and Transportation Commissioner: Thank you. I won the contest to get to represent us tonight. Thanks for giving me a few minutes. Just to give you some additional context from our discussion, I think we had multiple sessions covering this item. We had gone through it bit by bit because there are many items that are represented here. In the end, mostly the PTC accepted Staff recommendations as presented to you. No demolition to replacement project approval, defer to Director's decision, loading zone discussion, and the Automobile Combining District were all items that we felt Staff recommendation was well thought through and generally passed through after several discussions in the form that you see right now. There was more discussion around the TDM plan requirements. We focused on the narrow issue of when to trigger a TDM plan. The 100-trip generation during peak times seemed like a logical trigger. When parking relief is requested, that would trigger the need for a TDM plan to accompany the project plan. The two items that had the most discussion were around mechanical lifts. It was felt that the Staff definition was overly narrow. There are additional uses that should be considered for mechanical lifts including auto dealerships, hotels, etc. There was discussion about whether or not it's appropriate to have a mechanical lift for residential guest parking, and the Commission was split. The majority was for allowing this, but it was 3-2, so it was close. There was also a split around the standard for which mechanical lifts are designed, meaning should they be designed as if all maximum-size cars could be accommodated or could they be designed for smaller cars. The majority voted for that it could be designed for smaller cars as necessary. Finally, the Housing Element small lot consolidation had some discussion. The consensus was finally that the Staff recommendation is correct; it is aligned with our Comp Plan to try to consolidate smaller lots to facilitate development in particular of affordable housing. Those were the items that had more discussion than others, just to highlight the things that we thought were noteworthy. Jonathan, anything that I've missed? Thank you.

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Mayor Scharff: Thank you. I just want to confirm with the City Clerk that we have no public speakers. Then we will move to Council. I guess I need to open the public hearing. If there are no public speakers, I can then close the public hearing, which I will do. Now, we will return to Council for—why don't we have a round of questions and comments, if people want them? Council Member Filseth.

Public Hearing opened and closed without public comment at 9:21 P.M.

Council Member Filseth: I have a question of how we're going to proceed through these. There's a whole bunch of stuff here that's not all related to itself. Do we want to proceed with questions and comments one at a time or do the bucket? How do you want to do that?

Mayor Scharff: Why don't we do the whole bucket? I think it's more efficient. We can then see how it comes with motions. If people really want to split the Motion, I'd be open to something like that.

Council Member Filseth: I had a couple of questions then. On the off-street loading, the proposal was to allow the Director to waive that. What is the current process to get a waiver now? Does that have to come to Council or how does that work?

Ms. Campbell: The current process now, it goes through the discretionary review process. We don't have a formal process of saying you need to apply for an exemption, but the project is evaluated. Based on the conditions, we would make a determination whether or not it seems appropriate for that use. I know for mixed uses we've followed—there's a line in our loading zone where it says other uses. That will be how the Director would determine what's appropriate.

Council Member Filseth: How is that different from what's being proposed now? If you look at Item C, Director approval to waive the loading zone requirements.

Mr. Lait: Two things. Starting on Packet Page 325 of the Ordinance, you've got a list of when the parking adjustments can be made. For loading zones, we don't have a standard for modification for loading zones today. What we've been using is this other uses category. We've gotten some concern from the community and from Council that applying the mixed-use projects, which is typically where we saw that waiver—the thought was we should be using the requirements for each use in the mixed-use project instead of coming up with our own standard, which is basically what we've done. We've just applied this—we looked at the Code section in a liberal manner.

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Now, what we're trying to do is codify a practice by which the Director does have that authority to do it.

Council Member Filseth: You're saying the Director has the authority to do it now, but the mechanism is to classify something as other uses?

Mr. Lait: I guess what I'm saying is the Code specifically clear about giving the Director the authority to waive loading zones. We've done, but there's no provision in the Code that explicitly states that. What we're trying to do through a variety of these amendments is align practice with Code. As you know, there's been a lot of conversation about the plain reading of the Code.

Council Member Filseth: If I understand what you said—I'm going to start asking what's the default if we don't approve this. Your answer is there is no default.

Mr. Lait: The default would be ambiguity but also a variance, which is not necessarily the standard that one might want to apply to a loading zone issue.

Council Member Filseth: It would require a variance.

Mr. Lait: Right. What we're talking about here is in part urban design concepts. I think we mentioned in the Staff Report the space dimension for a loading zone. That could have a significant effect on how one designs a building on a site. There may not be any physical constraint with a property, which is the standard for a variance, but there may be some other City objectives where we'd want to allow for that waiver. If there are other loading zones nearby, if there's an alley or some other convenient use or even just modifying the dimensions so there not such a space constraint.

Council Member Filseth: Are we doing comments or just questions in this round?

Mayor Scharff: You can do comments as well.

Council Member Filseth: The reason to have a Loading Zone Code is so that trucks don't block up the street while they're unloading and loading. We're talking about the process by which we grant an exemption for that. You can look at it the other way, which is maybe the applicant needs to build a project which isn't too big for its loading zone capacity. The process for deciding those things seems like the burden ought to be on the applicant. If we don't have this in Codes, then everything is discretionary, and that means it's sort of done by ...

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Mr. Lait: I'm sorry. I didn't hear that last part.

Council Member Filseth: We're sort of making this discretionary, but what you've said is it's already discretionary.

Mr. Lait: We're stipulating a process that does not clearly exist in the Code today.

Council Member Filseth: Other than you've got to have a waiver.

Mr. Lait: Other than you get variance or we liberally apply different sections of the Code as we've done in the past. Also note that this Code section come into place at a time where the trucks used for delivery were larger than are typically used today. We have smaller trucks, a lot of small vans, and things like that. I just want to get the dimension on the record. What was that?

Council Member Filseth: I had another question. On the mechanical lift issue, in general if somebody wants to put a mechanical lift in, then I think that's sort of one way we look at it. If the mechanical lift is being used to satisfy a Code requirement, then what if it's in disrepair? What if it breaks? In principle, then the owner is in violation of City Codes. What's the City recourse if that happens?

Mr. Lait: Again, this is another one of these things where we've had projects reviewed and approved even by Council for mechanical lifts. Here's another area where the Code is ambiguous with respect to its application. The intent of what we're trying to do is not have it be this guessing game for Staff or the community or for developers. They want to have some expectation as to whether lifts are allowed or not allowed. We're trying to put a parameter around that. On Packet Page 328—it actually begins on 327. Page 328 has the types of things that we would require of an applicant who is seeking to use mechanical lifts. None of this stuff is anything that we really ask for today. Today if somebody proposes a mechanical lift, we accept that it's going to work in some logical way. Now, we're asking for—I'll look to Letter D on Page 328—some very detailed analysis and reporting about how these systems will operate not only on a day-to-day basis but in the event that there is emergency maintenance, what's the schedule for that, what's the backup systems. With this Ordinance, I think we're trying to capture those kinds of concerns.

Council Member Filseth: I understand. By the way, I noticed on here—since we're on that page, Life F says it is supposed to accommodate full-size SUVs. I thought you just said the opposite.

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Mr. Lait: It's Staff's recommendation and the PTC landed on a full-size sport utility fitting within the space. That was a discussion point at the Commission meeting though.

Council Member Filseth: I thought that made sense. If we're going to use these things and they're going to be acceptable to meeting Code requirements, then there's a lot of SUVs out there. On the small lot consolidation, I have a question. We want to provide incentives for 100-percent affordable housing. Make sense. Some of them are parking related. What's the justification for removing the parking requirements? We have no shortage of people contending for the street parking spaces in SOFA right now. Is there a rationale why we think there's going to be less demand for those in (crosstalk).

Ms. Campbell: I think the reasoning behind it is we're trying to find an incentive. That's one of the big things of trying to find something. Because they're smaller units, we've also kind of looked at the ADU situation where the small units—if it's attached to the home, it only required one parking space. We were thinking, "What are some ideas that we can be creative with, that could be an incentive for development that could create these housing units?" Parking is the hot topic. If we can reduce that, alleviate that burden, then maybe there's a way that it might make something happen.

Council Member Filseth: The genesis of this is it's an incentive and it's something that people would like as opposed to there's a reason for thinking there's going to be less cars.

Ms. Campbell: For these types of uses, I think they generally don't have as many parking—they don't generate as much parking demand for affordable housing projects.

Council Member Filseth: That was it for me. Thanks.

Mayor Scharff: I see no other Council Member having questions. Council Member DuBois. Now the board lights up. Council Member DuBois.

Council Member DuBois: First of all, thank you for the Staff Report. Everything was very clear. I just wondered is this the annual Code cleanup or will there be an additional session?

Mr. Lait: That's the concept. We have sort of parsed a few out, but this would be the third one that we've started in a 2-year timeframe. We plan on doing another one by the end of the year. That's the concept.

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Council Member DuBois: I remember there were a bunch of items on the past cleanup list that were left on the list. I have to admit I've lost track of what we've done and what was still on that list. There were other items that were interesting. I don't know if those are future work. I think some of those were seismic bonuses. Did we fix that already? I think we were talking about making it a requirement rather than offering additional incentives for seismic upgrades.

Mr. Lait: The Council will be considering an information item or report soon about the City's efforts to upgrade its Seismic Ordinance, which isn't somewhat related to incentives we might offer. I don't have that list that you're referring to, but I do know of the list. There were a lot of items on there. I think when we first started this process, we were really ambitious about what we were going to be able to accomplish and what we thought was controversial or not controversial. Turns out the things that we thought were not very controversial were more controversial than we anticipated.

Council Member DuBois: There were a few that I thought we were pretty close on. I think it'd be useful to attach that list in future versions, kind of what's the work plan.

Mr. Lait: We can do that.

Council Member DuBois: I have a couple of others I just wanted to check on real quick. The idea of conversion of building use triggering parking assessment, is that something we've done already or is that still on the list?

Mayor Scharff: Council Member DuBois, that's not really on topic. Do you want to get the list from them later?

Council Member DuBois: This is the annual Code cleanup on this Section 18. There were a bunch of things from the past that I'm just curious where they are.

