The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:06 P.M.

Present: Cormack, DuBois, Filseth, Fine, Kniss, Kou, Tanaka

Absent:

Closed Session

1. CONFERENCE WITH CITY ATTORNEY- EXISTING LITIGATION
   Subject: Gustavo Alvarez v. City of Palo Alto, et al.
   United States District Court, Northern District of California,
   Case No. 5:19-cv-02328-NC
   Authority: Government Code Section 54956.9(d)(1).

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

   MOTION PASSED: 7-0

Council went into Closed Session at 5:07 P.M.

Council returned from Closed Session at 6:18 P.M.

Mayor Filseth announced no reportable action.

Study Session

2. Safe Routes to School Annual Update.

Rosie Mesterhazy, Safe Routes to School Coordinator reported supporting users of all ages and sharing the road safely were important parts of the Comprehensive Plan, the Sustainability and Climate Action Plan and the Bicycle and Pedestrian Transportation Plan. Bicycling as a transportation choice was a shared community value for more than 125 years. A new Public Service Announcement (PSA) entitled "A Safe Routes to School Bike History Lesson" was shared via social media channels. With the help of partners, the City offered more than 164 educational trainings during the year, developed more than 12 youth-focused programs, enhanced middle school bike safety presentations, and supported the creation of a local bike
recovery registry. Equity programs distributed 200 bike lights, 15 bikes with helmets, and more than 30 new helmets to students. In response to concerns about student transportation safety, the Palo Alto Police Department reinstituted its traffic team. Staff planned on discussing an expansion of the crossing guard program and a cost-sharing agreement with Palo Alto Unified School District (PAUSD). Classroom tally data suggested a 3 percent increase in alternative transportation mode share from the previous year. A Gunn High School student created a roundabout safety video that would be used in educational outreach. The Safe Routes to School partnership adopted strategies for year 3 of the 5 year plan. Staff hoped to increase the scope of data collection and to develop a PAUSD Safe Routes to School policy.

Council Member DuBois noted biking had increased by 5 percent. He inquired whether the Residential Preferential Parking Permit (RPP) Program in the Southgate neighborhood was a factor in increasing the number of high school students that bike.

Sylvia Star-Lack, Transportation Programs Manager answered yes, the RPP and construction.

Council Member DuBois suggested Staff hold bike events at drop-off locations. Perhaps student bicyclists were able to earn prizes through a commuter tracking app. Enforcement of bicycle safety was needed at the California Avenue tunnel. He asked if PAUSD installed surveillance cameras on bike cages.

Ms. Mesterhazy indicated PAUSD installed cameras at the middle and high schools.

Council Member DuBois asked if the biking numbers included pedestrians.

Ms. Mesterhazy advised that elementary students represented an opportunity for increasing the number of pedestrians and bicyclists. Completing the Bicycle and Pedestrian Transportation Plan encouraged families and younger residents to consider alternative transportation modes.

Council Member DuBois asked if PAUSD and/or the Parent Teacher Associations (PTA) helped recruit volunteers for Safe Routes to School.

Ms. Mesterhazy clarified that volunteers were needed at each school to implement carpooling programs. Staff was likely to recommend implementation of a carpool pilot program at Ohlone and Hoover Elementary Schools.
Council Member Cormack was pleased with the increase in high school numbers and the use of multiple languages. She inquired whether police reports regarding bicycle collisions were public information.

Ms. Mesterhazy replied no.

Council Member Cormack asked if Staff had considered using Instagram polls to collect high school data.

Ms. Mesterhazy indicated Staff would address the issue over the summer.

Council Member Cormack requested information about PAUSD support of Safe Routes to School.

Ms. Star-Lack related that PAUSD representatives attended meetings of the City/School Traffic Safety Committee and said PAUSD supported infrastructure needs. However, PAUSD did not have a written policy to support Safe Routes to School.

Vice Mayor Fine concurred with the use of apps to increase the number of students who bike and walk to school. He inquired regarding the evaluation of methods to increase the number of elementary students.

Ms. Mesterhazy explained that Staff focused on programming for middle and high school students in the prior year due to resident feedback. Staff provided programming and parent volunteer opportunities that encouraged elementary students to choose alternative transportation modes.

Ms. Star-Lack added that bicycle infrastructure and crossing guards were important in parents allowing their elementary students to walk and bike to school. The number of elementary school students walking and biking was always going to be less than middle and high school students because the youngest students were not able to bike or walk alone. The wide variety of bicycles encouraged parents to bike with their students to school.

Vice Mayor Fine noted Staff encouraged the use of micro mobility devices.

Council Member Tanaka appreciated the progress shown in the report and the use of skateboard locks. He encouraged camera surveillance of bike parking areas and the use of apps to incentivize walking and biking to school. He inquired about the lower numbers for Ellen Fletcher Middle School.

Ms. Mesterhazy explained that Ellen Fletcher Middle School served students who lived greater distances from the school.
Council Member Tanaka inquired regarding construction of protected bike lanes.

Ms. Star-Lack advised that a segment of the Charleston-Arastradero Corridor Bike Project was to have a parking-protected bike lane. The problem with parking-protected bike lanes was the lack of space on roadways for them.

Council Member Tanaka asked if there were crossing guards at Churchill and El Camino.

Ms. Star-Lack responded no.

Council Member Tanaka remarked that Recreational Vehicles (RV) parked along El Camino made crossing El Camino difficult. Crossing guards were able to improve the safety of students crossing El Camino.

Ms. Star-Lack suggested prohibiting parking near the intersection could improve sightlines.

Council Member Kou concurred with the importance of bicycle infrastructure in encouraging biking and walking as alternative modes of transportation. Constructing additional protected bike lanes would be helpful, especially along Ross Road.

NO ACTION TAKEN

Agenda Changes, Additions and Deletions

None.

