

Special Meeting
September 9, 2002

1. Proclamation Recognizing Acterra as a Santa Clara County Green Business.....384

ADJOURNMENT: The meeting adjourned at 6:58 p.m.....384

ORAL COMMUNICATIONS.....385

1. Selection of Candidates for the Architectural Review Board..385

2. Proclamation in Remembrance of September 11.....386

APPROVAL OF MINUTES.....386

3. Approval of a Grant Request to the State of California to Partially Fund the Battery Backup Systems for Intersections with Light Emitting Diode (LED) Traffic Signals.....386

4. Memorandum of Understanding (MOU) Between the City of Palo Alto and the Santa Clara Valley Water District (SCVWD) in the Amount of \$106,480 to Implement a Water Conservation Program Partnership.....387

5. Amendment No. 3 to Contract No. C8103195 Between the City of Palo Alto and Dillingham Associates in the Amount of \$83,320 for Services Associated with Design Development and Construction Documents for Phase 2 of the Mitchell Park Facilities Improvements (CIP 19803).....387

6. Contract Between the City of Palo Alto and All City Management Services Incorporated in the Amount of \$197,133 for Adult Crossing Guard Services and Authorization for Contract Extension for Two Additional Years.....387

7. Agreement Between the City of Palo Alto and the Town of Atherton for Information Technology Services.....387

8. Contract Between the City of Palo Alto and Northwest Woodland Services, Inc. in an Amount Not To Exceed \$118,890 for Arastradero Preserve Trail Improvements and Installation of Fixtures.....387

9. Request for Authority to Participate as Amicus Curiae in California Supreme Court Proposition 218 Case *Richmond v. Shasta Community Services District*.....387

10. Recommendation to: Establish a Below Market Rate (BMR) Program Emergency Fund to Prevent the Loss of BMR Units, and Provide Emergency Loans for BMR Unit Owners for Substantial Mandatory Assessments, and Approve Loan Program Criteria and Loan Terms; Adopt a Budget Amendment Ordinance to Appropriate \$150,000 from the Residential Housing In-Lieu Fund to the New BMR Emergency Fund; Authorize the City Manager to Apply for a Housing Enabled by Local Partnerships (HELP) Loan to Assist in Funding this Program; and Direct the City Manager to Develop and Implement an Assignment Fee Charge on the Resale Price of BMR Units.....387

COUNCIL COMMENTS, QUESTIONS, AND ANNOUNCEMENTS.....397

ADJOURNMENT: The meeting adjourned at 9:15 p.m.....398

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:50 p.m.

PRESENT: Beecham, Burch, Freeman, Kishimoto, Kleinberg, Lytle, Morton, Mossar, (arrived at 6:55 p.m.), Ojakian

SPECIAL ORDERS OF THE DAY

1. Proclamation Recognizing Acterra as a Santa Clara County Green Business

Council Member Burch recognized all the work Acterra had done in helping to preserve the environment. Acterra led on issues of sustainability in their work with Arastradero Preserve and the Creek cleanup.

Council Member Morton said Acterra was an exciting organization to have in the community. He also stated it was noteworthy that as a non-profit Acterra took the initiative to direct its staff towards preserving the environment.

Carol Berg, Santa Clara County Green Business Coordinator, said she was pleased to acknowledge Acterra as the first non-profit organization in the County to be certified as a green business. It was possible to be environmentally compatible on a non-profit budget. She presented Acterra representatives with the certificate and the green business logo to be displayed at their place of business.

Mayor Ojakian presented David Coale of Acterra with the proclamation.

Mr. Coale thanked the Council for being recognized as the recipient of the green business certification. He acknowledged the partnership with the City on environmental projects such as the Arastradero Preserve. He also thanked the Council for supporting green business.

No action required.

ADJOURNMENT: The meeting adjourned at 6:58 p.m.

Regular Meeting
September 9, 2002

The City Council of the City of Palo Alto met on this date in the Council Chambers at 7:00 p.m.

PRESENT: Beecham, Burch, Freeman, Kishimoto, Kleinberg, Lytle, Morton, Mossar, Ojakian

ORAL COMMUNICATIONS

Jim Swan, 3939 Louis Road, spoke regarding Louis Road traffic calming measures.