Mr. Lait: Just briefly, I can speak to that. There was a large attachment of items that we had from Staff, from conversations that we had with developers, from community members, even some comments that we've heard from Council. We just pushed everything on this list. The intent with this program is trying to address this disconnect that we were experiencing where folks thought Staff's interpretation of the Code was liberal, there were some outmoded references, things weren't aligning. This has been a Staff-driven effort to make changes to the Code to help improve administration so it can minimize some of the frustration as opposed to a Council-endorsed list of things that we were necessarily going to be knocking down over a specific period of time. There are important things on that list that we need to

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revisit, but we wanted to take it away from a prioritization of those amendments and focus more on the things that we need to do to help projects get reviewed in a more efficient manner.

Council Member DuBois: Just a quick comment on three or four of them that I hope would come back soon. We had a discussion about assumptions about square footage per employee for parking requirements, office use definitions—I think office use is part of the State Density Bonus Law—and rooftop uses are a few that I remember. On these specifically, one quick question I had is why did we change the definition of transition and supportive housing? It looks like we basically struck multifamily from the definition.

Ms. Campbell: This is a State regulation that was required for the City to comply with. We've also committed to doing it within our Housing Element. We were supposed to get this done by last year, update the definitions to comply with our Housing Element.

Council Member DuBois: Just so I understand, the impact of that is this kind of housing would be allowed in any residential zone?

Ms. Campbell: Yes.

Council Member DuBois: On the loading zone question, it seemed to be written to suggest impacts on the project but not necessarily on maybe level of service of the streets. I wondered if that was the intent or if there was any idea that we would balance the impact of street-based loading zone, what impact that would have on traffic.

Mr. Lait: The standard that we're using is on Packet Page 327. It says that the Director may modify the quantity or dimension of off-street loading—this is only one space of off-street loading—for nonresidential development based on existing or proposed site conditions, availability of alternative means to address loading and unloading activities and upon a finding that the off-street loading may conflict with Comprehensive Plan goals and policies related to site planning, circulation and access, and urban design principles. I think it's that last clause of the sentence that is the hook to make sure, if we are granting off-street loading, we're doing it in a way that does not conflict with circulation objectives of the Comp Plan as well as some of the other urban design criteria.

Council Member DuBois: I guess it was that last part. It would be upon finding that off-street or on-street loading would conflict with the Comp Plan.

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Mr. Lait: If it conflicts, we would not grant it. We would not grant the waiver.

Council Member DuBois: It sounds like you're only looking at the off-street versus the impact of the on-street loading zone. You think it's there?

Mr. Lait: I think it's looking at it holistically. We don't want to waive parking if it's going to end up creating an obstruction on the roadway. That would be cause for saying no.

Council Member DuBois: On consolidation of small lots, I absolutely support creation of 100-percent affordable housing. Thank you for the handout. It clarified a question I had that basically all the housing sites would now be zoned RT-35. It looks like a lot of them already are, but some of them were commercially zoned.

Ms. Campbell: Just to clarify, the zoning wouldn't change at all. It's just that the development standards for when a project would forward would use the RT-35 development standards.

Council Member DuBois: If it was zoned CS, it would be effectively an RT-35. Is this Ordinance restricted just to this list or, as we update our housing inventory, would this automatically change?

Ms. Campbell: Yes, I would think that we would do that. That's going to be a little bit of time before we're updating our list, though.

Council Member DuBois: It's a little tricky because it's potentially changing zoning on future property.

Mr. Lait: It seems to suggest the Housing Element's inventory site list is the reference. I would say yes, if we did update that in the future, this provision would apply. Maybe one thing we can do is specify the review period that we're in now, add the dates for the current Housing Element, which takes us to—I'm blanking on the date—2022. We can include that reference so that we're clear as to which Housing Element we're referring. We can modify that as needed if you feel like that's a concern we need to address.

Council Member DuBois: I think that would be good actually. The size, what do people generally consider a micro unit?

Mr. Lait: We don't have a term for that in our Code. I think it may vary by jurisdiction or who you ask on that. Small units that I've seen in other jurisdictions that I've worked for were as low as 375 and upwards of 700 to be considered small or micro units.

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Council Member DuBois: Seven hundred doesn't sound like ...

Mr. Lait: I think that's why it depends by jurisdiction. Since I was here, I've heard people talking about square footages even less than 300. I think it really depends on what you're using as your reference point.

Council Member DuBois: On the TDM requirements, the 100 net trips, is that per week, per day?

Mr. Lait: That's during the peak period of time, within the peak hours. In one day, one peak period of time.

Council Member DuBois: It wouldn't be 50 in the morning and 50 at night?

Mr. Lait: I think it's during the peak hour for—if the peak hour is from 4:00 to 6:00 in the evening, that's the 100 trips that we're looking at.

Council Member DuBois: How often do we see projects that have that many new trips (crosstalk) peak number?

Mr. Lait: Lately, we haven't seen too many of that size, but it's not just limited to the 100 trips, which is consistent with the VTA standard for when we require a traffic impact analysis. We're also suggesting that a TDM be required when there's a request for a parking reduction, and that we do see from time to time. The interest here is, one, the Code is set up now where an applicant may request this. What we want to say is we're going to require it if you meet this standard or this standard. There's also this other for any projects that are requesting a reduction or claiming a reduction due to the proximity to transit. We're just being more explicit about it.

Council Member DuBois: How did the 100 come about? It seems very high.

Mr. Lait: This is the same reference. When the City has project that we're reviewing for a development proposal application, VTA has a standard that when 100 or more trips are being generated during weekday or weekend peak periods, we need to perform a traffic impact analysis. That's this robust analysis about intersection impact, segments, and so forth. We're just using the same standard that we would use for a large project that has the potential to create these impacts, that would require study to also then require—not voluntary provide but to require—a TDM for those types of projects. If you trip that threshold to require a TIA, then we're also going to require the TDM plan.

Council Member DuBois: I did see you had some enforcement clauses in there. I guess the penalty will be determined later?

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Mr. Lait: Right. We're not trying to establish any penalties at this point. We have a separate fee schedule that the Council adopts yearly about administrative fees, if there's a violation of those standards.

Council Member DuBois: I was concerned that the reporting period is 3 years. It's the first one at 2 years, and then we wouldn't see it again until year 5. Was there much discussion about how frequently they should report compliance with a TDM?

Mr. Lait: I don't know what the typical standard is on that. I'm just recalling a project that I looked at the PC around not too far from here, where it's the same kind of concept. It was 2 years, and then I think it was every 2-3 years thereafter as needed to demonstrate compliance. I don't know that there is a hard and fast rule on that. I think it's also—is it in the Code or is it in the guidelines?

Ms. Campbell: It's in the Code.

Mr. Lait: Obviously, there's Council discretion if you wanted to make an adjustment on that. I would suggest, though, there is some time between implementation of the TDM and getting some actual results. I think there's a reason why it's not annually.

Council Member DuBois: I'll be interested in what my colleagues think. Two years until the first report makes sense to come up to speed, but I would be interested in more frequent reporting on the TDM, perhaps annually after the first 2 years. On mechanical lifts, it seems like you guys struck a good balance. Just to clarify, they would really be focused more on long-term parking, not short-term? It wouldn't be used for retail, park for half an hour?

Ms. Campbell: That's correct, yes.

Council Member DuBois: I think those are my questions and comments. Thanks.

Mayor Scharff: Council Member Wolbach.

Council Member Wolbach: Kind of picking up on a thread that Council Member DuBois was hitting on. You're looking at this in the context of other Code changes, other Code cleanups and modifications, and what's in the work plan right now. There were a couple of things I was looking for, that I didn't see here. I'm not shocked that they're not here. I was wondering if Staff's planning to bring them back in the future or planning to bring the ones I'm about to identify in the future or if further Council direction such as

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through a Colleagues' Memo would be appropriate to make sure they're included the next time we're talking about Code changes. The items that I'm thinking about are having a process by which residential projects can participate in parking assessment districts, either for sharing with current spaces especially at night, if the garages are empty at night and only full during the day, or participating if and when new garages get built. Not if but when. Second, having zoning provisions 2.0 or 3.0 or whatever residential on several floors above ground-floor retail or other use, especially in Downtown or Cal. Ave., potentially on El Camino Real. You could have, for instance, retail on the ground floor and then three floors of small residential units about that. That's something we've talked about quite a few times, I think, in the past. The third is any kind of overlay for Downtown or Cal. Ave. for small or micro units, perhaps to implement what we were just talking about. Are any of those kinds of things planned to come forward currently or would a Colleagues' Memo from Council be helpful in moving those onto a future agenda?

Mr. Lait: Thank you, Council Member. Annually, the City Council goes through a process of evaluating the work program for different departments. I think that next opportunity is coming up in March, if I'm not mistaken, February or March. Whenever it's happening, the City Manager will help coordinate that with the Council. Each department puts forth a work program. We would certainly put forth some items as well. To the extent that any individual project is assigned, it's partly through that effort. The effort of the annual Code updates, cleanup, is really trying to capture those items that are not really controversial. I can imagine those items that you've mentioned warranting some kind of public dialog and conversation. Those would be discrete work items, work projects, that we would have to account for in our Staff time. We're able to bundle these eight or nine amendments and address these in a relatively noncontroversial manner to help improve administration and clarity. That's the effort that we're trying to do with this and future cleanup ordinances. Those items that you referenced and perhaps some other that were mentioned before, I think, are discrete work assignments for Staff that need to be considered in the balance of other assignments that we have.

Council Member Wolbach: Got it. Thank you.

Mayor Scharff: Council Member Kou.

Council Member Kou: I'm really happy to see the cleanup over here, but I do have some questions. In terms of the site—let me see. For the bulk of the building on Packet Page 320, which speaks about the floor area ratios and FAR, etc., for the auto dealerships. When the roof area, etc.—it says

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over here parking facilities for required parking related to service and repair shall be excluded from the calculations. When I'm looking at all of this and addition that you did in Number 3, I think you're speaking mostly to what happened with the Mercedes auto dealership. My concern now is what about the auto dealerships in the rest of the City, where there is less land and perhaps close to bicycle boulevards and schools and neighborhoods. It's like this one here kind of takes it Citywide. I have a concern about that. How would we address that?