City Manager Comments

Monique le Conge Ziesenhenne, Interim Assistant City Manager reported the Draft Environmental Impact Report (DEIR) comment period for the Newell Road Bridge Replacement Project would end July 30, 2019. Caltrans approved right-of-way certification for the Highway 101 Bike Bridge the prior week, and Staff had submitted an application for an encroachment permit and an E-76 application for approval. Staff anticipated presenting a construction contract to the Council for approval in August or September. The City was going to host an appreciation event to thank the community and businesses for their patience during the recent Upgrade Downtown Project on June 11, 2019. Ping pong tables were installed in Lytton Plaza. The Recreation Division was going to be training summer camp counselors during the week. The Library launched its Summer Reading Program on June 1, 2019. Approximately 400 teens attended the Fourth Annual Buoyancy Music and Art Festival on June 2, 2019.
Oral Communications

Tina Chow, speaking for Celia Boyle, Jay Hopkins, Sharo Espar and Kathleen Martin requested the Council reconsider its April, 2019 decision and immediately establish setbacks and zoning restrictions for wireless facilities with respect to schools and residences. Cell towers were proposed near Barron Park, El Carmelo and Ohlone Elementary Schools and Palo Alto High School.

Jalene Salus, speaking for Neelima Ram, Guoping Su, Jyothi Kota and Amrutha Kattamuri believed homes and schools should benefit from cell tower setbacks. She asked the Council to direct Staff to implement zoning restrictions and setback guidelines immediately and to revoke approval of the cell tower near Barron Park Elementary School.

Star Teachout encouraged the Council to make Palo Alto more teen friendly and offered a list of activities the City could offer teens.

Mark Shull pointed out inaccuracies in the Federal Aviation Administration's (FAA) letter to the City regarding the PIRAT route.

Rebecca Ward remarked regarding the negative impacts of airplane noise on adults and children.

Sri requested the Council stop the installation of five new cell towers near schools and homes because of their harmful effects on health.

Bharat provided reasons for the Council to prevent the installation of cell towers near homes and schools.

Dr. Ann Yeawon Lee felt waiting a year to establish setbacks to protect the Council's constituents was not in the best interests of the community.

Jennifer Schmidt urged the Council to reduce the risk of electromagnetic field (EMF) exposure by establishing setbacks for wireless facilities.

Jeanne Fleming asked the Council to accelerate the update of the Wireless Ordinance to include setbacks from cell towers. She opposed removal of the language regarding the location of wireless facilities on poles from the Wireless Ordinance.

Herb Borock noted some appointments of department directors were not presented to the City Council for approval. Placing "interim" in the title did not exempt the appointment from Council approval.
Paul Martin commented that dense housing should occur in dense cities rather than in suburbs. The Council was able to rebalance taxes for businesses and prevent the conversion of R-1 housing to avoid the densification of housing.

Rita Vrhel concurred with comments regarding cell towers. The Council needed to stop the destruction of moderate-rate housing.

Suzanne Keehn, Creative Health Network concurred with comments regarding airplane noise and cell towers. The Council needed to conduct its due diligence and prevent harm to the community.

Richard Mehlinger opposed the City's construction of a parking garage when the property could be better used for housing.

Minutes Approval

3. Approval of Action Minutes for the May 13, 2019 Council Meeting.

MOTION: Council Member Kniss moved, seconded by Council Member DuBois to approve the Action Minutes for the May 13, 2019 Council Meeting.

MOTION PASSED: 7-0

Consent Calendar

MOTION: Council Member DuBois moved, seconded by Council Member Kou, third by Council Member Tanaka to remove Agenda Item Number 11, “Adoption of a Resolution Amending Objective Standards for Wireless Communications Facilities ...” to be heard on June 17, 2019.

Mayor Filseth requested a date for the Council to hear Agenda Item Number 11.

Molly Stump, City Attorney advised that Staff would reschedule Agenda Item Number 11 for June 17, 2019.

Dave Lanferman, speaking regarding Agenda Item Number 9, requested a continuance of Agenda Item Number 9 so that the applicant could continue to work with Staff toward a solution.

MOTION: Vice Mayor Fine moved, seconded by Council Member Cormack to approve Agenda Item Numbers 4-10, 12-13.

4. Approval of Amendment Number 2 to Contract Number C16161210 With Shah Kawasaki Architects, Inc., in an Amount Not-to-Exceed
$117,564 to Provide Continued Construction Administration and LEED Certification Services for the Fire Station 3 Replacement Project (PE-15003), for a new Total Not-To-Exceed Amount of $814,242.

5. Approval and Authorization for the City Manager to Execute a Fiber Optic Lease Agreement With Equinix LLC., for a Term Not-to-Exceed Five Years and a Total Not-to-Exceed Amount of $625,465.

6. Authorization for the City Manager to Sign a Memorandum of Understanding for a $200,000 Grant of Funds With the State Homeland Security Grant Program via Santa Clara County for a Solar Generator to Support the Mobile Emergency Operations Center (MEOC).

7. Adoption of a Park Improvement Ordinance for Pickleball Courts at Mitchell Park.

8. Preliminary Approval of the Downtown Business Improvement District (BID) 2019-2020 Annual Report; Adoption of a Resolution 9835 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 2020; and Setting a Time and Place for a Public Hearing to be Held by the City Council on the Levy of the Proposed Assessment.”

9. QUASI-JUDICIAL.1210 Newell Road [18PLN-00289]: Recommendation by the Planning and Transportation Commission to Uphold the Director's Tentative Decision to Deny a Variance Request to Allow for an Exception From the Standard Corner Lot Fence Height Regulations for a Fence of Approximately—7' 5" in the Front Yard, 8' in the Rear Yard, and 7' 5" in the Street Yard, and no Reduced Height in the Sight Triangle for the Newell Road/Community Lane Intersection. Environmental Assessment: In Accordance With Guideline Section 15270, California Environmental Quality Act (CEQA) Does not Apply to Projects That a Public Agency Disapproves. Zoning District: R-1 (Single-Family).


12. Ordinance 5466 Entitled "Ordinance of the Council of the City of Palo Alto Amending Title 16 (Building Regulations) of the Palo Alto
FINAL MINUTES

Municipal Code to Require Management of PCBs During Building Demolition in Compliance With the Municipal Regional Stormwater Permit (FIRST READING: May 20, 2019 PASSED 7-0).”

13. **Ordinance 5467** Entitled “Ordinance of the Council of the City of Palo Alto Amending Title 12 of the Palo Alto Municipal Code to set a 120 Day Statute of Limitations for Challenges to the City’s Gas Rates (FIRST READING: May 20, 2019 PASSED 7-0).”