Karen White, 146 Walter Hays Drive, spoke regarding the Library Bond Measure and Mitchell Park site items.

Wei Wang, 3054 Price Court, spoke regarding the sound wall.

Lynn Chiapella, 631 Colorado Avenue, spoke regarding a notice of public hearing of the Architectural Review Board on a Conditional Use Permit at 600 Colorado Avenue.

Chun Lee, 2375 Fallingtree Drive, San Jose, spoke regarding Falun Gong.

Bunny Good, P.O. Box 824, Menlo Park, spoke regarding City of Palo Alto request to the State of California to take money from September 11 victims to pay for Homer Tunnel.

Elaine Meyer, 609 Kingsley, spoke regarding SOFA 2.

Louise Lyman, 3945 Louis Road, spoke regarding the speed humps on Louis Road.

Stephanie Munoz, 101 Alma Street, spoke regarding the Friends of the Library book sale and new location.

City Manager Frank Benest spoke regarding the traffic calming measures on Louis Road and the Mitchell Park conceptual plan.

SPECIAL ORDERS OF THE DAY

1. Selection of Candidates for the Architectural Review Board

MOTION: Council Member Mossar moved, seconded by Burch, to interview all the applicants.

MOTION PASSED 9-0.

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2. Proclamation in Remembrance of September 11

Mayor Ojakian urged residents to attend events in honor of the September 11 terrorist attack.

Council Member Lytle thanked Mayor Ojakian and staff for arranging opportunities for the community to come together to observe the anniversary of the September 11 terrorist attack.

Council Member Kleinberg suggested lowering the City flags to half-mast every year in memory of those who died and those who aided the September 11 victims. A city in the East Bay originated that idea, and she wanted have it placed on the agenda. She encouraged the public to attend a candlelight vigil at the Memorial Grove at Eleanor Pardee Park on September 11 at 7:00 p.m. She requested a moment of silence be observed in memory of those who died and the heroes who responded to the disasters in New York, Washington, D.C., and Pennsylvania.

APPROVAL OF MINUTES

MOTION: Vice Mayor Mossar moved, seconded by Morton, to approve the minutes of June 24 and July 1, 2002, as submitted.

MOTION PASSED 9-0.

CONSENT CALENDAR

MOTION: Council Member Burch moved, seconded by Morton, to approve Item Nos. 3-9 on the Consent Calendar.

LEGISLATIVE

3. Approval of a Grant Request to the State of California to Partially Fund the Battery Backup Systems for Intersections with Light Emitting Diode (LED) Traffic Signals

Resolution 8213 entitled "Resolution of the Council of the City of Palo Alto Approving the Filing of an Application with the California Energy Commission for a Grant up to \$30,000 to Partially Fund the Battery Backup Systems for Traffic Signals with Light Emitting Diodes"

ADMINISTRATIVE

4. Memorandum of Understanding (MOU) Between the City of Palo Alto and the Santa Clara Valley Water District (SCVWD) in

the Amount of \$106,480 to Implement a Water Conservation Program Partnership



5. Amendment No. 3 to Contract No. C8103195 Between the City of Palo Alto and Dillingham Associates in the Amount of \$83,320 for Services Associated with Design Development and Construction Documents for Phase 2 of the Mitchell Park Facilities Improvements (CIP 19803)



6. Contract Between the City of Palo Alto and All City Management Services Incorporated in the Amount of \$197,133 for Adult Crossing Guard Services and Authorization for Contract Extension for Two Additional Years

7. Agreement Between the City of Palo Alto and the Town of Atherton for Information Technology Services



8. Contract Between the City of Palo Alto and Northwest Woodland Services, Inc. in an Amount Not To Exceed \$118,890 for Arastradero Preserve Trail Improvements and Installation of Fixtures

9. Request for Authority to Participate as Amicus Curiae in California Supreme Court Proposition 218 Case *Richmond v. Shasta Community Services District*

MOTION PASSED 9-0.

REPORTS OF OFFICIALS



10. Recommendation to: Establish a Below Market Rate (BMR) Program Emergency Fund to Prevent the Loss of BMR Units, and Provide Emergency Loans for BMR Unit Owners for Substantial Mandatory Assessments, and Approve Loan Program Criteria and Loan Terms; Adopt a Budget Amendment Ordinance to Appropriate \$150,000 from the Residential Housing In-Lieu Fund to the New BMR Emergency Fund; Authorize the City Manager to Apply for a Housing Enabled by Local Partnerships (HELP) Loan to Assist in Funding this Program; and Direct the City Manager to Develop and Implement an Assignment Fee Charge on the Resale Price of BMR Units.