Mr. Lait: Thank you, Council Member, for your comments. I would say that—a couple of comments to that. We believe that 3(i) is a reflection of past practice. It has been our standard that we would exempt this parking space because we believe that the definitions in the Code already exempt parking facilities for this type of use. We have applied this to other projects. Where it came up with the project that you referenced, it was a question among some Council Members about whether or not Staff's interpretation or reading of that Code provision was aligned with other perspectives. The reason we're proposing this here is to memorialize what we believe has been a past practice. Our Staff Report tries to draw that connection between the definitions to get to that decision point. The other one on 3(ii) extends that concept further because on that particular project you mentioned that was an area of concern. I also think that probably was a creative way of looking at that Code provision. The question to the Council is if we are trying to incentivize auto dealerships for the reasons we noted in the Staff Report, this might be another area to consider if we want to exempt that vehicle queuing area where nothing much happens except for the cars being dropped off or picked up. There was a question in that Mercedes project about was there service or some kind of sales activity taking place there. In our understanding of that operation, that's not typically what happens. This is just being put forward as a way to, one, memorialize past practice and, two, address this other issue about the vehicle queuing and drop-off which is not as clear in the Code.

Council Member Kou: I guess my main concern here with the queuing, etc., is whether it's going to go on the street and impact certain roads.

Mr. Lait: That's a different question than the one I answered. This is addressing how do we add up the different square footage of a building to see how big it can be, how massive can it be. That's one of scale and mass, what this is trying to address here. The question about queuing and going onto the street is a circulation matter that we would evaluate with any project that is going forward. This actually has nothing to do with that. We would still independently review any project for potential impacts about

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queuing separate and apart from this language here. This is just saying do we count it as floor area or not.

Council Member Kou: Thank you. On the housing inventory, piggy backing off one of the Council Members who mentioned less parking as an incentive. It concerns me that we still have issues with parking, and yet it's an incentive to consolidate the lots, but we're not addressing the parking issues that's going to come especially in our quest for growth. There is going to be parking issues, and we see it today. To say we're going to incentivize building these projects or consolidating for affordable housing, which is a very good deed, but less parking is not going to help out for us moving forward. I hope that there's better language over here or finding something else to incentivize. On Item F on Packet Page 321, in the past for affordable housing, hasn't it always been 50 years? Why is this one 30?

Mr. Lait: I think we need a minute to talk about that one and understand that.

Mayor Scharff: Do you want us to come back to that?

Mr. Lait: Yeah, we'll come back to that one.

Mayor Scharff: Do you have other questions?

Council Member Kou: I'm sorry, yes. Just to go forward, on these lot consolidations, they're small lots. We don't know how many units they're going to be. If they're 5-10 units, with that kind of timeframe, I think one of the concerns would be when the time comes up are we going to have another BV situation come around. Please be considerate when you're thinking about how long it is. If we can get these things to be forever, it'll be great. On Page 322 on "I," site and design review required in the Code for a mixed-use project shall be waived by such projects. Why?

Mr. Lait: Again, what we're trying to do here is create a list of incentives that would allow an affordable housing provider/developer to go through a process in a more predictable, streamlined and less costly way. One of the things that we hear about affordable housing is the cost of building it with the various development impact fees, the land cost, the providing for parking, and the process time to get through a process all add up and makes affordable housing projects difficult. The site and design process is one that we have in the City today where one goes to the Planning Commission, to the Architectural Review Board, and then to the City Council for review. What we're proposing—that process could take 8 months if everything goes well. What we're proposing is a process where one goes to the Architectural Review Board and then there's an appeal process that exists if it needs to

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get heard before the City Council. the Council would still have an opportunity to review it if the project were appealed. Again, what we're presenting here are what we think the HCD, Housing and Community Development, the State department that reviews our Housing Element—we think these are incentives that they thought were important to implement and support the certification of our Housing Element. We're trying to find ways to reduce costs and reduce time in processing these types of permits.

Council Member Kou: Thank you. Packet Page 324 for office uses, under medical offices, professional offices and general business office—today we heard the dentists over here. I think most of their buildings might be not over the 0-999 square feet. This is zero for loading.

Mr. Lait: We're actually not making any changes to that section. The changes are in the section above dealing with retail services and eating and drinking services, the underlined text, 5,000 to 29,999 square feet.

Council Member Kou: You don't find that they have loading needs?

Mr. Lait: I'm sorry. For medical you're saying?

Council Member Kou: No, I'm sorry. For retail services and eating and drinking.

Mr. Lait: We're saying that they do at a certain size. What we're saying on this amendment is that we're trying to reconcile something that we believe was an error made decades ago in the Code. We believe that, if you look at most of these loading zone requirements, most of them do not require loading for a relatively small amount of land use area. That's true except for auto uses, which you would expect to need some kind of additional loading. All the other ones do not have a loading zone requirement for the first 5,000 or 10,000 square feet. What we're proposing here is to simply true up what turned out to be an error, a staff error, decades ago when the Code converted from a lined text to a chart format. That's all we're doing, correcting an error to reflect how the Code used to read. The other reason why I think that is the case is when you have smaller land uses, our loading zone requirement—this gets back to another question we had earlier—is 45 feet long by 12 feet wide by 15 feet tall. That's an extraordinary amount of area; that's just the parking space, not accounting the access to get to that loading zone space. It takes a lot of the site to provide a loading zone.

Council Member Kou: On your research and development, these are office spaces, tech workers, etc. How do you address bus pick-up and drop-off? Oftentimes, I see on Alma those big buses parked there. They take up quite a big part of one of the lanes. During commute hours, people are swerving

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into the other lane to pass that bus. It's not always just one. There's sometimes two or three of them.

Mr. Lait: We're not—that's not ...

Council Member Kou: This is loading and unloading. I'm talking about buses might be something that you categorize differently.

Mr. Lait: There may be an existing condition that we need to look at and understand more fully. What we're talking about here is new development that would be coming through to the City as a new application.

Council Member Kou: On housing for seniors, do you know if Channing House is the 50 percent of the total spaces required for the site?

Mr. Lait: I don't have any details about that particular site.

Council Member Kou: For the one that you spoke about on page 327, "E", modification to off-street loading requirements. I would like to safety included in there as a word. When I look at this picture that you have here, that was in the packet, Attachment D, you have for Kipling Street where the loading and unloading is. That's come off of University Avenue, making a right turn onto Kipling Street. That could be very dangerous if somebody was walking across and not seeing it. Do you take the consideration of that into account when you're specifying loading and unloading areas?

Mr. Lait: Yes. Any request for off-street—let me back up. All of our projects are reviewed by our Transportation Staff, which looks at circulation, access, safety queuing, any number of standards. Those are all things that are evaluated in review.

Council Member Kou: The one that you have on this brochure is not necessarily what we're going with or is this determined to be the loading and unloading for 429 University?

Mr. Lait: I'm not going to speak to 429 because that is a project that is still pending before the Council. That's kind of its own matter. I will say that the language on Packet Page 327 with respect to off-street loading is the language that we're proposing. If Council Members thought that we needed to add some additional language about specifying safety, we can add that language. Your colleague to your right, I think, had some concerns about on-street issues. If there's some comments about that, we can certainly add more language so that we're clear about what we're studying.

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Council Member Kou: Thank you. I'm sorry, I still have ... On the mechanical lifts, do you happen to know which properties have the lifts now? Are those lifts and the uses of its efficiency and frequency monitored? Do you guys monitor it? Do they report in to give you understanding of how efficient it is used and frequency?

Ms. Campbell: Attachment E of your Staff Report provides a brief list of some projects that we've approved, that include lifts. I do think that we have had some conditions of approval that have required some type of plan be developed along with the project to make sure safety is addressed or emergency procedures are outlined for tenants of the building, but we don't have a consistent requirement that requires all of the monitoring and things like that. Our new language would—we have a requirement in our text now to provide that additional review.

Council Member Kou: The reason I ask is because before we go about approving more of those we should know if they are actually being used both frequently and efficiently. Are they ADA compliant? How does handicapped use these spaces if they want to?

Ms. Campbell: For ADA spaces, they would not use lifts.

Council Member Kou: It would be just the normal parking spaces allowed?

Ms. Campbell: In our Code requirements or for the language we're proposing, we're definitely specifying that ADA spaces and loading spaces would not be allowed to use any type of mechanical lift system. Again, some of the projects listed in Attachment E go back to 2006, 2013. Definitely we've had projects that have been around for a little while now that are utilizing mechanical lifts. We haven't heard any issues, at least not yet.

Council Member Kou: For electric cars, we have all those charging stations. Would these lift areas have charging stations put in so that people with electric cars might be able to use it? How would you work that?

Ms. Campbell: All of the other requirements that a project needs to comply with would still need to happen. For all of the charging stations that a project is required to provide, they would need to incorporate that into the design with the lifts.

Council Member Kou: With the lifts?

Mr. Lait: I would say separate from the lifts. You're not going to get a charging station in a lift. If they're allowed to do X number of lifts, that's

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fine. If they're also required to have, say, six charging stations, then you've got to provide those six charging stations, which would be separate and independently accessed. They're not going to be ...

Council Member Kou: They're not going to be on the lifts.

Mr. Lait: Right. We're talking about puzzle lifts where cars are moving around to accommodate something. There's no way to charge that. Maybe there's a way, but I don't think there's a feasible way.

Council Member Kou: On Number E, mechanical lifts shall not be used for accessible parking spaces or loading. What does accessible parking space?

Mr. Lait: That's exactly the point you were talking about with the ADA access.

Council Member Kou: Thank you. I'm done.

Mayor Scharff: Council Member Fine.

Council Member Fine: Thank you. Thank you, Staff, for being this before us. This is helpful. I think in general it clears up a few small items in the Code. I've got two quick comments and one question. One comment to my colleagues. I would be happy to support the Staff recommendation as is. I think we could go into details. I'm not sure it's really worth it. There were a couple of comments about parking and why we should or shouldn't necessarily remove the parking requirement for 100-percent affordable projects. The two main reasons I can think of are: one, by removing the parking requirement, you're lowering the cost of producing that housing, so we get more of the good we're actually seeking; and two, as Palo Alto Housing as spoken to us on numerous occasions, parking demand at many of their sites is less than compared to other housing types. Affordable housing essentially needs less parking in some cases, and we can produce more of it if we require less parking. Just one quick question for Staff. Page 329 on the TDM plan, Number 3, it says you have to do a TDM for all projects requesting a parking reduction. I'm just wondering if you can quickly go over the different ways you may get a parking reduction. That's pretty broad, and I'm wondering what are exact ways, whether it's buying out in the assessment district or whatever else it might be.