**MOTION PASSED FOR AGENDA ITEM NUMBERS 4-10, 12-13: 7-0**

**Action Items**


Kristen O’Kane, Community Services Director reported the City owned 8 acres and Palo Alto Unified School District (PAUSD) owned 27 acres of the 35-acre Cubberley Community Center site. PAUSD also owned two properties contiguous to PAUSD’s portion of Cubberley, Greendell School and 525 San Antonio. The Cubberley Master Plan process began in September, 2018. Key takeaways from Cubberley Co-Design meetings were maximize green space, buildings of two to four stories, and some shared space between the City and PAUSD. Meeting participants totaled 727, 462 of whom were unique participants. Following the third meeting, Staff reduced a parking garage from four stories to two stories, relocated the pool, revised bike paths from one-way to two-way, removed car access from San Antonio to the center of the site, and improved access from Middlefield Road. The latest conceptual design included 70 percent more green space, reduced surface paving by 43 percent, doubled the interior area and increased the building footprint by 17 percent.

Council took a break at 7:54 P.M. and returned at 8:14 P.M.

Ms. O’Kane advised that community responses to site organization, circulation, and look and feel were mostly neutral to positive. Two design options included housing on PAUSD property only, and two design options included housing on PAUSD and City property. PAUSD had indicated housing, if any, on its property was likely to be workforce housing. Construction of housing on the Cubberley site, the Greendell School site and 525 San Antonio required zoning changes. Of the 140 responses regarding housing submitted during the community meetings, 27 respondents did not want housing on the Cubberley site; 48 respondents preferred Option 1; and
29 respondents preferred Option 2. Staff hoped to retain a consultant to answer community questions about funding and financing, construction and ownership, operations, shared use facilities, and housing. An At-Places Memorandum contained a draft scope of work for a consultant. A consultant prepared cost estimates for the four options. The cost estimates assumed an escalation rate of 5 percent. With no housing on City-owned land (Options 1 and 2), the cost estimate was $229 million. With one 4-story building of dwelling units (Option 3), the cost estimate was $256 million. With Option 4 housing, the cost estimate was $283 million. Next steps included environmental review, preparation of a Business Plan and a joint City Council/PAUSD Board of Education (Board) Study Session in the fall of 2019. Staff hoped to return to Council in December, 2019 with a recommendation to adopt a draft Master Plan and approve the environmental document.

Jeff Greenfield, Parks and Recreation Commission, (PARC) Vice Chair indicated the PARC recommended the Council maximize recreation resources and not include housing on City property. The Cubberley site needed to be maintained for recreation programs and services forever. Housing did not fall under the recreation umbrella. As the City's resident population increased in future years, assets became even more important, scarce, and valuable. Any land dedicated to housing directly limited future recreation growth. As stewards of recreation resources, the PARC advocated for maximizing recreation opportunities at Cubberley.

Cari Templeton, Planning and Transportation Commissioner related that the Planning and Transportation Commission (PTC) appreciated Staff's creativity in achieving the City's goals for the Cubberley site.

Mayor Filseth noted the total cost to the City and PAUSD would be approximately $800 million. Finding funding for the project was complicated and time consuming. The Council was not able to decide the future of the Cubberley site during this meeting. The issues were priorities and tradeoffs. He requested housing supporters consider ways to meet the Community Services Department's (CSD) need for space while recreation supporters consider ways to build affordable housing.

Gail Price, speaking for Steven Lee, Katie Causey, Emma Donnelly-Higgins and Michelle Higgins remarked that the Cubberley site was ideal for affordable housing. Housing was compatible with expanded and enhanced educational, community, and recreational uses and open space. Costs and funding options needed to be identified as soon as possible.

Liz Gardner supported housing on the Cubberley site.
Arthur Keller encouraged the Council not to rush into a decision and to remember as housing production increased, the City needed more parkland and more recreation space.

Hillary Glann supported housing on the Cubberley site because a mixed-use project with more green space was more innovative.

Penny Ellson supported limiting housing at 525 San Antonio. The Business Plan needed to include funding to implement recommended street improvements and construction phasing to maintain school commute safety.

Alison Van Egeren noted participants in the meetings did not request housing on the Cubberley site. More community services were needed for higher-density housing.

Sonya Bradski preferred Cubberley remain a community center for everyone.

Marilyn Keller suggested ignoring the community's opinions could result in the Council losing the community's trust and support for the Cubberley Project and future projects.

Mark Mollineaux commented that the goal of the project should be outcomes.

Robert Moss supported Option 1 and emphasized the importance of preserving open space and community facilities at Cubberley.

Stephen Levy proposed an exploration of Option 4. Housing for low-income seniors, teachers and Staff was one of the highest public benefits.

Jeff Kmetec remarked that the City would grow through either City means or State means, and the City needed to serve that population. Recreation uses and residents did not mix in close proximity.

Mitch Mankin, Silicon Valley @Home advocated for the study of all the housing options but particularly Option 4. Housing and recreation were complementary uses.

Elizabeth Wolf felt land zoned Public Facility (PF) should not be rezoned.

Heidi Voltmer believed preservation of the Cubberley site for everyone's use was important. Housing needed to be constructed throughout the community.

Grant Dasher suggested the environmental document consider multiple scenarios.
Winter Dellenbach believed a discussion of housing was premature as the PAUSD Board did not discuss the project until the fall. Large spaces were needed on the Cubberley site for the temporary housing of community programs.

Carolyn Dobervich supported the position of the PARC and Mr. Keller's comments. Neither the City nor PAUSD seemed to have studied housing on the Cubberley site before directing Staff to include it.

Herb Borock related that alternatives not chosen for the project description would have to be studied because the Environmental Impact Report (EIR) had to evaluate reasonable alternatives to the project. Housing, if any, had to be limited to the low-income workforce, people who were not teachers.

Don McDougall commented that the use of parks, open space, and recreation positively affected mental and physical wellness.

Terry Holzemer supported the PARC's position. Any public land at the Cubberley site had to be used to maximize recreational facilities, which were desperately needed in the community.

Joe Hirsch agreed with the PARC’s recommendation and supported teacher housing at 525 San Antonio.

Suzanne Keehn supported the PARC's position. Green space was needed for people's wellness and to further the Council's Priority around climate change.

Rita Vrhel wanted to know who included housing in the Cubberley Master Plan process because the participants in the co-design process did not want housing.