Director of Planning and Community Environment Steve Emslie stated that the proposal was brought to Council to preserve the BMR opportunity for low-income residents and prevent the loss of BMR units in a way that did not impede the viability of the program. The staff report (CMR:378:02) proposed an emergency loan to certain BMR owners who met certain eligibility requirements. The program was to be used as a final option and

emphasized conventional financing whenever possible. The BMR program had been successful and continued to acquire rental and ownership units. The City was a leader in implementing the BMR program in 1974 and there were elements of the program, which needed review. A Study Session in January 2003 would be scheduled for Council to discuss more long-term issues such as the enforcement program and amendments to deed restrictions. As units turned over through attrition, \$20,000 would be taken out of each sale and placed in a revolving fund that would be used to make the emergency loans. Because the program had not been implemented, it would be necessary to have the housing fund front \$150,000 to be used to address immediate needs in the program. That money would ultimately be paid back as units were turned over and the equity was extracted up to the \$20,000 limit. The City petitioned the State for funds from the HELP program, which was a loan program that served the proposed need, and the City met the basic criteria of the loan application. If the City were successful in gaining the State funds, monies taken from the BMR program would be offset by the outside funding source. The City's vision for the program was for it to become self-funded.

Planning Division Housing Coordinator Catherine Siegel said the general criteria for emergency loans was detailed in Attachment B of the staff report (CMR:378:02) and outlined the standards, criteria, and system of priorities proposed by staff for the actual operation of the program. General standards would be used to determine whether the City would consider making loans for assessments in a given condominium project. The loans would only be made for mandatory assessments imposed by a condominium association on all the owners for capital repairs and improvements. Loans would not be available for individual owners who might want to do remodeling or repairs on the interior of their units. The established threshold for the minimum amount of the assessment would be proposed at \$10,000. The assumption was that limited funds would be available and the focus was on the most serious problems. The loans were contingent on funds being available from the housing funds or outside sources, such as grants or loans. No monies from the General Fund were used for the proposal or for any outside contract administration costs. Staff explored options for administration with the assistance of Palo Alto Housing Corporation (PAHC). The PAHC made a contact with a local lender whose community Reinvestment Acts Officer expressed interest in assisting the City with the program. City staff met with the manager of the Palo Alto Credit Union. Staff developed criteria would be to be used in identifying the owners who were eligible to receive loans. General criteria related to compliance with the goals, objectives, and requirements of the BMR program. The owners had to be in occupancy of the unit and

complying with all other requirements of the deed restrictions. Additionally, staff recommended no loans be made to units that were presently financed in excess of their deed restrictive value. If the outstanding debt secured by the unit exceeded its value under the formula, then the owner would not be eligible for an assessment loan. If funds were limited, then staff would identify those applicants who were the most in need of a loan. The criteria focused on persons who were unable to obtain conventional bank financing and whose housing costs exceeded 30 percent of their gross income. The first served would be persons with the lowest household income, those with the least assets available, and a preference for the elderly and the disabled. The loan terms were designed to be simple and to avoid excessive paperwork. The loans would be due and payable when the unit was sold, if there was a transfer of title, or a refinancing. A loan review would be held every five years to ascertain whether the borrowers financial situation had changed. If the City wanted to use State funds for the loans, the City would have to wait until the grant was awarded and the agreement executed. Staff was currently working with outside counsel on making seven changes to be recorded with each unit as it sold that would give better enforcement capabilities of the provision of deed restrictions. Staff would return to Council in January 2003 with a status report. A consultant would be needed to prepare an economic analysis of possible changes to the appreciation formula. The BMR program was over 30 years old and units were subject to a variety of provisions. The City did not have a standard list of provisions at that time.

Council Member Burch stated he could not participate in the item because he was the President of a Homeowners Association, which had some BMR units.

Council Member Freeman asked City Attorney Ariel Calonne if she could participate in the item if she owned a condominium in a development with a BMR unit.