Mr. Lait: Clare may have some more details. If you turn to Page 326 in your packet, you'll see a whole list of reasons why somebody may request a parking reduction.

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Ms. Campbell: You'll see the table there. It includes onsite employee amenities, shared parking facilities, senior housing. There's a variety of different qualifications.

Council Member Fine: Thank you. That's helpful.

Mayor Scharff: Council Member Holman.

Council Member Holman: Thank you. Mechanical lifts, how successful and how much is this utilized in other communities? I'm glad this is going to be allowed for retail or personal service.

Ms. Campbell: I did some outreach to the various local communities. Basically, the feedback that I received other than San Francisco is that it was still a new thing for projects, and it was reviewed on a case-by-case basis. They didn't have any specific standards in place the way that we're proposing it now. San Francisco is definitely one of the jurisdictions that has some specific regulations in place. They allow it for all types of uses. There are no restrictions. It just is one of the standard parking spaces that would be following along with a regular at-grade parking. Basically, what we're trying to do is—we did look at some ordinances that were proposed in southern California. I think we basically pulled from that all of the things that seemed to be relevant to our community and came up with what's being proposed here. Also, we did get the direction again from the Planning Commission to try to be not as tight with how we're applying the regulations and to have a little bit more flexibility. I think we're trying to build in some provisions to make sure we're looking at safety and appropriate use in a location and things like that.

Council Member Holman: Ground-floor parking is not counted towards—it's allowed. In some of the commercial districts, does that mean ground floor—we have some commercial districts here. Does that mean ground-floor lift parking will not be or will be allowed on—I'm not saying this very well. Lift parking would be allowed on the ground floor in retail areas? It's not something I think is a good idea anyway. Does this just expand on that?

Mr. Lait: I think one of our requirements is that the—is your question one of visual access or floor area?

Council Member Holman: Both.

Mr. Lait: If it doesn't count as floor area today, it wouldn't count as floor area tomorrow because it's parking. Parking is parking. From a visibility standpoint, we have some requirements in there about—I'm trying to figure out which number it is here. Here it is on Packet Page 328, Letter C. It has

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to be located within an enclosed parking facility, shall be screened from public view an architecturally compatible with the site conditions. We're addressing the screening and the visual aspect of it. If it's parking today as a surface parking lot, if it's in a lift, it seems like that should also be exempt.

Council Member Holman: Not just a surface parking lot. We've had occasions where parking within a retail envelope has been allowed.

Mr. Lait: Right, because parking facilities are exempt from gross floor area as defined by the Code. If you have a parking structure within a building and it's customer parking, that's exempt by Code. As I'm told, except for in the CD zone. Outside of the downtown area, it would be exempt from parking. We don't see that as a different condition.

Council Member Holman: Exempt from parking meaning exempt from FAR?

Mr. Lait: I'm sorry. Thank you.

Council Member Holman: If you have RT-35 zoning, that means—that's the height. You have an FAR requirement. That means that the FAR could be increased greatly if someone proposed lift parking on the ground floor. Do I understand that correctly? Except the height couldn't be exceeded.

Mr. Lait: I don't know that the gross floor area would be increased greatly. Are you saying because you'd have a stacker that would go two levels up within the volume space; therefore, there's two levels of ...

Council Member Holman: If ground-floor parking is exempt from floor area ratio, then could not the floor area ratios for projects in, let's say, SOFA II be increased?

Ms. Campbell: I think you might have touched on it earlier. The height is definitely a 35-foot limit. You still have your three-dimensional buildable area that this project needs to fit within. The floor area, if they choose to construct it in a way that it counts as floor area, then it does count towards the entire project. I don't think it would extra floor area.

Council Member Holman: If they are 100-percent affordable housing projects, then we have Density Bonus Laws that it could exceed the 35-foot height limit as well, or 50-foot height limit depending on if it's RT-35 or RT-50. I'll just stay on SOFA ...

Mr. Lait: I think there's a lot of different parts there. It sounded like we were talking about the housing inventory sites too for a moment. Is that true?

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Council Member Holman: Both.

Mr. Lait: You're putting the whole package together. You're in the RT-35 and you're getting these incentives here, but then you could also take advantage of the parking lift incentives. You're trying to figure out how all that stuff comes together.

Council Member Holman: Yes.

Mr. Lait: You're right, and this is something that the Council needs to understand about the State Density Bonus Law. It does allow for developers who are meeting certain affordability requirements to increase density up to 35 percent, and they get upon their request reductions in parking lower than the Code standards today. They can ask for concessions including some that we have on menu and others that they might consider off-menu requests. Anywhere we have residential density or residential floor area, any one of those sites could increase pursuant to the State Density Bonus Law. When you think about that in the context of the housing inventory sites that we're looking to consolidate, we would apply the RT-35 standard, which would also be the height of 35 feet, and they'd have to get that project to fit within those parameters, bonus and all, except where they asked for a concession. A likely concession would be height. With any of these projects, you would look at the findings required to do that. I would also note that a 100-percent affordable housing project is going to have less of a parking demand based on not only State law but also with the HIS incentives that we're proposing, if those get ultimately adopted. I wouldn't think that a parking lift structure on a 100-percent affordable housing project is going to significantly increase the height of a building. Let me just end it there with a period. We don't have a project obviously before us that we're reviewing, so we don't have that prototype.

Council Member Holman: That's kind of it; we don't have a sample that we're using as a test case either. Just to stick with SOFA li for a minute here. Clarification on Packet Page 321 "C," in the case of a conflict between the provisions of this section and the RT-35 development standards, this section shall control. Right about that—I should have started with that one. "B" right above that is for housing inventory properties not located in the RT-35 or RT-50 zones, the RT-35 development standards shall apply and development of a mixed-use development is not required. I do not understand "B" at all.

Ms. Lait: I'll work on "B" while Clare takes a look at Letter C. What we're saying with "B" is there are like four different zoning types we're looking at with these 27 properties that we've identified, RT-35, RT-50, CS and CN.

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Just RT-35, CS and CN. What "B" is getting at is for those CS and CN properties. One of the incentives that's being proposed is if you are one of the five properties located in the CN or CS zone, we would apply the RT-35 development standards to those properties. Because in the CS and in the CN zone, you have to have a mixed-use project in order to get housing, the second part of "B" says you don't need to meet that commercial requirement. You can do 100-percent residential on a CN or CS zone lot if it's one of these five lots that are in the housing inventory survey.

Council Member Holman: Basically, as a part of this we're rezoning.

Mr. Lait: I would say we're not ...

Council Member Holman: The development standards are changing, so why aren't we rezoning? It seems like to me that's a rezoning.

Mr. Lait: What we're saying is it's one of the incentives that we're offering. There are other requirements that, I think, need to be met. What we're proposing is the RT-35 just be applied to those lots. Yes, it's applying those development standards to those five parcels.

Council Member Holman: It's a rezoning.

Mr. Lait: We're applying those development standards to those parcels. We're not changing the district map to read RT-35, but we are using that discrete land use development standard for those five properties in the Housing Element.

Council Member Holman: I've never heard of that being done without it being a zone change. It seems ...

Mr. Lait: This is the zone change. This is where we're making the change.

Council Member Holman: "C," do you want to address that one? I think he just did that. I guess what I'm looking at here—I have questions also on "I," "K," and "L." I guess what I'm looking at here. None of this was anticipated in the SOFA II cap. We keep talking about wanting to do coordinated area plans. What we're doing here is basically ignoring the coordinated area plan. We're changing parking requirements. We're changing development standards, which a parking requirement is a development standard. We're incentivizing lot combining, and we're incentivizing the lot combining on a number of parcels that are on Emerson in a retail corridor. We don't have any mechanism to preserve existing retail. I can tell you that if these incentives go forward, while they're good to incentivize housing production, we're going to lose dry cleaners, automobile services, Pilates studios.

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Jacque Sew & Sew isn't on this list, but Cobblery is. We're going to lose all that fine-grained character that's embedded in the neighborhood of SOFA II, contrary to the ordinance that we just passed, the Retail Preservation Ordinance. Even if we redevelop and retail gets put back on the ground floor in this Emerson corridor, which is required, we're going to lose all of those little businesses. I think it's a travesty. I have to say I think it's a travesty. Not anticipated in this SOFA II cap. Not one that I think will meet with great favor in the neighborhood, who use those services day in and day out. We have a conflict here of wanting to produce housing and wanting to preserve neighborhood and neighborhood services and keep people from driving to other communities to get the services they can't any longer get in Palo Alto. I think what we're doing here—or looking to do here—is really antithetical to what the community wants and the community quite frankly needs. Having to do with TDM, I think I've said that. We're in conflict with the Retail Preservation Ordinance, and we're in conflict with the SOFA II plan. We're going to lose potentially a lot of these neighborhood-serving businesses.

Mr. Lait: On the latter point, the difference being—just so I'm clear—as it relates to the parking incentives, it seems. What we're suggesting is in the SOFA II area, where we only have RT-35 zoned properties that are these housing inventory sites, 21 of them, the development standards are not changing for those properties. What is changing there are the parking incentives that are proposed. That's the difference. Any of those 21 properties could do an affordable housing project today. They wouldn't benefit from the parking incentives, the financial incentives about waiving fees or the streamlining efforts, but in theory that could happen today. Presumably that was envisioned in the cap.

Council Member Holman: What I'm pointing to is incentives incentivize redevelopment. That's the purpose of incentives. In this area, the incentives are going to have devastating negative effect because it's going to incentivize redevelopment of parcels that hold The Cobblery and those sorts of places.

Mr. Lait: Again, I understand your comments. That's for Council deliberation, to talk about the—we have different policies, and we need to balance those priorities that we have. Yes, I look forward to the Council deliberation on that point.

Council Member Holman: I would just say if 21 of these sites are in SOFA II, that's really a neighborhood. Twenty-one of these sites, that's phenomenal; it's really phenomenal.

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Mr. Lait: These are sites that were identified in the Housing Element as opportunity sites for the production of affordable housing. Looking at SOFA Li here, there certainly are references explicitly to the Housing Element and the housing rate program and recognition of housing policies changing over time. I do understand that some of these—you're right. We are trying to create incentives, and those incentives would result in redevelopment of those properties. That's the objective. The Council will need to weigh the benefits of that or not.

