

Action Minutes

Special Meeting
May 14, 2012

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:32 P.M.

Present: Burt, Espinosa, Holman, Klein, Price, Scharff, Schmid, Shepherd, Yeh

Absent:

CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATORS
City Designated Representatives: City Manager and his designees pursuant to Merit System Rules and Regulations (James Keene, Pamela Antil, Dennis Burns, Lalo Perez, Joe Saccio, Kathryn Shen, Sandra Blanch, Marcie Scott, Darrell Murray)
Employee Organization: Palo Alto Police Manager's Association (PAPMA)
Authority: Government Code Section 54957.6(a)
2. CONFERENCE WITH LABOR NEGOTIATORS
City Designated Representatives: City Manager and his designees pursuant to Merit System Rules and Regulations (James Keene, Pamela Antil, Lalo Perez, Joe Saccio, Kathryn Shen, Sandra Blanch, Marcie Scott, Darrell Murray)
Unrepresented Employee Group: Management, Professional and Confidential Employees
Authority: Government Code Section 54957.6(a)

The City Council reconvened from the Closed Session at 7:30 P.M. and Mayor Yeh advised no reportable action.

SPECIAL ORDERS OF THE DAY

3. Proclamation Recognizing the Hua Kuang Chinese Reading Room.

Council Member Price read the proclamation into the record.

05/14/2012

4. Selection of Candidates to be Interviewed for the Architectural Review Board for Two Full Terms and One Unexpired Term Ending on September 30, 2015.

MOTION: Council Member Shepherd moved, seconded by Council Member Holman to interview all candidates for the open positions on the Architectural Review Board for Two Full Terms and One Unexpired Term Ending on September 30, 2015.

MOTION PASSED: 9-0

5. Selection of Candidates to be Interviewed for the Planning and Transportation Commission for Two Terms Ending on July 31, 2016 and One Unexpired Term Ending on July 31, 2013.

MOTION: Council Member Holman moved, seconded by Council Member Price to interview all candidates for the open positions on the Planning and Transportation Commission for Two Terms Ending on July 31, 2016 and One Unexpired Term Ending on July 31, 2013.

MOTION PASSED: 9-0

6. Selection of Candidates to be Interviewed for the Utilities Advisory Commission for Three Terms Ending on June 30, 2015.

MOTION: Council Member Shepherd moved, seconded by Council Member Price to interview all candidates for the open positions on the Utilities Advisory Commission for Three Terms Ending on June 30, 2015.

MOTION PASSED: 9-0

STUDY SESSION

7. Update and Council Input Regarding the Status of the Valley Transportation Authority - Bus Rapid Transit Project.

City Council participated in a study session to discuss design concepts for the operation of Bus Rapid Transit through Palo Alto along El Camino Real as part of a proposed Santa Clara Valley Transportation Authority project (VTA). City staff presented two alignment concepts being pursued by the VTA that have buses operate either: 1) in dedicated lanes down the center of El Camino Real, or 2) in mixed-flow operations along the existing curb lanes of the street. The dedicated lane option requires a conversion of one vehicle travel lane of El Camino Real, per approach, to a bus only use. City staff highlighted environmental factors that require further analysis by the VTA of each option including intersection level of service, corridor level of

service of adjacent arterial and residential streets, parking, and left turn access needs. The City Council highlighted areas of concern that require further clarification by the VTA when they return to the City Council for endorsement of their mixed-flow operation preference. The project also includes more frequent, branded buses with executive-style seating and enhanced stations with ticketing facilities and shelter systems.

APPROVAL OF MINUTES

MOTION: Council Member Schmid moved, seconded by Council Member Espinosa to approve the minutes for January 21, 2012 and February 6, 2012.

MOTION PASSED: 9-0

CONSENT CALENDAR

MOTION: Council Member Espinosa moved, seconded by Council Member Price to approve Agenda Item Nos. 8-10.

8. Resolution 9248 entitled "Resolution of the Council of the City of Palo Alto to Execute the Northern California Power Agency Renewable Energy Certificates Transfer Agreement".
9. Budget Amendment Ordinance 5156 in the Amount of \$955,320 and Approval of Wastewater Treatment Enterprise Fund Contract with California Plus Engineering, Inc. in the Total Amount of \$2,330,000 for the Power Monitoring & Standby Generators Replacement Project at the Regional Water Quality Control Plant - Capital Improvement Program Project WQ-80021 & VR-11000.
10. Council Approval of Guiding Principles for the Cubberley Policy Advisory Committee and the City Manager and Superintendent Community Advisory Committee.

MOTION PASSED: 9-0

AGENDA CHANGES, ADDITIONS, AND DELETIONS

- ~~12. **PUBLIC HEARING:** Appeal Of An Architectural Review Approval And A Record Of Land Use Action Regarding the Director's Architectural Review Approval Of A Three Story Development Consisting Of 84 Rental Residential Units In 104,971 Square Feet Within The Upper Floors, 50,467 S.F. Ground Floor Research And Development Area, Subterranean And Surface Parking Facilities, And Offsite Improvements, With Two Concessions Under State Housing Density~~

~~Bonus Law (GC65915) On A 2.5 Acre Parcel At 195 Page Mill Road And 2865 Park Boulevard. * Quasi Judicial (Staff request item be continued to June 4, 2012).~~

MOTION: Vice Mayor Scharff moved, seconded by Mayor Yeh to continue this Agenda Item No. 12 to June 4, 2012.

