



# CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Special Meeting  
May 22, 2017

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

Present: DuBois, Filseth, Fine, Holman, Kniss arrived at 6:35 P.M., Kou, Scharff, Tanaka, Wolbach arrived at 5:13 P.M.

Absent:

## Palo Alto Youth Council

Present: Antony, Ashoke, Bahl, Cheng, Hristov, Ilegart, Kao, Keyani, Kumar, Li, Pujji, Qi, Quigley, Sales, Tadimeti, Yu

Absent: Ji, Sandhu

## Parks and Recreation Commission

Present: Cribbs Warner, Greenfield, LaMere, McCauley, McDougall, Moss, Reckdahl

Absent:

## Study Session

1. Joint Study Session With the Palo Alto Youth Council.

Council took a break from 5:58 P.M. to 6:07 P.M.

2. Joint Study Session With the Parks and Recreation Commission.

Council took a break from 7:04 P.M. to 7:14 P.M. and reconvened in the Council Chambers.

## Agenda Changes, Additions and Deletions

None.

# ACTION MINUTES

## Minutes Approval

3. Approval of Action Minutes for the May 8, 2017 Council Meeting.

**MOTION:** Vice Mayor Kniss moved, seconded by Council Member Wolbach to approve the Action Minutes for the May 8, 2017 Council Meeting.

**MOTION PASSED:** 9-0

## Consent Calendar

**MOTION:** Mayor Scharff moved, seconded by Vice Mayor Kniss to approve Agenda Item Numbers 4-6.

4. Preliminary Approval of the Downtown Business Improvement District (BID) 2017-2018 Annual Report; Resolution 9679 Entitled, "Resolution of the Council of the City of Palo Alto Declaring an Intention to Levy an Assessment Against Businesses Within the BID for Fiscal Year 2018 and Setting a Time and Place for a Public Hearing on June 12, 2017 at 6:00 PM or Thereafter, in the City Council Chambers."
5. Approval of Amendment Number 3 to Professional Services Contract Number C15157200 With Walker Parking Consultants for the Design of a Downtown Automated Parking Guidance System Extending the Contract Term Through June 30, 2018.
6. Resolution 9680 Entitled, "Resolution of the Council of the City of Palo Alto Amending Utility Rate Schedule D-1 (General Storm and Surface Water Drainage) to Implement the Storm Water Management Fee Approved by Palo Alto Property Owners via Mail Ballot Election on April 11, 2017."

**MOTION PASSED:** 9-0

## Action Items

7. Parks, Trails, Natural Open Space and Recreation Master Plan.

**MOTION:** Council Member DuBois moved, seconded by Vice Mayor Kniss to direct Staff to strengthen the language of Programs 6.C.1, 6.C.2, and 6.C.3 to minimize private, exclusive use and when such uses are allowed, charge significant fees.

# ACTION MINUTES

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "and include specific outreach language."

**MOTION AS AMENDED RESTATED:** Council Member DuBois moved, seconded by Vice Mayor Kniss to direct Staff to strengthen the language of Programs 6.C.1, 6.C.2, and 6.C.3 to minimize private, exclusive use and when such uses are allowed, charge significant fees and include specific outreach language.

**MOTION AS AMENDED PASSED:** 7-2 Fine, Tanaka no

Council took a break from 8:59 P.M. to 9:04 P.M.

8. Comprehensive Plan Update: Review of the Draft Business & Economics Element Recommended by the Citizens Advisory Committee (Continued from May 15, 2017).

**MOTION:** Mayor Scharff moved, seconded by Council Member Wolbach to direct Staff to prepare a revised draft of the Business and Economics Element for referral to the Planning and Transportation Commission.

**AMENDMENT:** Council Member Tanaka moved, seconded by Mayor Scharff to add to the Motion, "including the following change, replace in Policy B-6.1, 'small office' with 'office.'"

**SUBSTITUTE AMENDMENT:** Council Member Wolbach moved, seconded by Mayor Scharff to add to the Motion, "including the following change, replace in Policy B-6.1, 'containing' with 'prioritizing' and add to Policy B-6.1, 'start ups' after 'small office.'" (New Part A)

**SUBSTITUTE AMENDMENT PASSED:** 9-0

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "add to Policy B-4.2, 'start-ups' after 'small businesses.'" (New Part B)

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "add to Program B4.2.1, 'start-ups' after 'small businesses.'" (New Part C)

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**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "add to Policy B-4.3, 'and start-ups' after 'small businesses.'" (New Part D)

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "add to Policy B-3.1, 'adds real accounting of unfunded pension liability and unfunded benefit costs.'" (New Part E)

**AMENDMENT:** Vice Mayor Kniss moved, seconded by Council Member DuBois to add to the Motion, "replace in Program B1.1.1, 'direct the Palo Alto Office of Economic Development to' with 'direct the City Manager to.'" (New Part F)