Council Member Holman: I would encourage the Council and Staff to do some outreach to the neighborhood to see what their feelings about this kind of change in the neighborhood. TDMs, I agree with other comments. I think 100 trips is too much. Also, there is some TDRs out there that don't require parking currently. The new ones do require parking, but there are some old ones, I think, that are still out there. Those should require a TDM program, it would seem. I agree with Council Member DuBois that the reporting interval should be probably annually after the first 2 years. The auto dealerships, I don't know of any auto dealerships that are quite the way I was hearing them or at least understanding them being describe by the Staff. I think of some of the auto dealerships that have service associated with the dealership. It's pretty massive, the amount of floor area ratio that's dedicated to parking for cars that are being serviced. I think that's a big loophole that we would live to regret. Also, the onsite loading zone, I think other Council Members have spoken to that. I think it's—even though the size of the trucks may be smaller, I'm Downtown and I see fairly frequently trucks that are blocking the street. It's becoming more and more of an urban hazard to have trucks parked in the street while they're loading and unloading. I think those are my comments.

Mayor Scharff: I had a couple of comment. I guess I want to understand what we told HCD in terms of the small consideration. Did we tell them we would do any of these "A" through "G," "A" through "M"? What were the, I guess, promises or implied promises that we made in our Housing Element?

Ms. Campbell: If you could just give me a moment, I can pull up the specific program language, and then I can share that with you.

Mayor Scharff: I'll just say that I think Council Member Holman raises some good points. SOFA is a wonderful neighborhood. There are certain of those sites that, I think, I would be fine with being redeveloped. There are a lot of little neighborhood retails. I was pulling up some of them, and some of them are dry cleaners and small businesses. We talk about neighborhood character a lot, and this is something that actually could really change the neighborhood character. I do have concerns about it. I'm concerned that in

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a lot of places, small lot consideration like on El Camino would be a really good thing. I think it's unfortunate we seem to have all of these in the SOFA II area. I'm not quite sure what to do with this frankly.

Ms. Campbell: I'd like to read you the program language, if that's okay. Amend the Zoning Code to create zoning incentives that encourage the consolidation of smaller lots identified as the housing inventory sites and developed with 100-percent affordable housing projects. Incentives may include development review streamlining, reduction in required parking for smaller units, or graduated density when consolidated lots are over 1/2 acre. Adopt amendments as appropriate, provide information regarding zoning incentives to developers. That's H-2.1.9 Program.

Hillary Gitelman, Planning and Community Environment Director: Mayor Scharff, if I could just add a little color to this. Hillary Gitelman, the Planning Director. I wanted to recall back to when we were working on the Housing Element. This wasn't really an idea that we came up with when we were drafting the Housing Element. It was something that the State Office of Housing and Community Development asked us to put into our Housing Element. This was like the one program that they wanted to see before they would certify our Housing Element. I think all of us understood at that time they were asking for something that was going to be a little hard. It was going to be a little difficult. They luckily were okay with the way we wrote it where it's an incentive program for simply projects that 100-percent affordable. They could have asked us to write this program to incentivize any housing development on these lots. By asking for it to 100-percent affordable project, I think they allowed us to set a pretty high bar. I know there's some fear that we're pulling a thread and the whole thing will unravel. Between us here, we see this as a modest program. It may help someone who's already got a gleam in their eye about redeveloping one or more of these sites, but it's unlikely to have a dramatic impact on the assessment of a property owner about whether to pursue redevelopment of one of these small sites. I don't know if that makes you feel any better, but it's something we kind of got pushed into.

Mayor Scharff: It makes me feel a little better. I guess the question is we can take some of these sites off our housing opportunity sites if we add something else. For instance, if we said on the Fry's site instead of 600 units, we want—I don't know what we have right there now, but say 500 or 600—say, 700 units or 750, then we could remove all of these small opportunity sites in SOFA that we might have concerns about. Would that be correct?

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Ms. Gitelman: I think you're right. We could go back and reexamine the housing inventory and remove some sites and add more or increase densities on some existing sites. That's one of the ideas we've been assessing as part of the Comp Plan with regard to those sites on San Antonio. If we remove those, where can we increase densities or add sites elsewhere? We could explore the same kind of approach here. In the interim, unfortunately we're up against the wall and we kind of have to follow through with this commitment we made when the Housing Element went to the State.

Mayor Scharff: How many units are in the SOFA area total that we're talking about?

Ms. Gitelman: We can look at that list we handed out to you and figure that out, if you'll give us a few minutes.

Mayor Scharff: I will. It can be a rough number; it doesn't have to be exact. Is it 20 or 50 or 55? It's like 20.

Ms. Gitelman: Looks like it's about 60 units on these sites in SOFA II.

Mayor Scharff: Thanks. Now, we'll return to Council for Motions, comments, questions, etc. Council Member Fine.

Council Member Fine: I'd like to move that we adopt the Ordinance, Attachment A, to amend Title 18 and find it exempt from CEQA.

Mayor Scharff: Second.

MOTION: Council Member Fine moved, seconded by Mayor Scharff to:

- A. Adopt an Ordinance amending Title 18 (Zoning Code) of the Palo Alto Municipal Code including changes outlined in the Staff Memorandum; and
- B. Find the Ordinance exempt from review under the California Environmental Quality Act (CEQA).

Mayor Scharff: I think that Council Members may want to break out some of these to vote separately on some of these items. In looking at the ordinance itself, it's broken down into sections. I'm thinking if you want to pull out a section to vote separately on it. Why don't you ask me by section, like Section 4 or Section? I think that makes the most sense. I'm open to other thoughts, if people have other thoughts. If you obviously want to make amendments, etc., that's fine. Council Member Fine, you want to speak to your motion?

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Council Member Fine: Sure. I think generally this is moving in the right direction. These are a number of small to medium cleanups. I think there are some issues where we may want to look at the housing inventory sites again. Part of this following up on what the City has shown a desire to increase affordable housing, and that's kind of across the board. We can't constantly be shifting these sites. I think overall this is moving us forward on a lot of the right things in terms of updating the housing definitions, loading spaces, entitlement approvals, and the TDM plans are helpful for our City going forward. With that, I'd really appreciate your support. As the Mayor said, we can go through these one through eight and see what folks want.

Mayor Scharff: I'll speak to the Motion briefly. I, first of all, want to thank Staff for bringing these forward. I think these are good items that we need to get some clarity in the Code. If we don't approve something, it doesn't necessarily mean that we've given any direction to Staff, so the status quo would prevail. If you're providing whatever, doing whatever you're doing, unless we change it in a Motion, then you continue to do what you would be doing. That's the way I read this. Hopefully we can move this forward, get five votes for things. The other thing I'd really like is if possible decide upfront a little bit. If there's stuff that's not controversial, then we could focus on the controversial stuff. If you are good with the rest of it and you're not good with something, say you're not good with something. If you really want that pulled out, ask me. If I hear more than two people wanting to pull it out—two people or more—we'll pull that out. It might be more efficient, but if you want to make Motion to pull it out, I can break them. It's up to the Mayor to break it out. I'm basically saying if you have two people that want to pull something out, we'll pull it out and vote separately on it. I think that should be fairly easy. I would say what Adrian said. I support most of this. A couple of you have made comments that I support. I support Council Member DuBois' concept that we should probably have earlier reporting on the TDM. I think that's good. I'll leave him to make that amendment. There were a couple of other comments people made. I have a lot of concerns about what Council Member Holman said on that. I also have concerns that we did talk to HCD and did that. I don't really want the wrath of HCD coming down on us. At the same time, I'm thinking in my mind that it might be worthwhile to re-look at the housing inventory sites if we do pass this. I am also actually sort of concerned about the whole parking idea. I didn't really like Staff's answer on the issue of parking. I was a little concerned that—I don't think parking should be an incentive if low-income housing is going to use it the same. I actually understood that low-income housing used it less, but I'm not sure it should be zero. I don't think parking should be an incentive. I think we should park to what is required. That means if low-income housing uses less parking, their parking

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requirement should be less. There is also some State stuff that reduces it anyway. I'm not sure I'm supportive, but we'll see where people go. I probably wouldn't vote against it just on that issue. I do have concerns about not fully parking projects, especially in areas of SOFA II. If we built a bunch of these without parking in SOFA II, that would be a problem. Anyway, I'll hear what other people have to say. Vice Mayor Kniss.

Vice Mayor Kniss: A couple of questions. I'm very sympathetic, Karen, with what you said. At the same time, though—Hillary, to ask you. A hundred percent affordable means what?

Ms. Gitelman: It means that all of the units developed on the site would have to meet the definition of low, very low, or moderate-income housing, less than 120 percent of area median. They would have to be deed restricted units.

Vice Mayor Kniss: I see no way that any developer could put together any type of parcel in that area. I know that area well. You would really have to do handstands, and on top of that you're going to have to get funding from at least five different sources. I think that's one of those where we've just passed the Retail Ordinance. Now, we're talking about this from another angle. It's not making much sense to me. I don't know how it can be rewritten or not written. I think that's one of those if you could make that happen, I'd be absolutely amazed at it. You've got to get a fair number of units to get any kind of funding from the State, from the Federal government, and so forth. Am I correct?

Ms. Gitelman: You're absolutely right. What this is setting up as an incentive is an extremely high bar on small sites. We're doing our best with the sites we identified in the Housing Element to come up with a package of incentives. Really the expedited review and waiving the planning fees are probably the most meaningful of these. The others would be really, really hard to make use of.

Vice Mayor Kniss: I see your concern, Karen, but for the life of me I can't see how they could put something together there. Whether or not we leave it in as is, because it meets the Housing Element, I think it's up to the nine of us. I just would not see it as being threatening in any way, especially not with the Retail Ordinance having just been passed. I certainly think people are going to look at that differently, who might look to develop something in that area.

Ms. Gitelman: One thing I should add to Mayor Scharff's point. I think HCD would be absolutely thrilled if we tried to identify other larger sites than these in our housing inventory. I think they forced us to include this

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program to develop incentives because they thought these sites were so small. If the Council wanted to adopt this but direct us to do that in the future, it's something we could go back and revisit after we get through the Comp Plan process and the question on the San Antonio sites. This might be the next question to look at in that regard.

Vice Mayor Kniss: Somewhat flippantly, I don't think you're going to get 700 houses on the Fry's site. I could be wrong. That's it.