John Kelley believed housing and recreation would be compatible on the Cubberley site. Option 4 needed to be included in the EIR.

Mila Zelkha advocated for housing of all types, but the Cubberley site was a limited community resource that needed to be used for current and future community resources. Other sites were available for housing.

Sheryl Klein supported study of all the options. Housing on the site contributed to the City's annual housing goal and affordable housing stock.

Kelsey Banes, Palo Alto Forward supported a range of housing options at Cubberley.

Kendra Hornbostel supported the PARC's position. Housing was important, but it should not be located on the City's portion of Cubberley.
Lanie Wheeler believed the City was able to rezone underutilized commercial properties for housing; therefore, there was no need to deny recreational, cultural, and social opportunities for future residents.

Karen Holman concurred with Ms. Wheeler's comments and the PARC's memorandum. As to the introduction of housing into the co-design process, the 2018 Council did not authorize it. She suggested the Council conduct a poll as to the scenarios for the EIR. Humans needed a place to recreate, socialize and destress.

Shani Kleinhaus recommended the Council move slowly and modestly. The EIR had to look at other properties owned by PAUSD.

Pat Burt related that a range of housing types were able to be accomplished through a rezoning plan for the San Antonio Corridor and were able to provide more opportunities for housing at the Cubberley site. He thought to use a portion of the Cubberley site for housing would be misconceived.

Richard Mehlinger stated the Council should choose Option 4 for the EIR because it would preserve maximum flexibility for the City with no commitment.

Jan Stokley, Housing Choices advocated for the Council to explore all options for housing as part of the EIR. If one of the City's core values was equity and inclusion, recreation uses and affordable housing needed to be considered.

Andy Mutz commented that managing the noise and traffic of recreation activities with residents' expectation was difficult. He concurred with the PARC's position.

Chris Brosnan stated building underground on the Cubberley site was not environmentally sound.

Angela Evans supported Option 4 because it would provide the greatest number of housing units with the deepest level of affordability. Including Option 4 in the EIR was not a commitment to build housing.

Amy Sung supported Option 4 because recreation could coexist with housing.

Council Member Kniss wanted to explore all options. She inquired whether the cost estimates pertained to the City's 8 acres only.

Ms. O’Kane replied yes.
Council Member Kniss was not able to support any options without knowing potential funding sources. The cost per unit in the Wilton Court Project was approximately $800,000. The public appeared to be comfortable with building housing on 525 San Antonio. She inquired regarding ownership of the future Cubberley site.

Ms. O’Kane advised that there was no talk of changing the existing ownership. The boundary between City and PAUSD property was able to be redrawn.

Council Member Kniss questioned whether the City would have to pay for shared uses located on PAUSD's portion of the site. Any discussion of the property was complicated.

Council Member DuBois felt the Council was being asked to think about the nature of public spaces. Recent incentive programs and changes to zoning added many housing sites; consequently, the demand for community services grew. He questioned whether adding another story to buildings allowed the City to add community services. He proposed a CEQA scenario for higher-density housing on the San Antonio site. He anticipated the PAUSD Board was going to need help with funding if housing was approved on the Cubberley site. Perhaps a joint teacher and City Staff Housing Project was logical. Construction phasing was critical to the project. He wanted a joint Study Session between the PAUSD Board and the Council scheduled as soon as possible in order to move the process forward. He asked if the City and PAUSD were going to share the cost of the EIR.

Ms. O’Kane answered yes. If the City and PAUSD did not amend the cost share agreement, the City was going to pay slightly more than PAUSD because the bids were higher than expected.

Council Member DuBois asked if Staff had discussed sharing the cost of preparing a Business Plan.

Ms. O’Kane reported PAUSD indicated they would not participate in developing a Business Plan at the current time; therefore, the City was going to pay the cost.

Council Member DuBois asked if the Business Plan would include PAUSD's acreage.

Ms. O’Kane explained that the Business Plan would consider a potential structure for shared-use facilities.
Council Member DuBois suggested the Council may have to negotiate with PAUSD to buy more of the land or have an ownership interest in facilities if the City had to fund more of the project. Upon expiration of the Cubberley lease agreement, the City's payment needed to be deposited into a Development Fund rather than paid to PAUSD. The location of the City's 8 acres was fundable. The Council needed to discuss the costs of staffing and operating the shared use facilities. He inquired about an estimate of the cost for preparing a Business Plan.

Ms. O’Kane thought the cost could be less than $100,000.

Council Member DuBois requested the circumstances under which Staff added housing to the co-design process and EIR.

Ms. O’Kane stated that Staff heard individuals' comments about how they would like an alternative with regard to housing. Staff chose two scenarios with different levels of housing as a way to demonstrate the possibilities.

Council Member DuBois noted Cubberley was a heavily used facility because of the lack of community center space in South Palo Alto. He inquired whether the Lucie Stern Community Center and Mitchell Park Community Center were located on dedicated parkland.

Ms. O’Kane indicated Mitchell Park Community Center was located on dedicated parkland, but she did not believe the Lucie Stern Community Center was.

Council Member DuBois remarked that surrounding streets would not serve housing located at Cubberley well.

**MOTION:** Council Member DuBois moved, seconded by Council Member Kou to request a Request for Proposals (RFP) for development of a Cubberley Business Plan, as well as the following:

A. Assume that lease payments will go into a development fund after December 2019. Do not assume automatic renewal of lease;

B. Assume that if the parties chose to do so they can relocate the property lines to benefit the project;

C. Assume that ownership and operational costs will be subject to negotiation based on funding commitments;

D. Explore higher density for housing on San Antonio at 32, 64, and 112 Units for California Environmental Quality Act (CEQA) purposes; and
E. Business plan should propose parkland dedications as part of the project.

**SUBSTITUTE MOTION:** Council Member Cormack moved, seconded by Council Member Kniss to:

A. Direct Staff to proceed with a Request for Proposals (RFP) for a consultant to develop a Business Plan and proforma for future Cubberley construction and operations; and

B. Direct Staff to include Option 3, 112 housing units, in the California Environmental Quality Act (CEQA) Project Description.

Council Member Cormack felt it was past time to retire the old and dilapidated buildings at Cubberley. Doing nothing was not an option. She asked if the current proposal included two pools, a new playground, and more gym space.

Ms. O’Kane replied yes.