City Attorney Ariel Calonne answered based on that information she should disqualify herself.

Council Member Morton said he provided accounting for several homeowners' associations. However, he did not have an ownership interest in any homeowners' association and, based on Mr. Calonne's recommendation, he was not conflicted on the matter. He wanted the record to reflect he did offer financial advice to homeowners' associations in his professional capacity. He had served as the Auditor for PAHC in previous years and at the present time. He was at the one-year limit for fee relationships.

Council Member Kleinberg said she lived next door to two BMR units and asked if that would affect her property value.

Mr. Calonne answered the program would have no impact on the units.

Eve Agiewich, 3427 Janice Way, congratulated the Council on taking up the matter of the BMR program and believed it to be a good use of the in-lieu housing fees collected by the City. The City had no legal obligation to the BMR owners, but there seemed to be an ethical and moral justification for making loan funds available. She encouraged Council's support of the proposal.

Maxine Goodman, 4250 El Camino Real, B115, was a BMR owner at the Redwoods. She said Palo Alto had been one of the nation's leaders in providing low-income individuals with an opportunity to live in the City when they would otherwise not be able to afford mortgages or rents in the City. She urged the Council to approve the proposal.

Sharlene Carlson, 4250 El Camino Real, B112, urged Council to adopt the proposal. She was a resident of the Redwoods condominiums and a member of their homeowners' association board. She thanked the City for working with their board in securing a solution for providing low-income housing for Palo Alto residents. She urged the Council to support the proposal.

Anita Waltmen, 4250 El Camino Real, B217, a resident of the Redwoods, thanked the Planning Department for their staff proposal and urged Council to approve the proposal.

Estelle Champs, 432 High Street, #302, was a resident of Abitare. She believed there were some areas in the proposal that needed further review. She believed the units were sold to residents with defects, and now the City was asking occupants to pay for the repairs. She said approval of the proposal would be the first step towards alleviating the housing problem and she urged Council to adopt the staff recommendations.

Martina Heasley, 427 Alma Street, #206, was a resident of Abitare. She pointed out the criteria of the proposal stated that funds would only be available for assessments greater than \$10,000 and it was an impractical cap. She believed a better methodology would be to tie the cap to the percentage of the unit value or to the gross income of the owner of the BMR. The issue of depreciation needed clarification because it was stated in two different ways in the proposal.

Jackie Durant, 4250 El Camino Real, stated she had hoped staff would address the fundamental ailments of the BMR program. She said the report did not address the issue of the City's 80 percent virtual ownership of each unit and the financial responsibility of the City to pay 80 percent of each of the assessments. The report only spoke of loans and the current qualifications for loan eligibility. The report claimed that only six to eight of every 13 homeowners asking for help would be eligible under the current qualifications. The proposal was a step in the right direction and was the beginning of a needed change to the BMR program. She requested the addition of two items to the proposal; the emergency funds for qualifying homeowners, and the California Housing Finance Agency (CHFA) application submitted to the State. She said all the other issues contained in the proposal needed clarification, and she believed the proposal to be incomplete.

Stephanie Munoz, 101 Alma Street, stated if the City owned 80 percent of the market value of the units, then the City should pay 80 percent of the assessments.

MOTION: Council Member Kleinberg moved, seconded by Morton, to approve the staff recommendation as follows: 1) direct the Director of the Administrative Services Department to establish a new special revenue fund named the Below Market Rate (BMR) Program Emergency Fund to provide a source of funds to prevent the loss of BMR ownership units and to provide emergency assistance to BMR unit owners facing substantial, mandatory condominium association assessments; 2) approve the general criteria and terms in CMR:378:02 for the emergency loans and authorize the Director of Planning and Community Environment to finalize the criteria with the advice of the loan administrator; 3) direct the City Manager to select a loan program administrator and, if it should be an outside agency, negotiate an agreement for loan administration services; 4) adopt the Budget Amendment Ordinance to appropriate \$150,000 from the Residential Housing In-Lieu Fund to the new BMR Emergency Fund for the initial funding of emergency assessment loans at Abitare and Redwoods and for loan administrations costs; 5) direct staff to deposit the net sales proceeds from the August 27th sale of the formerly City-owned BMR unit at 2464 West Bayshore Road into the new BMR Emergency Fund, for initial funding of BMR unit preservation costs; 6) authorize the City Manager to submit a funding application to the California Housing Finance Agency (CHFA) for up to a \$500,000 loan from the Housing Enabled by Local Partnership (HELP) Program and to return to Council prior to the September 27th application deadline for adoption of the formal resolution required as part of the HELP application; 7) direct the City Manager to develop and implement an assignment