Mayor Scharff: Council Member DuBois.

Council Member DuBois: A quick question on this. I'm a little confused now on the SOFA II sites. They'd still require retail, so they would be mixed use, 100-percent affordable with retail on the bottom. Is that right?

Ms. Gitelman: That's right.

Council Member DuBois: I think it was a good conversation. I kind of agree with the Planning Director that we won't get a ton of projects there. Hopefully we get one or two affordable housing. I think these incentives are actually warranted for these lots. I'm comfortable leaving them as is. I do have three small amendments. The first would be to change, on packet page 329, Section 12-3, every 3 years to every year thereafter in the TDM reporting.

Mayor Scharff: That's fine.

Council Member Fine: I was going to make everything unfriendly, but I'll accept that.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "Section 12 (d)(3), replace 'three years' with 'year.'" (New Part A.i.)

Council Member DuBois: I don't know if I need to restate that, David, or if you caught that. Section 12, Number 3. The second Motion is on Page 321. That would be replace every 3 years with every year.

Mayor Scharff: What section is that?

Council Member DuBois: I'm sorry. The next one, 321. It's the heading for 18.42.140, Section 5. It would be to change the Housing Element's housing inventory to read the—I think it was the 2015 Housing Element housing inventory.

Ms. Gitelman: It should be the 2015-2023 Housing Element.

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Mayor Scharff: Where is that?

Council Member DuBois: In Section 5, the first paragraph where it says 18.42.140, inventory sites. The first sentence, it shall apply to the sites listed in the 2015-2025 Housing Element housing inventory. That's to make it specific.

Mayor Scharff: That's fine.

Council Member Fine: Yeah.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "Section 5 add '2015-2023' after 'sites listed in the.'" (New Part A.ii.)

Council Member DuBois: Thank you. The last one is on Page 329, Section 11 I (1). I would propose that we change it from 100 new net trips to 50 net new trips.

Council Member Fine: I don't think I'm going to accept that yet, but I do have a question to Staff. How did you come up with the 100?

Ms. Gitelman: The 100 was derived from the VTA guidelines we use to determine when a quantitative traffic analysis is needed for a development project.

Council Member Fine: Thank you. I'm not ready to accept that one yet.

Council Member Holman: Second.

AMENDMENT: Council Member DuBois moved, seconded by Council Member Holman to add to the Motion, "replace in Section 12(d)(1)(b), '100' with '50.'" (New Part A.iii.)

Mayor Scharff: We have a second. Speak to your Motion.

Council Member DuBois: I am open to a different number. I don't think I've ever seen a project come to us that generated 100 net new trips. It just seems like something that won't occur. I think we're interested in TDM programs, so I think maybe some lower number. I just picked 50, but I'd be open to a different number.

Mayor Scharff: You seconded?

Council Member Holman: Yeah. Fifty is as good a number as anything else. I'm supportive of that and agree with your concept.

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Mayor Scharff: I'm going to clear the board if anyone wants to speak to this amendment. You don't have to. I just have a question on it. What is the different in a project? What are we looking at? When you say 50 trips or 75 trips or 25 trips, I don't really have a feel for what I'm voting on. Am I voting for—how big a project are we talking? What are we looking at here?

Ms. Gitelman: If you think about the projects where we do a quantitative analysis, we have two in the Research Park right now that are big replacement projects, where we did traffic studies, I'm pretty sure. Although, I'm not sure they had net new ...

Council Member DuBois: This is net new trips too, not just total (crosstalk).

Ms. Gitelman: It's net new. We do err on the side of being conservative when we have development projects. Sometimes we do require studies for less than 100 trips. There's some rationale for going lower. It's just that we thought right now the Code is written that these things are voluntary. It's when people want to request a parking reduction. This is a change. We're going to impose a requirement for the first time. We thought we should use the standard as its written in the VTA guidance. It's up to Council.

Mayor Scharff: Council Member Filseth.

Council Member Filseth: I was just going to say that my back of envelope on this one was ... If you use the City's current standing assumption of four cars per 1,000 square feet, in order to get to 100 cars, if every single one drives at peak, then you need 25,000 square feet. Not every single one is likely to drive at peak, so somebody's going to come through and say 75 percent and so forth. You're looking at this applying to projects that are 30,000, 40,000, 50,000 square feet. We just don't have a lot of those, which is to Council Member DuBois' point. At 100, we're never going to see it. I think that's the justification for looking for a lower number.

Mayor Scharff: Council Member Wolbach.

Council Member Wolbach: Just wanted to check does this apply to all types of development or only commercial or only for office and R&D or does it apply to retail or does it apply to restaurants? Does it apply to residential?

Ms. Campbell: It would apply to any project that generated those trips.

Mayor Scharff: Let's vote on the board. That passes on a 6-2 vote with Council Members Wolbach and Fine voting no.

AMENDMENT PASSED: 6-2 Fine, Wolbach, no, Tanaka absent

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Mayor Scharff: Back to you. You're done. I cleared the board, so put your lights back on. Council Member Holman.

Council Member Holman: Follow up on the last amendment. I'd mentioned earlier about the TDRs that are out there, that don't require parking. Would this apply to that extra square footage? If you had a TDR that gave you an extra 1.0 FAR, let's say, you'd still accumulate the trip count. In that way, the TDRs that are unparked, they'd get swept up with this. Correct?

Ms. Gitelman: Yeah. It's any new development that's proposed without regard to what their current parking requirement is.

Council Member Holman: Just wanted to make sure we're covered there. The onsite loading, what number is that? Section 2. I would like to delete Number—it's Section 2.050(a)(3). I would like to delete "3."

Mayor Scharff: She's doing the automobile dealerships.

Council Member Holman: It's the floor area ratio elimination.

Council Member Fine: No, I'm not going to accept this one.

Council Member Holman: I need a second.

AMENDMENT: Council Member Holman moved, seconded by Council Member Kou to add to the Motion, "remove from Section 2, 18.30(F).050(a)(3)."

Mayor Scharff: Seconded by Council Member Kou. You want to speak to your Motion?

Council Member Holman: Yeah. I have experienced in other communities how much floor area ratio can be taken up by some of these uses. I think it could be an unfortunate outcome.

Mayor Scharff: Council Member Kou, you want to speak to your second?

Council Member Kou: I'm just not really comfortable at all with parking facilities with their parking for service and repair and not count it towards the floor area. Basically the bulk of the building is going to be a lot larger because of that. I'm really not comfortable with that, especially on the part about queuing for drop-off. I understand it's a cleanup, but it's just too wide. It goes too wide into the city.

Mayor Scharff: Council Member Filseth.

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Council Member Filseth: I was actually going to hold my nose and support the original Motion, but not for exactly the same reason we're talking about here. As Jonathan pointed out earlier, FAR is about building size, basically bounds, how big a building you can put on this size of lot. Obviously, the Mercedes dealership issue has come up here. If we decide that it's in the best interest of residents that we allow a bigger building—I think that is the case with the Mercedes dealership—then it seems like we should just raise the FAR. If we're doing this kind of stuff, we're slicing and dicing how the space is used inside the building. Really, you want the building owner to do that as opposed to the City getting involved and saying, "If it's this use, you can have ..." On the other hand, what I do like about this Motion is it makes it clear. It says in the Automobile Zoning Code, in the automobile overlay code, you are allowed to have a bigger building. It goes through an indirect way to do that, but you're allowed to have a bigger building. The automotive dealership overlay, there are not very many places in town where we have that. In fact, we sort of have that one out by East Bayshore. It's next to the freeway, and it's out of town. We have a slightly bigger building there. I think that's actually a good use of that land. I actually thought that the Staff Motion is a reasonable thing to do. I think it makes sense for the community to have that there. I don't particularly like the way they do it. It would have been much simpler and more direct just to raise the FAR target for that building. This does put it in the Code, and it is kind of a custom code for this land use. I'm going to vote against the Amendment and for the original Motion, if I said that right.

Mayor Scharff: Council Member Wolbach.

Council Member Wolbach: I'll also shape my views with exactly what Council Member Filseth just said.

Mayor Scharff: Seeing no other, let's vote on the board.

Council Member Filseth: We're voting on the Amendment.

Mayor Scharff: We're voting on the amendment. If you don't want to support the Amendment, you vote no. That fails on a 6-2 vote with Council Members Kou and Holman voting yes.

AMENDMENT FAILED: 2-6 Holman, Kou yes, Tanaka absent

Mayor Scharff: I have no lights. Back to you; there's still more.

Council Member Holman: Yeah. Actually I had one question. It's on Packet Page 319. I'm sorry I neglected to ask this earlier. I didn't understand the language, the new language under 135.5 and 138. Just going to the

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replacement language, it says a residential use of property and shall be subject only to those restrictions that apply to other dwellings of the same type in the same zone. It seemed like the preexisting language was clearer.

Mayor Scharff: Where are you?

Council Member Holman: On Packet Page 319, under 135.5, it's where the new language is inserted. The same thing down with 138 where the new language is inserted. I didn't understand that. We're talking about zoning, but then we're talking about in this replacement language subject only to the restrictions that apply to other dwellings of the same type. What's trying to be said there?

Mr. Lait: The change is today the Code reads that we treat this like any other multifamily use. The change is that we treat it as a residential use. It extends to all the residential districts, not just the multifamily districts. This is language straight from the State standard.

Council Member Holman: Having to do with Section 5, the housing inventory sites and the small lot consolidation. Hillary is, at least to my memory, correct about—actually we started out with consider small lot consolidation. Then it became do small lot consideration. We've gone through this kind of iteration that's gotten us down this—I won't call it a garden path because I think it is not. I appreciate what Vice Mayor Kniss said about it won't happen because people have to consolidate these lots, but that happens as well. I am the ...

Vice Mayor Kniss: (crosstalk) affordable housing or and 100 percent.

Council Member Holman I understand, but I am the "zone for what you want" gal. I am going to make an Amendment that Section 5 be deleted and that Staff come back with alternate locations.

Council Member Fine: I'm not going to accept that. I would speak to it (crosstalk).

Mayor Scharff: Just don't accept it. Is there a second to that? Seeing no second.

AMENDMENT: Council Member Holman moved, seconded by Council Member XX to add to the Motion, "remove Section 5 and direct Staff to return with alternate locations."