Council Member Cormack asked if the proposal contained other amenities that currently were not available.

Ms. O’Kane noted the amount of building space would double under the proposal.

Council Member Cormack asked if the proposal included all current uses at Cubberley.

Ms. O’Kane clarified that there would be sufficient space for all vendors currently located at Cubberley.

Council Member Cormack noted only 6 percent of the City's goal for very-low-income housing had been built over the past five years. Waiting lists for affordable and market-rate senior housing were years long. People living in senior affordable housing were unlikely to own multiple cars or to drive to work during commute times. Senior housing was not going to add children to PAUSD. She had suggested housing at Cubberley at co-design meetings and at a February Council meeting. The Cubberley site had sufficient space for all the current uses and housing.

Council Member Kniss asked if Council Member Cormack had a specific location in mind for the 112 housing units.
Council Member Cormack was comfortable giving PAUSD the options that they may or may not were able to use and with 48 housing units being located on City land.

Council Member Kniss asked if Options 1, 2, and 3 were to be included in the analysis.

Council Member Cormack considered including Option 4.

**INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to change the Motion Part B to state “Direct Staff to include Option 4, 164 Housing units, in the California Environmental Quality Act (CEQA) Project Description.”

Council Member Cormack inquired whether a specific location for housing units was relevant to the CEQA analysis.

Ms. O’Kane advised that the location of housing could be relevant if it affected traffic routes.

**INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion a New Part C to direct Staff to hold a Joint Study Session with PAUSD in August 2019.

Council Member Kniss inquired whether Staff was aware of a consultant with the desired expertise and experience.

Ms. O’Kane indicated Staff had spoken with the founder of the Center for Cities and Schools at the University of California Berkeley and was interested in seeking his recommendations for a consultant. A combination of consultants was possibly needed.

Council Member Kniss asked if the consultant was able to work with PAUSD while working with the City.

Ms. O’Kane reiterated that the consultant would work with the City only.

Council Member Cormack understood PAUSD did not intend to use the shared facilities until and unless it built a school on the site.

Council Member Kniss remarked that shared use of playing fields were difficult to accomplish over the past 30 years.

Vice Mayor Fine commented that a community center was about the people who participated in the space. He was surprised to see the garage was
reduced from a height of 35 feet to 9 feet. He questioned whether the facilities were being planned equitably across the entire community because of the age of participants in the co-design process. Bicycle, pedestrian, and roadway improvements needed to be refined based on the final uses of the site. The most expansive scenario, Option 4, needed to be included in the CEQA analysis. Teacher housing had to provide 64 units. Housing and recreation uses were possibly complementary. PAUSD needed to share the cost of preparing a Business Plan. If lease payments were deposited into a Development Fund, the City had to fund the improvements from the General Fund.

Ms. O’Kane clarified the assumption regarding lease payments as the City continued to lease space to entities and deposit the entities' lease payments into the General Fund.

Vice Mayor Fine felt redrawing the property lines was reasonable. He inquired into Parts B and C of the Motion and asked if they could be incorporated into the Substitute Motion.

Council Member Cormack suggested Parts B and C of the Motion should be topics addressed in the joint Study Session between the Council and the Board.

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion Part C: i. Assume that if the parties chose to do so they can relocate the property lines to benefit the project; and ii. Assume that ownership and operational costs will be subject to negotiation based on funding commitments.

Monique le Conge Ziesenhenne, Interim Assistant City Manager inquired whether the Council intended to renegotiate the lease with PAUSD or allow it to expire.

Council Member Cormack advised that the provision was removed from the Motion.

SUBSTITUTE MOTION AS AMENDED RESTATED: Council Member Cormack moved, seconded by Council Member Kniss to:

A. Direct Staff to proceed with a Request for Proposals (RFP) for a consultant to develop a Business Plan and proforma for future Cubberley construction and operations; and

B. Direct Staff to include Option 4, 164 Housing units, in the California Environmental Quality Act (CEQA) Project Description.
C. Hold a Joint Study Session with PAUSD in August 2019, which will include discussion regarding the following:

   i. Assume that if the parties chose to do so they can relocate the property lines to benefit the project; and

   ii. Assume that ownership and operational costs will be subject to negotiation based on funding commitments.

Council Member Kou requested the percentage of the EIR cost that the City would pay.

Ms. O’Kane reported the cost sharing agreement assumed the cost for an environmental document would be $100,000, but the bids were closer to $140,000. Under the cost sharing agreement, PAUSD was going to pay $50,000, plus an additional $15,000. The CEQA document was going to acknowledge a future school on the Cubberley site, but it was not going to analyze a school use in detail.

Council Member Kou asked if not analyzing a school use would result in segmentation.

Ms. O’Kane explained that the CEQA document analyzed the Master Plan, which contained many unknown factors. The environmental document acknowledged the potential for unknown factors and indicated a supplemental analysis would be conducted once unknown factors were known.

Council Member DuBois hoped the environmental document would analyze different amounts of housing in different locations. Perhaps a fifth option was constructing 112 housing units on the Greendell School site and 525 San Antonio. More generally, the environmental document analyzed up to 164 housing units in different configurations on 525 San Antonio and the City’s 8 acres.

Council Member Kniss inquired whether the proposal would fit into a CEQA analysis.

Molly Stump, City Attorney advised that a CEQA analysis studied the greatest potential impacts, but the Council was able to choose a project that had fewer impacts. The Motion directed analysis of up to 100 housing units on the City’s property and 64 housing units on PAUSD property.

Council Member DuBois suggested the language state up to 112 housing units on PAUSD property and up to 100 housing units on the City’s property.
Council Member Cormack noted the total would be 164 housing units with up to 100 housing units on City land and up to 112 housing units on PAUSD land.

Vice Mayor Fine requested the language clearly state the Greendell School site or the Greendell School site and 525 San Antonio.

Council Member Cormack noted Option 2 located housing atop the proposed PAUSD administration building and on 525 San Antonio. She requested Staff's assistance in crafting language for the proposal.

Ms. Stump suggested the Council indicate the maximum number of housing units to be studied for each parcel.

**INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to change the Motion Part B to state “Direct Staff to study 164 housing units, with up to 100 units on City land, and up to 112 units on 525 San Antonio and Greendell School, in the California Environmental Quality Act (CEQA) Project Description.”

**INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to move Part C. ii. to Part A.

Council Member DuBois requested clarification of the $5.8 million annual lease payment relative to the scope of work for the consultant.

Ms. O’Kane explained that the City was not able to operate the Cubberley Community Center without a lease agreement; therefore, Staff intended to extend the lease agreement with additional language regarding the Master Plan process.

Council Member DuBois did not want the consultant to assume the $5.8 million lease payment was going to continue indefinitely.

Council Member Cormack remarked that the Business Plan addressed the future state of the site rather than the current state of the site.

Council Member DuBois asked if the Business Plan was going to address construction funding.

Ms. O’Kane responded yes, along with a future operational scenario for the site.

Council Member DuBois wanted to use the lease agreement as a means to obtain information from PAUSD.
Council Member Tanaka requested an explanation of the public's comment regarding three-quarters of co-design participants opposed to housing.

Ms. O’Kane believed the public was referring to the total responses that supported no housing and Options 1 and 2. Options 1 and 2 proposed housing to be located on PAUSD property only.

Council Member Tanaka requested the rationale for a Council discussion of the project prior to a joint session between the Council and the PAUSD Board.

Ms. O’Kane explained that Staff had intended to schedule a joint session prior to the Council and the Board recessing for summer break, but Staff felt the Council should resolve some of the issues prior to a joint session.

Council Member Tanaka asked if Staff had received any indication of PAUSD's intentions for its portion of the site.

Ms. O’Kane advised that the Board had established priorities for the site, which included workforce housing, reserving space for a future school, and space for administrative offices.

Council Member Tanaka asked if the Board had indicated whether the proposed concepts aligned with its plans for the site.

Ms. O’Kane reported City Staff and PAUSD Staff spoke weekly regarding the project, and Staff had presented monthly updates to the City School Liaison Committee. The City and PAUSD were working with slightly different timeframes, but both were moving through the process.

Council Member Tanaka questioned whether the Council should meet with the Board before making any decisions because PAUSD owned the majority of the land.

Ms. O’Kane related that Staff was providing an update regarding the project. The City and PAUSD had reached an agreement to fund the environmental analysis, which likely included workforce housing on PAUSD property.

Council Member Tanaka expressed concern that the Council would spend time and money on concepts that would not align with PAUSD's needs or desires.

Ms. O'Kane indicated the Council could defer any decision until they met with the Board.
Mayor Filseth inquired whether the Council could approve a Request for Proposal (RFP) for a Business Plan and to defer discussion of the EIR to a date after a joint meeting of the Council and Board.

Ms. O’Kane explained that delaying discussion of the EIR could delay adoption of a Master Plan.

Council Member Cormack asked if adoption of a Master Plan by the end of 2019 was a goal or a requirement of the lease agreement.

Ms. O'Kane related that the lease agreement stated the two organizations would jointly enter into a Master Plan with the site by the end of December 2019.

Council Member Cormack understood the desire to obtain information from the Board, but she was not willing to delay the process.

Council Member Tanaka requested the cost for the total project.

Ms. O'Kane replied approximately $800 million.

Council Member Tanaka inquired about funding sources for the total project.

Ms. O'Kane advised that the Business Plan would identify funding options and associated costs.

Council Member Tanaka asked if the Council could direct Staff to ensure Safe Routes to School around the Cubberley site were safe, as part of the Motion.

Ms. O'Kane stated Staff was committed to studying bike and pedestrian safety for the site and the surrounding area. If the project budget contained sufficient funding, Staff was going to proceed with a study.

Council Member Tanaka asked if a cricket field could be added to the concept.

Ms. O'Kane explained that Staff did not include a cricket field because a cricket field was larger than the existing fields.

Council Member Tanaka inquired regarding the consequences of adding a cricket field to the site.

Ms. O'Kane indicated some facilities or buildings had to be eliminated.
Council Member Tanaka inquired regarding resolution of residents' complaints about noise from recreation activities, assuming housing was built on City land.

Ms. O'Kane related that Staff would have to develop a policy for such a scenario.

Mayor Filseth hoped questions about the compatibility of housing and recreation activities could be answered prior to adoption of a Master Plan.

Council Member Tanaka believed the Council should meet with the Board before making decisions and expending funds.

Mayor Filseth suggested Council Member Tanaka offer an Amendment to the Motion or Substitute Motion.

Ms. Stump clarified that the two items in Staff's recommendation were not going to determine the content of the Master Plan.

Mayor Filseth reiterated that the EIR analyzed the maximum housing scenario, but the Council was not obligated to include any housing in the Master Plan.

Ms. Stump added that the EIR would provide data for a Council discussion and a decision regarding housing.

Council Member DuBois suggested the Council could have an option within the Business Plan to consider developing the City's 8 acres first. Then the Council was able to continue planning for the City's space and the shared space; they wanted to really consider the City's space in order to advance the process.

Vice Mayor Fine noted the Council routinely planned for property it did not own. The Motion created a maximum vision for the property, and the Council was going to meet with the Board in August, 2019 to discuss the Business Plan and EIR. A discussion of the EIR needed to include the compatibility of housing and recreation activities.

Council Member Kou asked when Staff anticipated selecting a consultant from responses to the RFP.

Ms. O'Kane advised that a selection could be made in August, 2019 or later.

Mayor Filseth noted 20 percent of the total space would be utilized for housing under Option 4. Based on community responses, the Council was not able to conclude that the public supported using 20 percent of the
Cubberley site for housing. He expressed concern that the Council's exuberance for housing was not reflected in the community. The assertion that the site provided plenty of space for programs and activities was questionable. Having a broad EIR prolonged divisiveness in the community, and the nature of the community's input was not suspected to warrant prolonging the divisiveness. Just a few weeks ago, the Council supported a housing project on San Antonio that was going to displace a martial arts/community center.

**SUBSTITUTE MOTION AS AMENDED RESTATED:** Council Member Cormack moved, seconded by Vice Mayor Fine to:

A. Direct Staff to proceed with a Request for Proposals (RFP) for a consultant to develop a Business Plan and proforma for future Cubberley construction and operations, and assume that ownership and operational costs will be subject to negotiation based on funding commitments;

B. Direct Staff to study 164 housing units, with up to 100 units on City land, and up to 112 units on 525 San Antonio and Greendell School, in the California Environmental Quality Act (CEQA) Project Description; and

C. Hold a Joint Study Session with PAUSD in August 2019, which will include discussion regarding the following:

   i. Assume that if the parties chose to do so they can relocate the property lines to benefit the project

**SUBSTITUTE MOTION AS AMENDED PASSED:** 4-3 DuBois, Kou, Tanaka no

Mayor Filseth, who voted on the affirmative side, asked for a reconsideration of the Substitute Motion.