fee charge on the resale price of BMR units to provide an ongoing source of revenue for the new BMR Emergency Fund; and 8) direct the City Manager to administer the Emergency Loan Program and the Preservation Program for BMR units and the HELP Program loan, if awarded; and 9) if determined lawful by the City Attorney, mandatory assessments should be added in full to the BMR unit resale price through deed restriction amendments if necessary with no depreciation or reduction over time or, if the law requires depreciation, that the depreciation period be as long as possible and any unpaid loan balance be added to the resale price.

Ordinance 4761 entitled "Ordinance of the Council of the City of Palo Alto Amending the Budget for the Fiscal Year 2002-03 to Transfer an Appropriation of \$150,000 from the Residential Housing In-Lieu Fund for the Establishment of a New Below Market Rate (BMR) Program Emergency Fund"

Council Member Kleinberg expressed appreciation to staff, members of the public, and the Human Relations Commission (HRC) for their assistance in preparing the proposal. When the matter first came to the attention of City staff through the HRC, it was clear it would be a challenge and would involve a large number of residents. The proposal responded to the challenge of BMR owners who would be faced with large mandatory assessments for repairs. The proposal continued the City's commitment to economic diversity and inclusionary policy and provided a foundation for handling future assessments, which could jeopardize BMR ownership. The proposal could be a model for other communities as a first step in helping BMR owners.

Council Member Morton said he had concerns for the burden of administration of the program and he wanted the City to appoint a permanent program administrator. At that time, the PAHC reviewed and qualified applicants and determined who would be the recipients of the benefits of the program. There had been previous problems with over-financing because it was difficult for staff not in the real estate business to monitor deeds and restrictive covenants. He believed it would be better to turn over the management of the emergency funding to PAHC and the City could reimburse them. He asked Council Member Kleinberg for clarification on the added assessment to the sales price. He asked whether a future buyer would pay it out as sales proceeds. In effect, the assessments would be borne entirely by the new owner, and there would be no share taken out of the equity of the existing BMR unit holder.

Council Member Kleinberg said the assumption was it could be done legally.

Council Member Morton said he thought that could remain in place and see what staff would return with. He was not certain Council wanted to make every part of the motion absolute. Based on the January Study Session, guidelines would probably come back from the HELP program and parts of the motion would possibly need modification. The current BMR owners would benefit from the upgrades and should pay a portion of the assessment. However, he was not certain of the legality of such an action but would leave it in place until the January Study Session. He asked about the lower and upper limits of the loans and whether staff wanted to bring back that information in January.

City Manager Benest said the City needed to implement the program immediately but there would be some modifications. The group who would administer the program would handle the implementation program.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER that the following language be added to Recommendation No. 3 as follows: "to review the possibility of the Palo Alto Housing Corporation (PAHC) becoming the primary administrator of the program."

Vice Mayor Mossar said she was prepared to take action that evening based on the information in the staff report but the maker of the motion added an item that had not been discussed. She wanted clarification on the proposal and the implications. It appeared to her that the format was directing staff to look at the opportunity to carry out the motion or use some other mechanism and bring it back to Council in January. If the language of the motion could be adjusted for Recommendation 9 in that way, she would be willing to support the motion. In the current form, it did not direct staff to explore anything, but it was an implementation of a very specific, targeted, defined action.

MOTION DIVIDED FOR PURPOSES OF VOTING

Vice Mayor Mossar said she was agreeable to separate out Recommendation 9. She was interested in hearing the response of the maker of the motion.

Mayor Ojakian said he would still want to separate the vote because the discussion indicated that Recommendations 1 through 8 were clear, but Recommendation 9 needed further clarification.

Council Member Kleinberg said that was a valid point. Most of the items were capable of being implemented, but some needed

further evaluation and others were direct implementation mandates.

Vice Mayor Mossar said Recommendations 1 through 8 were discussed in the staff report (CMR:378:01).