AMENDMENT FAILED DUE TO THE LACK OF A SECOND

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Council Member Holman: One other Amendment in Section 5, "F", housing units shall be deed restricted for 100-percent affordable housing units for no less than 30 years. Council Member Fine and I were having a conversation over here. We thought it was at some point in time going to be 55 years, so I'd offer that Amendment, that it be 55 years.

Mayor Scharff: Council Member Fine accepts that?

Council Member Fine: I'd accept that. A quick question to Staff. I thought we had previously talked about changing those references to 30 years to 55 kind of across the board. Am I mistaken?

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "replace in Section 5, 18.42.140(f) '30 years' with '55 years.'" (New Part A.iv.)

Mr. Lait: I think we could do 55 here. As we're talking and have been talking since the question was asked, we think that there was another—you may recall we were talking about hotel conversions at one point to affordable housing. There the 30 years was significant because it had to do with when the assessor's office reevaluated, reassessed property. I think in this instance, we could do 55 years. That was just inadvertent.

Council Member Fine: Thank you.

Council Member Holman: I think lastly is the loading zone. I'm looking for which number that is. Here it is, Section 8. I guess I would look to colleagues to come up with some—

Mayor Scharff: You have the floor.

Council Member Holman: I know. I'm not really comfortable with being totally discretionary. With existing development, I can understand why. We have a lot of older buildings that don't have even their own parking, let alone an onsite loading zone. I'm not comfortable with this being discretionary. I don't have specific language. I apologize for that. I look to somebody else who might second an Amendment to come up with language.

Mayor Scharff: Are you done and should I go to Council Member Filseth? He's got his light on.

Council Member Holman: That'd be good. Thank you.

Mayor Scharff: Go ahead.

Council Member Filseth: Where are we? Did Karen just make a Motion?

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Mayor Scharff: No, she did not.

Council Member Holman: I was looking for language. It's Packet Page 327, and it's Section 8, modifications to off-street loading requirements.

Council Member Filseth: I actually wanted to ask another question about that one, if I could. If it says here that ...

Mayor Scharff: They want you to speak into your mike. They can't hear you.

Council Member Filseth: It says here the Director may modify the quantity or dimensions of off-street loading for nonresidential, etc. It says on a finding that the off-street loading may conflict with Comprehensive Plan goals and policies. Is that what we're saying?

Mr. Lait: May not.

Council Member Filseth: Page 327.

Mr. Lait: It should be that there is no conflict. Let me read this from the beginning here.

Ms. Gitelman: I think it's correct. What it's saying is if an applicant has an off-street loading requirement on their parcel and the Director finds that that provision of loading on their parcel would conflict, we can allow the shared parking in an alley or on-street. I think one of the Council Members pointed out that this finding could be expanded to say that the on-street solution does in itself cause impacts. We could get both sides of the question. The other thing I wanted to point out is this is very similar to the way parking exceptions are dealt with. The decision is made by the Director. Of course, the Council has the ability to review that decision on appeal, if a project gets appealed.

Council Member Filseth: If somebody appeals. I think it ought to be a pain in the neck to get around the loading zone restrictions on a new building. I understand the issue with existing legacy buildings. On a new building, I think it ought to be a pain in the neck to get around that one. Is there any guidance that you could put that it was purely discretionary.

Ms. Gitelman: The one thing I would say about this issue is that we are a community that long ago decided that shared parking was the way we wanted to go. The reason was—if you think about Downtown—we didn't want a little driveway going into every single parcel in Downtown. We consolidated our parking in centralized lots and garages. We've thought of

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loading in Downtown and other parts of Palo Alto the same way. Where there's an opportunity for a shared on-street or alley loading space, we have found that preferable to every parcel having its own big, massive driveway or red space and a loading provision. That's where this practice has come from. What we've tried to do in this language is just kind of memorialize what we've been doing through a labyrinthian interpretation of the Code.

Council Member Filseth: If it conflicts with Comp Plan goals and policies, then how do we reconcile that?

Mayor Scharff: I think it has to conflict with Comp Plan goals to be granted.

Council Member Filseth: To be granted, it has to conflict or conform?

Mayor Scharff: It has to conflict. You can't grant it unless it doesn't meet a Comp Plan goal, unless there's a Comp Plan goal reason to do it.

Council Member Filseth: What we could do is modify this paragraph so it says (a) providing the on-street loading onsite would conflict and (b) the use of shared loading offsite would not conflict.

Council Member Filseth: I see.

Mayor Scharff: You want to propose that as an Amendment.

Council Member Filseth: That I got. That I understand.

Council Member DuBois: Why don't you make that Motion?

Mayor Scharff: Why don't you propose that as the Amendment? We could all get behind that.

Council Member Filseth: That'll be part of it.

Council Member Holman: I'd second that since (inaudible).

Council Member Filseth: You would second that, okay. Based on existing or proposed site conditions, that basically means anything. Right? The place we got to, I like that as a reason.

Ms. Gitelman: Should I try some language?

Council Member Filseth: Yeah.

Ms. Gitelman: What we do is in the paragraph that's there, in Section E—I guess we'd have to use a "i" or something. Where it says to address loading

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and unloading activities; and upon a finding that (i) the off-street loading may conflict with Comprehensive Plan goals and policies related to site, design, planning, blah, blah, blah, blah, and (ii) the use of shared on-street loading would not conflict with area circulation or Comp Plan policies.

Council Member Filseth: My other question on this language—that one was the one that confused me the most. Thank you very much.

Mayor Scharff: While we're doing this, do you accept that or not?

Council Member Fine: I want to see it written up, but I think I'm inclined to.

Mayor Scharff: I know Council Member Holman is ready to second it if not. We don't have to have a vote if you accept it.

Council Member Fine: I just want to see (crosstalk).

Council Member DuBois: Sorry to interrupt. Section 7 and 8 have the same clause. It should be in both places.

Ms. Gitelman: We would have to make the same change in the table in 7.

Mayor Scharff: Correct.

Council Member Filseth: I wanted to ask about another—at the right point in time when we're ready, I want to ask about another clause in this long sentence here. The first one says based on existing or proposed site conditions. That sort of means anything, I think.

Mr. Lait: I would say that it's broadly written because we don't know of the individual constraint that may apply to a specific property. It could be a narrow lot. It could have a structure that's staying on the lot. There's a wide variety of scenarios that could be the situation why one might want to allow the loading zone to occur not onsite.

Council Member Filseth: That basically means, if I understand that, there's no basis for appealing this because it says you can do anything. It says we can do anything.

Mr. Lait: The Director would make a decision. Upon a finding of that decision, I guess it is a discretionary action. There's the permit that this would be associated with, and then that can be appealed.

Council Member Filseth: It could be appealed. If it says something as broad as this, is there any basis for an appeal?

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Mr. Lait: Yeah. The Code says you've got to do the onsite loading.

Mayor Scharff: You have more questions or you're done?

Council Member Filseth: Not on this one. I actually wanted to go back to yet again the small lot consolidate one. (crosstalk)

Mayor Scharff: Before we go there, I just want to make sure Council Member Fine was good with this. I'm good with it. It's in. Do you have this issue, Council Member Holman?

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion "add to Section 7 (Table 4) Modification to Off... and Section 8(e) 'and the use of shared on-street loading would not conflict with Comprehensive Plan goals and policies related to site design planning, circulation and access or urban design principles; maximum reduction in one loading space.'" (New Part A.v.)

Council Member Holman: Yes. About this, it says shared—where did it go. The use of shared on-street loading. Why is it shared on-street loading? Why not just on-street loading? What is shared on-street loading?

Ms. Gitelman: The whole concept of putting loading on the street is you'll stripe a red zone or something. It's a shared resource that anyone can use. It's not reserved for that individual property owner. It'll be a red curb or yellow curb.

Council Member Holman: I'm a little uncomfortable with the word shared just because my experience being Downtown is trucks just pull up and park in the street. They don't go to the curb. They don't even go to the curb. For me if the maker of this amendment would accept just taking out the word shared. I think it's meaningless.

Council Member Filseth: It's okay with me.

Mayor Scharff: I'm not sure it's okay with me. I think the term shared—not to be nitpicky, but the term shared implies what we're looking for people to do, which is to share the on-load zoning. We want them to do that. That's the whole goal. If there is a loading zone, they use the loading zone. This is not your loading zone for your project; it's the loading zone that's there, that anyone can use. That's what we should strive for.

Council Member Filseth: The wordsmithing here, which I don't like to do.

Mayor Scharff: It's after 11:00; that's always a good time.

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Council Member Filseth: The issue is if it conflicts with the Comp Plan. If you eliminate the word shared, does it not conflict with the Comp Plan anymore? I understand what you mean. It's just does shared add any value there because we're talking about conflicting with the Comp Plan. If it's not shared, does it conflict with the Comp Plan?

Mayor Scharff: Does Staff ...

Mr. Lait: We're fine either way.

Mayor Scharff: Let's take out the word shared.

Council Member Filseth: Okay.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to remove from the Motion Part A.v., "shared."

Council Member Holman: Thank you all.

Mayor Scharff: Seeing no further lights, can we vote on the board.

Council Member Filseth: What are we voting on?

Mayor Scharff: The Motion.

Council Member Filseth: The whole thing?

Mayor Scharff: The whole thing.

Mayor Scharff: Is there more lights?

Council Member Filseth: I wanted to go back to—sorry. I want to go back to the lot consolidation one for a second and the parking. I wasn't sure that we resolved that one completely.

Mayor Scharff: I didn't have to clear the lights. The voting lights.

Council Member Filseth: I'm not still 100-percent comfortable using parking as an incentive. I know we want an incentive. Have we not learned our lesson by now with giving away parking? Especially in SOFA. This is the parking congestion map, and big chunks of SOFA are the red zone here. I'm concerned if we give away parking and we say more people have a right to this, then they're going to be fighting with everybody else and the dentists and the Watercourse Way and everybody else. On the other hand, if we think that affordable housing is going to have less parking than other places

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but it's probably not zero, then do we really want to—maybe it should be 50 percent parking requirement or something like that. What does Staff think?

Ms. Gitelman: I think we proposed two things in this section. One is the reduction in the guest parking. The other is no parking for really small units, less than 500 square feet.

Council Member Filseth: The issue, I think, is if somebody consolidates these lots and they put up an apartment building that's got three times as many units as there used to be there, even if some of them are small, it doesn't mean they won't have cars. I'm sensitive to the argument they might have fewer cars per unit, but they're probably not going to have zero cars.