**AMENDMENT RESTATED:** Vice Mayor Kniss moved, seconded by Council Member DuBois to add to the Motion, "replace in Program B1.1.1, 'direct the Palo Alto Office of Economic Development to implement the' with 'implement an.'" (New Part G)

**SUBSTITUTE AMENDMENT:** Council Member Holman moved, seconded by Council Member XX to add to the Motion, "replace in Program B1.1.1, 'direct the Palo Alto Office of Economic Development to implement the Economic Development Policy, as periodically amended, to guide business development' with 'the Palo Alto Office of Economic Development implements the Economic Development Policy, as periodically amended to guide business activities.'" (New Part H)

## **SUBSTITUTE AMENDMENT FAILED DUE TO THE LACK OF A SECOND**

**AMENDMENT RESTATED:** Vice Mayor Kniss moved, seconded by Council Member DuBois to add to the Motion, "replace in Program B1.1.1, 'direct the Palo Alto Office of Economic Development to implement the' with 'implement an.'" (New Part I)

**AMENDMENT PASSED:** 7-2 Fine, Holman no

**AMENDMENT:** Council Member Filseth moved, seconded by Council Member Holman to add to the Motion, "remove Policy B-2.3." (New Part J)

**AMENDMENT RESTATED:** Council Member Filseth moved, seconded by Council Member Holman to add to the Motion, "add to Policy B-2.3, 'with a priority on neighborhood quality of life.'" (New Part K)

**AMENDMENT PASSED:** 9-0

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**AMENDMENT:** Council Member Filseth moved, seconded by Mayor Scharff to add to the Motion, "remove Programs B4.6.2 and B4.6.3."

**AMENDMENT TO THE AMENDMENT:** Council Member Holman moved, seconded by Vice Mayor Kniss to replace in the Amendment, "remove Programs B4.6.2 and" with "replace in Program B4.6.2, 'study the impacts of on-line shopping on local traditional' with 'consider the impacts of on-line shopping on brick and mortar' and remove Program."

**AMENDMENT TO THE AMENDMENT FAILED:** 4-5 Holman, Kniss, Kou, Wolbach yes

## AMENDMENT SPLIT FOR THE PURPOSE OF VOTING

**AMENDMENT1 RESTATED:** Council Member Filseth moved, seconded by Mayor Scharff to add to the Motion, "remove Program B4.6.2."

**AMENDMENT2 RESTATED:** Council Member Filseth moved, seconded by Mayor Scharff to add to the Motion, "remove Program B4.6.3."

**SUBSTITUTE AMENDMENT1:** Council Member Wolbach moved, seconded by Vice Mayor Kniss to add to the Motion, "replace in Program B4.6.2, 'study' with 'consider' and 'develop' with 'consider.'"

**SUBSTITUTE AMENDMENT1 FAILED:** 2-7 Kniss, Wolbach yes

**AMENDMENT1 RESTATED:** Council Member Filseth moved, seconded by Mayor Scharff to add to the Motion, "remove Program B4.6.2." (New Part H)

**AMENDMENT1 PASSED:** 7-2 Holman, Wolbach no

**AMENDMENT2 RESTATED:** Council Member Filseth moved, seconded by Mayor Scharff to add to the Motion, "remove Program B4.6.3." (New Part I)

**AMENDMENT2 PASSED:** 6-3 Kniss, Tanaka, Wolbach no

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "replace in Policy B-5.1, 'flexibility' with 'efficiency.'" (New Part J)

**AMENDMENT:** Council Member Filseth moved, seconded by Mayor Scharff to add to the Motion, "remove Policy B-5.3."

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**SUBSTITUTE AMENDMENT:** Council Member Wolbach moved, seconded by Vice Mayor Kniss to add to the Motion, "replace in Policy B-5.3, 'strengthen the role of the Office of' with 'focus on.'" (New Part K)

**SUBSTITUTE AMENDMENT PASSED:** 7-2 Filseth, Holman no

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECOND** to add to the Motion, "clean up and potentially merge Policies B-6.5 and B-6.6 for consistency and confirm if these Policies belong in the Business and Economics Element." (New Part L)

**AMENDMENT:** Council Member DuBois moved, seconded by Council Member Kou to add to the Motion, "replace Goal B-2 with, 'a thriving business environment that is compatible with Palo Alto's residential character and natural environment.'"

**INCORPORATED INTO THE AMENDMENT WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Amendment, "complements and" after "environment that" and replace in the Amendment, "character" with "neighborhoods."

**AMENDMENT AS AMENDED RESTATED:** Council Member DuBois moved, seconded by Council Member Kou to add to the Motion, "replace Goal B-2 with, 'a thriving business environment that complements and is compatible with Palo Alto's residential neighborhoods and natural environment.'" (New Part M)

**AMENDMENT AS AMENDED PASSED:** 6-3 Fine, Scharff, Tanaka no

**AMENDMENT:** Council Member DuBois moved, seconded by Council Member Holman to add to the Motion, "replace Policy B-2.4 with, 'consider a variety of planning and regulatory tools including growth limits, to ensure change is compatible with the needs of Palo Alto neighborhoods.'" (New Part N)

**AMENDMENT PASSED:** 5-4 Fine, Kniss, Scharff, Tanaka no

**AMENDMENT:** Council Member Holman moved, seconded by Council Member DuBois to add to the Motion, "add to Policy B-7.7, 'discourage zoning actions that could increase the cost of business space' after 'outdated space.'"