Council Member Kleinberg agreed Recommendation 9 was not discussed in the presentation because it was not included in enumerated recommendations, but it was discussed in the staff report. It was covered in a letter from an attorney for one of the BMR owners, which was placed before the Council that evening. She was agreeable to separate out Recommendation 9 and modify the language to be more acceptable. The language could be changed before the vote was taken.

Council Member Beecham said he would support the motion. The staff report indicated PAHC did not want to assume the administrative role for the program. In previous years, they had indicated their interest was in building units not taking on management responsibilities.

Council Member Lytle asked staff about the concern that came from public testimony regarding the language and whether it said enough about construction defects that had surpassed the time frame when they could be reclaimed. Most of the language had been about aging facilities, which people believed were not applicable to all the situations. She asked whether the language regarding the motion was broad enough to include buildings, which were 20 or more years old and when the claims could be raised against the original builder.

Mr. Emslie replied the language was sufficiently broad enough to include older units. The object was to get units habitable and make the structural repairs.

Council Member Lytle said the cap issue sounded like something that would be returned to Council. She shared the concern about administrative cost, and she would be reluctant to assign an administrator to the program without some type of competitive process. She was not inclined to assign PAHC to that position.

Mayor Ojakian replied he did not think Council had precluded anyone but the suggestion was that staff review the proposal with PAHC.

Council Member Lytle said that was her main concern, and she did not want to consume the housing program with administration. She also wanted clarification on Recommendation 9.

Council Member Kishimoto supported Recommendations 1 through 8 and would probably support the modification of Recommendation 9. She agreed it was a good time to review the program.

Mayor Ojakian said he appreciated his colleagues' discussion and it brought up other items, which would probably be discussed at the January Study Session. The City wanted to retain the BMR units and keep residents in the units while Council devised a way to handle the BMR program, both at that time and at future dates. He was impressed with what staff had done in putting the proposal together and would support the motion.

FIRST PART OF MOTION REGARDING RECOMMENDATIONS 1 through 8, INCLUDING REVISED RECOMMENDATION 3 PASSED 7-0, Burch, Freeman "not participating."

Council Member Kleinberg spoke about Recommendation 9. If determined lawful by the City Attorney, mandatory assessments should be added in full to the BMR unit resale price through deed restriction amendments if necessary with no depreciation or reduction over time. If the law requires depreciation, the depreciation period be as long as possible and any unpaid loan balance be added to the resale price. She asked Mr. Emslie or one of his staff to discuss the capital improvement valuation issue.

Mr. Emslie said the problem originated from the equity deed restriction. When equity was restricted to such a low value, making it difficult for homeowners to obtain conventional financing because the security was not there. They could not obligate the unit for any more than what the City's restrictive value was. It provided the lender the security to fund a loan because they would know they would eventually be repaid if the unit sold. It was a way to enhance the attractiveness of the unit to a private lender, which kept the City out of the process and the unit in a BMR condition.

Council Member Morton said if the unit had mandatory assessments of \$30,000, those would be added to the sale price when the unit became available for sale. It would not be taken out of the equity of the current BMR owner. The new owner would be a BMR qualifier and they would have to refinance some portion of the selling price when they bought the unit.

Council Member Kleinberg added there could be an unpaid balance and it might not be the entire assessment. It would allow the new owner to finance because the equity amount could be financed with the new mortgage.

Council Member Morton said he had some general concerns about the conditions for when it would become due. He said he would accept the suggestion of some of his colleagues to direct staff to present the Council with language that would accomplish that.

Council Member Kleinberg said that was acceptable, as long as by Council putting the matter over until January, it would not negatively impact the current BMR unit owner.

Mr. Benest suggested that the proposal not be fine tuned that evening, but to direct staff to proceed with the proposal and return to Council as the program was developed.

Council Member Kleinberg agreed the suggestion as long as it was clear that the proposal she was withdrawing and putting over to a study session in January was specifically addressed with pros and cons.

Mr. Benest asked Mr. Calonne and Mr. Emslie, with Council's expressed intent, would that be enough to move forward with the proposal and report back to Council.

City Attorney Calonne said what he thought he heard was for the persons who would borrow money from the City between that date and January, the program would be implemented through the loan program. For the remainder of BMR owners, staff would return with recommendations in January. If that were incorrect, then staff would have to be certain that what they brought back to staff in January accommodated both those who had borrowed and those who had not.