Ms. Gitelman: I think we'd be open to some modifications here, if you have something to suggest. We do think, given the language in the Housing Element, that HCD is going to be looking for a parking incentive. It's probably not okay to just have streamlined review and reduced fees. They said such as streamlining, reduction in parking requirements, or graduated densities. We haven't provided graduated densities. It kind of feels like we should do something on the parking side. We thought smaller units close to transit. SOFA is walkable to Downtown. There would be less parking demand both because it's ...

Mayor Scharff: Do you think we could get away with 50 percent?

Ms. Gitelman: Yeah.

Council Member Filseth: I'd be good with that. The maker of the Motion?

Council Member Fine: Nope.

Mayor Scharff: I'll second that.

AMENDMENT: Council Member Filseth moved, seconded by Mayor Scharff to add to the Motion, "replace Section (k) with, 'parking requirements for residential units less than 500 sq. ft. would be reduced 50 Percent.'" (New Part A.vi.)

Council Member Filseth: I'm going to propose a—I think I've already spoken to my Motion.

Mayor Scharff: I'm just going to say I agree with Council Member Filseth. Giving away parking in these areas as an incentive is the wrong incentive. I understand that HCD wants it, and I understand it's expensive. I think by moving to 50 percent we're recognizing that low-income housing produces

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less. We're striking that balance. We're not saying they have to fully park it. I think that works. I'm going to support it. Council Member Wolbach.

Ms. Gitelman: Just to clarify, it's Item K. Instead of saying no parking is required for residential units less than 500 square feet, it would say parking requirements for units less than 500 square feet would be reduced by 50 percent.

Mayor Scharff: We're still keeping the guest parking reduction of 30 percent. You have that as well for HCD.

Ms. Gitelman: Thank you.

Mayor Scharff: Council Member Wolbach.

Council Member Wolbach: This is an interesting but, I think, a very important question. I think there are a lot of different ways we could approach this. I'm not going to say of them are invalid. I think it's an important thing for us to think very carefully about. This if or below market rate units, correct? Below market rate units less than 500 square feet, near transit, if there is ever going to be a type of housing which is less likely to require substantial parking or any parking, that's it. It doesn't get more pedestrian-friendly than that, just by the design inherently. The State understands that at HCD. We've seen it with Palo Alto Housing and other nonprofit developers who provide affordable housing, that affordable housing in general at regular sizes doesn't require as much car use. Especially at the lower-income levels, because a lot of folks cannot afford to maintain and upkeep and own a car. I know for most of us that's a hard thing to wrap our heads around, that here in Palo Alto there are people who can't afford a car. Of course, there are people on the other end who can't afford a place to live, so they only have their car.

Council Member Filseth: My mother-in-law fits that profile, and she's got four cars. None of them run.

Council Member Wolbach: I was referring to the folks who are living in their cars. I'm sorry to hear if that's where your mother-in-law is at. I'll let you guys deal with that one. I'm not going to be supporting the motion. I guess what might win me over is if we gave a choice to the developer. They could go to the zero if, as a condition of approval, they would forego having their residents be able to buy permits in the RPP district. That's something we've talked about doing. Or they could reduce it marginally to that degree. If they went down to 25 percent, only 25 percent of their units would be eligible for an RPP permit. I don't know if that's something we could do or if

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that's too complex and would require too much legal and Staff work to work out. I don't know if that's an option.

Ms. Gitelman: Council Member Wolbach, we do owe the Council an answer about whether we could legally do that. I'm not sure we've gotten to the finish line on that analysis yet. Also, we do owe the Council a study of parking demand by housing type for different types of housing, locations of housing, affordable housing versus market rate housing. It's another program in our Housing Element that we're trying to prioritize this year. With that information, we will be able to suggest any modifications to this standard and other parking standards based on real data from our community. We just don't have it gathered together yet.

Council Member Wolbach: I appreciate that. I won't propose that as an amendment at this point. I think those are things we could look at in the future. If it comes back when we have those studies and we're wrong, those of us who are not supporting this amendment, then we can change it in the future. The idea that we would not address parking as an incentive to encourage affordable housing—I've heard several on this dais say that they don't think we should be using reduced parking requirements as an incentive to promote affordable housing. In the recent election, everybody who won ran on being an affordable housing advocate. Parking requirements are one of the most severe obstacles to affordable housing. I just want to make sure we're really thoughtful and consistent in our values and the impacts of our policies. I think the amendment still moves us in the right direction. I want to go further, and the further I want to go is what's in the Staff recommendation. I'm going to support the Staff recommendation on this one and not support the amendment. I do want to make sure to address those comments that I heard. If we're not willing to touch parking requirements for affordable housing, I don't think we can say we're being genuine when we say we want affordable housing, especially in our Downtown areas.

Council Member Filseth: It doesn't increase the parking supply. I think it's wish-based. To the extent it's based on an intelligent rationale that there will be fewer cars, I think it makes a lot of sense. To the extent it doesn't, it's just wishful thinking based.

Mayor Scharff: Council Member DuBois.

Council Member DuBois: Just real quick. I had asked during Q&A about what's a micro unit. I think Staff originally proposed no parking for 300-square-foot apartments, which was another way we could go. There's all that affordable housing on Alma. They use less parking, but they still use

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parking. I think ultimately I support the Motion. To Council Member Wolbach's comments, I think this is a pretty big adjustment, reducing by half and then reducing the guest parking. Again, I think we need to have some parking.

Mayor Scharff: Council Member Kou.

Council Member Kou: I'll be supporting the Amendment. We do have a parking issue. When we all ran for the campaign on affordable housing—we're talking about affordable housing, not giving away parking as an incentive in order to build it when we have an issue. We are in a hole we're not going to dig any more deeper than we need to by just having no parking.

Mayor Scharff: Council Member Fine.

Council Member Fine: I've got to jump in this one. I actually don't care, and I think the Amendment's going to pass. We're talking about 3 acres of RT-35. At most you're going to get 120 units. I think if we were to get 120 units of BMR in this City with absolutely no parking, most everyone in this community would be supportive of that, even if we didn't add 60 parking spots or 120 parking spots. Tom, you brought up the issue of micro units. If somebody builds 300-square-foot units, some people might be interested in them. Then, we're going to build parking spots which are just about as big. This is a really marginal issue. Council Member Wolbach did bring up the issue. Parking is a cost to affordable housing. It's a cost to regular housing. This is the balancing act we're choosing.

Mayor Scharff: Council Member Holman. That's a tough act to follow.

Council Member Holman: I think Council Member DuBois said it most. It's not that affordable housing projects don't have any parking demand. Also, recall that oftentimes there's a manager that lives onsite, that usually has a car. There are people who come and service—services that need some place to park. They need to get their cars off the street, especially in an RPP district. I think this is reasonable. While I have the microphone just real quickly, I'd ask the Mayor if we could take Section 5 separately so I can vote for everything else. I'd appreciate it.

Mayor Scharff: Would you mind if we just recorded you as a no vote on that section or do you want to take it separately?

Council Member Holman: Whichever way.

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Mayor Scharff: I'm willing to do that, but my preference would be just to record you as a no vote on Section 5.

Council Member Holman: Thank you for that. Just whichever way. I'm not going to be supporting Section 5.

Mayor Scharff: Seeing nothing further, if we could vote on the Motion.

Beth Minor, City Clerk: You mean on the Amendment.

Mayor Scharff: Yeah, on the Amendment. We're going to vote on the Amendment first. You're right. That passes on a 6-2 with Council Members Wolbach and Fine voting no.

AMENDMENT PASSED: 6-2 Fine and Wolbach no, Tanaka absent

MOTION AS AMENDED RESTATED: Council Member Fine moved, seconded by Mayor Scharff to:

- A. Adopt an Ordinance amending Title 18 (Zoning Code) of the Palo Alto Municipal Code including changes outlined in the Staff Memorandum and the following changes:
 - i. Section 12 (d)(3), replace "three years" with "year;" and
 - ii. Section 5 add "2015-2023" after "sites listed in the;" and
 - iii. Replace in Section 12(d)(1)(b), "100" with "50;" and
 - iv. Replace in Section 5, 18.42.140(f) "30 years" with "55 years;" and
 - v. Add to Section 7 (Table 4) Modification to Off... and Section 8(e) "and the use of on-street loading would not conflict with Comprehensive Plan goals and policies related to site design planning, circulation and access or urban design principles; maximum reduction in one loading space;" and
 - vi. Replace Section (k) with, "parking requirements for residential units less than 500 sq. ft. would be reduced 50 Percent;" and
- B. Find the Ordinance exempt from review under the California Environmental Quality Act (CEQA).

Mayor Scharff: Now, if we could vote on the entire motion. I will record Council Member Holman, if that's all right, on Section 5 voting no. That

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passes unanimously with Council Member Tanaka absent and Council Member Holman voting no on Section 5.

MOTION FOR SECTION V PASSED: 7-1 Holman no, Tanaka absent

MOTION FOR SECTIONS 1-4, 6-17 PASSED: 8-0 Tanaka absent

11. ~~Adoption of a Resolution Amending Resolutions 9473 and 9577 to Continue the Downtown Residential Preferential Parking (RPP) Program With Minor Modifications and Finding the Action Exempt From the California Environmental Quality Act (Continued From February 13, 2017) (STAFF REQUESTS THIS ITEM BE CONTINUED TO MARCH 6, 2017).~~

Inter-Governmental Legislative Affairs

None.

Council Member Questions, Comments and Announcements

Mayor Scharff: Now, my favorite part which is Council Member Comments, Questions and Announcements. Council Member Holman.

Council Member Holman: I have a question please. We have a second Retreat that is scheduled. At least some of us don't know the purpose of that Retreat. We've had a consultant reach out to us wanting to have conversations. I don't know how to prep for that conversation because I don't know what the Retreat is for or about. Can we be enlightened on that please?

Mayor Scharff: I think that's a good question. I think I'll have the Acting City Manager, Ed Shikada, send out an email to all of Council regarding the Retreat, so we can do it in a thoughtful and obviously get questions back from Council Members. Seeing no other lights—I want to make sure—the meeting's adjourned.

Adjournment: The meeting was adjourned at 11:24 P.M.