**AMENDMENT FAILED:** 4-5 DuBois, Filseth, Holman, Kou yes

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**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "replace in Goal B-5, 'flexibility' with 'efficiency' and replace in Subsection Flexibility and Predictability, 'flexibility' with 'efficiency.'" (New Part O)

**AMENDMENT:** Council Member Holman moved, seconded by Council Member Kou to add to the Motion, "include in Policy B-1.7, 'on an ongoing basis, evaluate opportunities for City involvement in public/private partnerships, including public investment in infrastructure and other improvements, siting of public art, and modification of land use regulations and other development controls.'" "

**AMENDMENT FAILED:** 3-6 DuBois, Holman, Kou yes

**AMENDMENT:** Council Member Holman moved, seconded by Council Member XX to add to the Motion, "replace in Policy B-4.4, 'a mix of' with 'a prioritization of.'" "

**AMENDMENT FAILED DUE TO THE LACK OF A SECOND**

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "replace in Subsection Retail, 'retail sales tax provides approximately five percent of total revenues' with 'retail sales tax provides approximately XX percent of general fund revenues' and direct Staff to include the correct percentage." (New Part P)

**MOTION AS AMENDED RESTATED:** Mayor Scharff moved, seconded by Council Member Wolbach to direct Staff to prepare a revised draft of the Business and Economics Element for referral to the Planning and Transportation Commission including the following changes:

- A. Replace in Policy B-6.1, "containing" with "prioritizing" and add to Policy B-6.1, "start-ups" after "small office;" and
- B. Add to Policy B-4.2, "start-ups" after "small businesses;" and
- C. Add to Program B4.2.1, "start-ups" after "small businesses;" and
- D. Add to Policy B-4.3, "and start-ups" after "small businesses;" and
- E. Add to Policy B-3.1, "adds real accounting of unfunded pension liability and unfunded benefit costs;" and

# ACTION MINUTES

- F. Replace in Program B1.1.1, "direct the Palo Alto Office of Economic Development to implement the" with "implement an;" and
- G. Add to Policy B-2.3, "with a priority on neighborhood quality of life;" and
- H. Remove Program B4.6.2; and
- I. Remove Program B4.6.3; and
- J. Replace in Policy B-5.1, "flexibility" with "efficiency;" and
- K. Replace in Policy B-5.3, "strengthen the role of the Office of" with "focus on;" and
- L. Clean up and potentially merge Policies B-6.5 and B-6.6 for consistency and confirm if these Policies belong in the Business and Economics Element; and
- M. Replace Goal B-2 with, "a thriving business environment that complements and is compatible with Palo Alto's residential neighborhoods and natural environment;" and
- N. Replace Policy B-2.4 with, "consider a variety of planning and regulatory tools including growth limits, to ensure change is compatible with the needs of Palo Alto neighborhoods;" and
- O. Replace in Goal B-5, "flexibility" with "efficiency" and replace in Subsection Flexibility and Predictability, "flexibility" with "efficiency;" and
- P. Replace in Subsection Retail, "retail sales tax provides approximately five percent of total revenues" with "retail sales tax provides approximately XX percent of general fund revenues" and direct Staff to include the correct percentage.

**MOTION AS AMENDED PASSED: 9-0**

Inter-Governmental Legislative Affairs

None.



# ACTION MINUTES

## Council Member Questions, Comments and Announcements

Council Member DuBois reported his attendance along with approximately 130 attendees at the Rail Program Community Workshop this past Saturday. He expressed his appreciation to Staff for running the meeting well. He shared his attendance at the Barron Park May Fete Festival at Bol Park on Sunday.

Council Member Filseth requested an update from Staff regarding AB1250, which would regulate cities' ability to contract.

James Keene, City Manager shared Charter Cities, such as Palo Alto, may be exempt from AB1250. He announced that Staff will return with more information regarding AB1250.

Council Member Tanaka reported meeting with United States Secretary of Transportation Elaine Chao, Peninsula Corridor Joint Powers Board (Caltrain) Chair Jeff Gee, and Millbrae City Council Member Wayne Lee in Washington, D.C. He reported feeling encouraged following the meeting, but read the next morning that additional federal Caltrain funding was not forthcoming. He shared that he met with Norman Mineta, former United States Secretary of Transportation who encouraged persistence with the Department of Transportation regarding Caltrain funding. Council Member Tanaka commented that federal funding would be important as Palo Alto considers grade separations along the Caltrain Corridor.

Vice Mayor Kniss announced her attendance at the Rail Program Community Workshop. She requested a copy of the City's original rail study.

Adjournment: The meeting was adjourned at 11:13 P.M.