Council Member Kleinberg said that was why she asked the question. She wanted to know whether putting the matter over to January would negatively influence the current Arbitare and Redwood owners or could it be done retroactively.

Mr. Calonne asked for clarification on whether those who did not borrow would be able to add the full assessment as well. He believed that could be done with unit owners' cooperation.

Mayor Ojakian clarified that the maker of the motion intended it apply to everyone.

Mr. Calonne said that could be done without prejudicing the owners who were dealing with an assessment at that time.

Mr. Emslie said he agreed with the forgoing statements and staff would continue to work with BMR owners.

Vice Mayor Mossar expressed her appreciation for the change in the motion. From her perspective, the highest priority of the Council was the provision and maintenance of units. The program was a mechanism to continue to make those units available. She understood the intention and concept of giving owners flexibility in the valuation of their homes was so they could use their equity.

Council Member Beecham said there was information on the item in the staff report (CMR:378:02) on page 6, but it was not included as a recommendation. He understood it was not clear but it would be discussed again in January. He believed the units should be in the same condition when they were sold as when purchased with no hidden defects and that was the requirement of the owner. If there were hidden defects in a unit, the burden to correct them should not be placed on the buyer. Reserves were an important part of homeownership, especially when there was an association. In normal home ownership, the homeowner had full rights to both the risks and rewards. In that case, would be unfair for the City to assign the risk and not limit the rewards to the owner. As the City moved forward, he suggested that the City look at the equity growth. When those programs were set up in the 70's, there was a different attitude regarding CPI versus what was the surrounding growth in real estate equity. When the study session came back in January, he had difficulty with the word "mandatory," that was too vague in terms of what it covered. If it covered hidden defects, he was agreeable to the wording.

Council Member Lytle wanted clarification on whether Council was directing staff to use the solution until January or if Council would evaluate the proposal before adopting it.

Mayor Ojakian said Council would direct staff to return in January with a review on the entire process of how assessments would be handled.

RESTATED MOTION REGARDING RECOMMENDATION 9 to direct staff to return in a Study Session in January with recommendations for a possible policy regarding capital improvement assessments that might be added to the BMR unit resale price.

SECOND PART OF MOTION REGARDING RESTATED RECOMMENDATION 9 PASSED
7-0, Burch, Freeman "not participating."

COUNCIL COMMENTS, QUESTIONS, AND ANNOUNCEMENTS

Council Member Kishimoto noted the City of Menlo Park and Stanford University were in negotiations to implement the Sand

Hill Road mitigations. The project was tentatively scheduled to go before the Menlo Park City Council on September 24, 2002. Palo Alto City staff has requested a copy of the plans, which included a new trail through the golf course and will be reviewing them for compliance with the Sand Hill development agreement and Final Environmental Impact Review documents. Additionally, an update to the County Expressway Study will be presented to the council and public.

Council Member Lytle wished to reinforce a concern of the public regarding the issue of Mitchell Park site design. She asked that the issue be agendized for discussion at the next Council meeting.

Assistant City Manager Emily Harrison said the item was agendized for September 30, 2002, or Council could discuss on September 23, 2002, with a verbal report to Council.

Council Member Beecham spoke regarding the Trinity River and securing the Judge's opinion on the legal matter.

Council Member Kishimoto announced the staff reports (CMR's) were on-line two weeks early for public review.

Mayor Ojakian reminded his colleagues that next week's Council meeting would be held on Tuesday, September 17, 2002, at the Cubberley Theatre. Council would also meet with Assemblyman Joe Simitian on Tuesday, September 10th, in the Council Conference Room.

ADJOURNMENT: The meeting adjourned at 9:15 p.m.

ATTEST:

APPROVED:

City Clerk

Mayor

NOTE: Sense minutes (synopsis) are prepared in accordance with Palo Alto Municipal Code Sections 2.04.180(a) and (b). The City Council and Standing Committee meeting tapes are made solely for the purpose of facilitating the preparation of the minutes of the meetings. City Council and Standing Committee meeting tapes are recycled 90 days from the date of the meeting. The tapes are available for members of the public to listen to during regular office hours.