**SUBSTITUTE MOTION AS AMENDED FAILED:** 3-4 DuBois, Filseth, Kou, Tanaka no.

**MOTION RESTATED:** Council Member DuBois moved, seconded by Council Member Kou to request a RFP for development of a Cubberley Business Plan, as well as the following:

A. Assume that lease payments will go into a development fund after December, 2019. Do not assume automatic renewal of lease;
B. Assume that if the parties chose to do so they can relocate the property lines to benefit the project;

C. Assume that ownership and operational costs will be subject to negotiation based on funding commitments;

D. Explore higher density for housing on San Antonio at 32, 64, and 121 Units for CEQA purposes; and

E. Business plan should propose parkland dedications as part of the project.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to delete from the Motion Parts A and E.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion Part D “… and Greendell School … .”

Ms. O’Kane asked if the 121 units would be located on 525 San Antonio and the Greendell School site only.

Mayor Filseth proposed locating some of the housing on the City’s 8 acres.

Ms. O’Kane inquired whether the CEQA analysis would include any housing on the City's 8 acres.

Council Member DuBois replied no.

Council Member Kniss inquired whether housing would be located solely on the Greendell School site and 525 San Antonio.

Council Member DuBois answered yes.

Council Member Kniss did not support the Motion.

Vice Mayor Fine did not support the Motion.

**AMENDMENT:** Vice Mayor Fine moved, seconded by Council Member Kniss to change Motion Part C to support Option 4 for CEQA purposes.

Vice Mayor Fine clarified Option 4 as 100 units on the City's site and 64 units on PAUSD's site.

Council Member Kniss wanted to consider higher density for housing on the Greendell School and San Antonio sites.
AMENDMENT FAILED:  3-4 Cormack, Fine, Kniss yes

MOTION AS AMENDED RESTATEd: Council Member DuBois moved, seconded by Council Member Kou to request a RFP for development of a Cubberley Business Plan, as well as the following:

A. Assume that if the parties chose to do so they can relocate the property lines to benefit the project;

B. Assume that ownership and operational costs will be subject to negotiation based on funding commitments; and

C. Explore higher density for housing on San Antonio and Greendell School at 32, 64, and 112 Units for CEQA purposes.

SUBSTITUTE MOTION: Council Member Cormack moved, seconded by Vice Mayor Fine to:

A. Direct Staff to proceed with a Request for Proposals (RFP) for a consultant to develop a Business Plan and proforma for future Cubberley construction and operations, and assume that ownership and operational costs will be subject to negotiation based on funding commitments;

B. Direct Staff to study 112 housing units, with up to 100 units on City land, and up to 112 units on 525 San Antonio and Greendell School, in the California Environmental Quality Act (CEQA) Project Description; and

C. Hold a Joint Study Session with PAUSD in August 2019, which will include discussion regarding the following:

   i. Assume that if the parties chose to do so they can relocate the property lines to benefit the project.

Council Member Tanaka reiterated concerns about the compatibility of housing and recreation activities.

Vice Mayor Fine suggested the final Master Plan could separate housing from recreation activities within the City’s 8 acres. Through the environmental analysis, the Council could understand the impacts of locating housing near recreation activities.

SUBSTITUTE MOTION PASSED: 6-1 Tanaka no
15. PUBLIC HEARING / QUASI-JUDICIAL. 2321 Wellesley Street [18PLN-00178]: Request for a Zone Change From R-1 to RMD (NP) and Approval of a Major Architectural Review to Construct a Two-family Residence. Environmental Assessment: Exempt From the Provisions of CEQA per Section 15303. Zoning District: R-1 (Single-family Residential).

Jonathan Lait, Planning and Community Environment Director reported the applicant had requested a Zoning Map amendment to change the property from Single-Family Residential (R-1) zoning to Residential Two-Unit Multifamily Residential with the Neighborhood Preservation Combining District (RMD(NP)) zoning and an Architectural Review. The subject property was vacant and surrounded by the College Terrace Library, multifamily properties zoned RMD, and R-1 properties. The Planning and Transportation Commission (PTC) and Architectural Review Board (ARB) reviewed and recommended approval of the project. The primary difference between R-1 and RMD zoning was building height and floor area restrictions.

Council Member DuBois disclosed a conversation with the applicant approximately a year ago and a trip to view the property.

Council Member Cormack disclosed a brief phone conversation with the applicant.

Council Member Kniss disclosed no contact with any parties.

Vice Mayor Fine disclosed he passed the site regularly and had spoken with the applicant approximately three years ago.

Council Member Kou disclosed a conversation with the applicant more than a year ago.

Council Member Tanaka disclosed a conversation with the applicant approximately three years ago.

Public Hearing opened at 11:20 P.M.

Jack Culpepper, Applicant advised that the building was compatible with the neighborhood.

Glen Jarvis, Architect indicated in October, 2017 the Council reviewed the project and recommended the applicant proceed with the project. In December, 2018 the PTC approved the project, and the ARB approved the project with modifications to the landscape plan later. The requested zoning change allowed a 20 percent increase in floor area, a two-bedroom second
Kelsey Banes encouraged the Council to approve the zoning change. Public Hearing closed at 11:24 P.M.

MOTION: Council Member DuBois moved, seconded by Council Member Kniss to:

A. Find the proposed Ordinance and project exempt from the California Environmental Quality Act in accordance with CEQA Guidelines Section 15303(b);

B. Introduce an Ordinance amending the Zoning Map to rezone the subject property from R-1 to RMD(NP) as recommended by the Planning and Transportation Commission on December 12, 2018; and

C. Adopt the Record of Land Use Action approving the Architectural Review, based on findings and subject to conditions of approval as recommended by the Architectural Review Board on December 20, 2018.

Council Member Cormack noted the hearing date in the proposed Ordinance needed to be corrected.