MOTION PASSED: 8-0 Price not participating

ACTION ITEMS

- 11 PUBLIC HEARING: Adoption Of A PC Ordinance for the Proposed Lytton Gateway Project to Amend the Zoning Map of the City Of Palo Alto to Change the Zone Designations From CDC-P and CDN-P to a Planned Community (PC) District to Allow a Mixed Office and Retail, Four-Story, 50 Foot Tall Building (and a 70 Foot Tall Corner Tower Feature) on the Former Shell Station Site, Located at 355 And 335 Alma Street. The Project Includes Exceptions to the Daylight Plane and 35-Foot Height Limit Within 150 Feet of Residential Property. *Quasi-Judicial. (Continued from 5/7/12)

Public hearing opened at 10:39 P.M.

Public hearing closed at 11:23 P.M.

MOTION: Vice Mayor Scharff moved, seconded by Mayor Yeh to: 1) approve a Planned Community Zone District ordinance rezoning the subject property from CD-N(P) and CD-C(P) to allow a mixed office and retail, four-story, 50-foot tall building (and 70 foot tall corner tower feature) on the former Shell Station site located at 355 and 335 Alma Street. The PC Ordinance would grant exceptions to the daylight plane and 35-foot height limit within 150 feet of residential property; 2) in the Ordinance, under (f) Public Benefits, subsection (1) a Financial contribution of \$625,000 to the City of Palo Alto's affordable housing program (in addition to the required \$850,000 commercial in lieu fee; 3) in the Ordinance, under (f) Public Benefits, subsection (2), a financial contribution of \$625,000 to the City's parking fund and payment of \$1,476,200 to cover the cost of 22 in lieu parking spaces (at \$67,100 per space); 4) inclusion of 3,807 square feet of ground floor retail uses and eating and drinking services; 5) the non-profit office space shall be for the life of the project; 6) provision of CalTrain Go Passes, EcoPasses or the equivalent; and 7) TDM/Go Pass compliance: add to Section 4(d) of Ordinance and Condition Number 3, the following language: "additionally, an agreement for compliance with targeted reductions (minimum 20% parking reduction) shall be developed between the owners and the City specifying a penalty schedule for non-compliance, graduated over the initial five years of the project and then for every five

years thereafter, and tied to equivalent fees for in lieu parking. The agreement shall be in effect prior to building occupancy and shall be recorded to apply to subsequent owners as well.

AMENDMENT: Council Member Schmid moved, seconded by Council Member Klein to; 1) revise F3 of the Ordinance (Number 4 of the Motion) to the inclusion of 5447 square feet of ground floor retail, and 2) delete F4 in Ordinance –Inclusion of 1,640 square feet of subsidized non-profit office space to be leased to a Palo Alto based non-profit at rent not to exceed 25% of market rates, for a 10 year term.

AMENDMENT REVISED: 1) revise F3 in the Ordinance to - Inclusion of the 5447 square feet of ground floor retail, and inclusion of 1640 square feet of which would be rented at not to exceed 25 percent of the market rate for the life of the project, and 2) delete F4 of the Ordinance.

REVISED AMENDMENT FAILED: 4-5 Holman, Klein, Price Schmid, yes

AMENDMENT: Council Member Schmid moved, seconded by Council Member Holman to ask applicant to change financial contribution for affordable housing program to \$1,750,000 and financial contribution of \$1,976,200 to the City of Palo Alto in lieu parking fee fund.

AMENDMENT FAILED: 1-8 Schmid, yes

MOTION SEPARATED FOR THE PURPOSE OF VOTING: Council Member Espinosa requested the Motion be bifurcated to allow a separate vote for the following: 1) in the Ordinance, under (f) Public Benefits, subsection (1) a Financial contribution of \$625,000 to the City of Palo Alto’s affordable housing program (in addition to the required \$850,000 commercial in lieu fee, 2) In the Ordinance, under (f) Public Benefits, subsection (2), a financial contribution of \$625,000 to the City’s parking fund and payment of \$1,476,200 to cover the cost of 22 in lieu fee parking spaces (at \$67,100 per space).

SEPARATED MOTION PASSED: 5-4 Burt, Holman, Scharff, Shepherd, Yeh, yes

AMENDMENT: Council Member Klein moved, seconded by Council Member Schmid that where the words “non-profit” appear in the ordinance that the following be added afterwards- qualified as tax exempt under Internal Revenue Code Section 501(c)(3) after non-profits.

AMENDMENT FAILED : 4-5 Klein, Price, Schmid, Shepherd, yes

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to (f) public benefits, (5) there will be no charge to members of the public for using electric vehicle charging station on Alma Street.

MOTION AS AMENDED PASSED: 7-2 Holman, Schmid, no

13. Resolution 9249 entitled "Resolution of the Council of the City of Palo Alto Amending Section 1601 of the Merit System Rules and Regulations to Adopt a New Memorandum of Agreement (MOA) with the Palo Alto Police Officers' Association (PAPOA)".

MOTION: Council Member Shepherd moved, seconded by Council Member Klein to approve the Resolution amending Section 1601 of the Merit System Rules and Regulations to adopt a new Memorandum of Agreement (MOA) with the Palo Alto Police Officers' Association (PAPOA) effective May 14, 2012 through June 30, 2014.

MOTION PASSED: 9-0

COUNCIL MEMBER QUESTIONS, COMMENTS, AND ANNOUNCEMENTS

Council Member Price encouraged Council and Staff to attend the upcoming QPR training (Question, Persuade, Refer) on May 21, 2012 at 5:00 P.M. in Council Chambers.

ADJOURNMENT: The meeting was adjourned at 1:06 A.M