Mayor Filseth suggested surrounding properties were up-zoned rather than the subject property being down-zoned.

MOTION PASSED: 7-0

16. Authorize and Approve $1 Million From the Residential Housing In-lieu Fund and $9 Million From the Commercial Housing Fund for a Total of $10 Million for the Development and Construction of the 100 Percent Affordable Housing Project at 3705 El Camino Real; and Approve Budget Amendments in the Residential Housing In-lieu Fund and the Commercial Housing Fund.

Jonathan Lait, Planning and Community Environment Director reported the City collected Development Impact Fees and In-Lieu Fees from development projects, and those funds were used to help produce affordable housing opportunities in the City. Combined commercial and residential funds totaled approximately $14 million; however, use of the funds was restricted. Approximately $3 million of the $14 million was reserved for a potential Teacher Housing Project proposed by the County of Santa Clara (County),
and approximately $750,000 was related to the Stanford University Medical Center (SUMC) Development Agreement. Staff had intended to prepare a Notice of Funding Availability to disburse funds collected for affordable housing, but the Wilton Court Project was submitted, and the Council supported it. All of the proposed 59 units would be deed restricted to affordable housing with a significant component dedicated to individuals with developmental disabilities. The cost of the project was approximately $46 million, resulting in a per unit cost of $780,000. The City's contribution of $10 million reduced the per unit cost by approximately $170,000.

Jan Stokley, Palo Alto Housing Corporation urged the Council to support the Staff recommendation. Some of the units were affordable for people with incomes as low as 30 percent of Area Median Income (AMI).

MOTION: Council Member Kniss moved, seconded by Mayor Filseth to approve a $10 million loan to Palo Alto Housing Corporation for the predevelopment and construction of an 100% affordable housing project at 3705 El Camino Real, including:

A. Amend the Fiscal Year 2019 Budget Appropriation Ordinance for:
   i. The Residential Housing In-Lieu Fund by:
      a) Increasing Grants and Subsidies in the amount of $1,000,000; and
      b) Decreasing the Ending Fund Balance in the amount of $1,000,000;
   ii. The Commercial Housing Fund by:
      a) Increasing Grants and Subsidies in the amount of $9,000,000; and
      b) Decreasing the Ending Fund Balance in the amount of $9,000,000; and

B. Authorize the City Manager or designee to negotiate and execute a Loan Agreement, Regulatory Agreement, and related documents necessary to implement Council direction in a form substantially similar to prior agreements approved by the City.

Council Member Kniss noted the project was the first Affordable Housing Project in the City since 2010.
Sheryl Klein indicated project supporters sought State and County funding for the units dedicated to adults with developmental disabilities.

Council Member Kniss requested the average size of the units.

Ms. Klein responded 400 square feet.

Council Member Kniss commented that the number of low-income affordable housing units produced had decreased each decade since the 1980s. She asked if there were any other funding sources for affordable housing projects.

Mr. Lait answered no.

Mayor Filseth recalled Staff's projection that the City would increment affordable housing funds by $2.3 million in 2019.

Council Member Kniss indicated the Stanford University General Use Permit (GUP) could provide funds for affordable housing.

Mayor Filseth asked when the City collected impact fees from a project.

Mr. Lait related that fees were collected with the issuance of a building permit.

Council Member DuBois remarked that the City did not build housing. Since 2017, the Council implemented zoning changes that almost doubled the total number of housing units allowed in the City. He inquired whether the Council would forgive a loan and apply the funding to the Wilton Court Project.

Hang Huynh, Senior Planner explained that the applicant was required to have a reserve account to renew the contract. The applicant was able to utilize funds in the account for an Affordable Housing Project.

Council Member DuBois asked if the City would be contributing $12.6 million rather than $10 million.

Ms. Huynh replied yes.

Mr. Lait clarified that $2 million originally allocated to the Sheraton Project would be allocated to the Wilton Court Project.

Council Member DuBois inquired whether the Sheraton Project was deed restricted in perpetuity.
Mr. Lait answered yes.

Council Member DuBois asked if the $10 million contribution was actually a loan that the City could forgive if the project was deed restricted as affordable housing in perpetuity.

Ms. Huynh responded yes.

Mr. Lait added that the deed restriction would be a part of the loan agreement.

Council Member DuBois asked if the Wilton Court Project would be deed restricted to affordable housing for a period of 55 years initially.

Ms. Huynh answered yes.

Mr. Lait clarified that the Council could forgive the loan at the end of the 55 year term if Palo Alto Housing agreed to continue affordability in perpetuity.

Council Member DuBois asked if the $46 million project would generate a profit of $6 million.

Scott Felco, Palo Alto Housing Corporation explained that the Developer Fee shown in the pro forma was a statutory maximum amount allowed to project sponsors. The general contractor amount was intended to cover the general contractor's fees and overhead costs. The amounts were estimates and included some profit for the project sponsor and general contractor.

Council Member DuBois asked if there was a standard profit level for affordable housing projects.

Mr. Felco advised that the maximum statutory amount for both fees could not exceed 15 percent. The actual percentages were closer to 6 percent for overhead and 4.5 percent for fees.

**MOTION PASSED: 7-0**

State/Federal Legislation Update/Action

None.

**Council Member Questions, Comments and Announcements**

Council Member Kou requested an update from the lobbyist regarding State legislation.
Closed Session

17. CONFERENCE WITH CITY ATTORNEY – ANTICIPATED LITIGATION
   Subject: 2555 Park Blvd
   Authority: Government Code Section 54956.9(d)(2) and (e)(3)
   (One Potential Case, as Defendant)

   MOTION: Council Member Kniss moved, seconded by Vice Mayor Fine to go
   into Closed Session.

   MOTION PASSED: 7-0

   Council went into Closed Session at 11:45 P.M.

   Council returned from Closed Session at 12:10 A.M.

   Mayor Filseth announced the Council voted 6-1 (Council Member Kou
dissenting) to approve an agreement between the City and the property
owner at 2555 Park Boulevard to resolve a potential lawsuit with an
agreement that retail use shall not be required on the ground floor of the
building at 2555 Park Boulevard and that the office use on the ground floor
shall be considered a legal nonconforming use.

   Adjournment: The meeting was adjourned in honor of the victims of the
shooting at the Virginia Beach Municipal Center at 12:15 A.M.