



SUMMARY MINUTES

City Council
Special Meeting
September 27, 2021
Virtual Only

The City Council of the City of Palo Alto met on this date in virtual teleconference at 5:01 P.M.

Participating Remotely: Burt, Cormack, DuBois, Filseth, Kou, Stone, Tanaka

Absent: None

Closed Session

- ~~1. CONFERENCE WITH CITY ATTORNEY POTENTIAL LITIGATION Subject: Arbitration of Employee Discipline Matters Authority: Government Code Section 54956.9(d)(2) Two Potential Matters, as Defendant.~~
2. CONFERENCE WITH LABOR NEGOTIATORS City Designated Representatives: City Manager and his Designees Pursuant to Merit System Rules and Regulations (Ed Shikada, Kiely Nose, Rumi Portillo, Sandra Blanch, Nicholas Raisch, Molly Stump, and Terence Howzell) Employee Organization: Service Employees International Union, (SEIU) Local 521, Utilities Management and Professional Association of Palo Alto (UMPAPA) Palo Alto Peace Officer's Association (PAPOA), Palo Alto Police Management Association (PMA), International Association of Fire Fighters (IAFF) local 1319, Palo Alto Fire Chiefs Association (FCA), ; Authority: Government Code Section 54957.6 (a).

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

MOTION PASSED: 7-0

Council went into Closed Session at 5:02 P.M.

Council returned from Closed Session at 6:00 P.M.

Mayor DuBois announced no reportable action from the Closed Session.

Study Session

3. Study Session on a Proposal by Eden Housing, in Coordination with the County of Santa Clara, to Redevelop 525 East Charleston with a Mixed-Use Project That Includes Approximately 2,700 Square Feet of Ground

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Floor Office for Non-Profit Use and 50 Units of 100 Percent Affordable Rental Housing, 50 percent of which will be for Residents with Special Needs.

Planning & Development Services Director Johnathan Lait reported a formal application had not been submitted. Staff and the prospective applicant had discussed the project to understand the various State laws that applied to it, including the State Density Bonus Law. The State Density Bonus Law provided ministerial review and concessions from the City's Zoning Code.

Supervisor Joe Simitian thanked the Council for giving the proposal early consideration. A few years ago, he urged the Board of Supervisors to identify funds for housing to serve lower-income people in the intellectually and developmentally disabled (IDD) community. The Board of Supervisors reserved funding for the project and owned the project site. The need for this kind of housing was great. The developer had worked hard not to request concessions to which they were entitled.

Eden Housing staff Kate Blessing-Kawamura introduced Eden Housing as an affordable housing developer and property manager. Eden Housing was partnering with AbilityPath on the project.

Kate Conley, OJK Architecture and Planning, indicated the project focused on residents with intellectual and developmental disabilities. AbilityPath currently occupied the site and served individuals with special needs. The project provided 50 units of affordable housing and onsite services for residents. Community engagement began with interviews with key community members and proceeded to three community workshops, a public comment period, and a focus group. The form of the building was based on development standards and community feedback. The building separated the courtyard from Charleston Road. Natural building materials, strong rooflines with extended eaves and exposed beams, and clerestory windows reflected the style of the Eichler homes surrounding the site. Views from windows were directed away from residences. One driveway provided vehicular access to the site. Onsite parking spaces were screened by vegetation or tucked under the building. Trees and shrubs around the perimeter of the site provided privacy for residents and screened views from the project to the neighborhood and views of the building from the street. The site was zoned Public Facilities (PF), and the Comprehensive Plan designated it as Major Institution/Special Facility (MISP). Many aspects of the project complied with objective standards. While parking for residents was not required, the project provided 20 vehicular parking spaces and compliant bicycle parking. Under the State Density Bonus Law, 100 percent affordable developments were allowed four concessions and

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incentives and unlimited waivers. The project requested a single concession for lot coverage and a minimum number of waivers.

Andrew Voltmer believed the project was too large. The height and number of units needed to be reduced. Residents of low-income units were likely to own cars. The building was the tallest in the area. The project impacted the privacy and safety of all who lived in the surrounding area.

Linnea Wickstrom supported the proposal and urged the Council to move the project forward with dispatch.

Pier Marasca stated developmentally disabled people like him needed affordable housing in the community where they had internal supports.

Heidi Voltmer noted traffic congestion around the project site. The proposal did not include sufficient parking for residents.

Hamilton Hitchings suggested the developer increase parking and reduce the building height. Having a service provider onsite was great.

Penny Ellson discussed traffic congestion and flow on Charleston and parking congestion on Nelson Drive, which was a school commute route. She encouraged the developer and the Council to consider using the fire lane for circulation.

Stephanie MacDonald supported the project.

Kelsey Banes remarked that the building was beautiful. She did not understand the concerns about traffic and parking when deeply affordable housing was desperately needed.

Kevin Ma supported the project and affordable housing.

Rick Gosalvez, SV@Home, expressed strong support for the project as it provided affordable housing and housing for individuals with developmental disabilities. Eden Housing was a great community partner with a proven track record for developing high-quality communities throughout the county.

Winter Dellenbach supported the project and requested clarification of parking issues.

John Kelley commented that the project was needed now. The project represented a compromise of needs and standards.

Adam Schwartz supported the proposal and concurred with comments urging the City to move expeditiously.

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Keith Reckdahl expressed support for the project and reservations regarding parking and bike safety. Ms. Ellson's suggestion to use the fire lane was worthy of consideration.

Patti Regehr, speaking as an individual, appreciated the comprehensive community engagement and supported the project.

Carmen Rodwell supported affordable housing and expressed concern about the impacts of traffic on the safety of the project's residents, students, and bicyclists.

Soheila Mozayan noted the severe shortage of housing for people with developmental disabilities and wholeheartedly supported the project.

Emily Lacroix supported the project and asked the Council to proceed without delay.

Lisa Van Dusen, speaking as an individual, remarked that the beautiful project represented best practices and helped the City meet its housing goals.

Scott O'Neil supported the project and concurred with Ms. Banes' and Mr. Kelley's comments. The proposed housing was needed.

Council Member Cormack liked the location of the site and the use of Eichler elements. She requested the contact information for public input.

Ms. Conley answered kate@ojkarch.com.

Council Member Cormack inquired about the respite room.

Ms. Conley explained that it was a room for service providers to take a break between clients and a private space for service providers to meet with their clients.

Council Member Cormack requested clarification of the conflicting reports regarding waivers for the project.

Mr. Lait related that the State provided the developer with concessions in exchange for affordable housing and to make a project feasible. The number of concessions was based on the percentage of affordable housing. A concession was a waiver of a Zoning Code requirement. Under the State Density Bonus Law, the project qualified for four concessions, and the developer requested concessions for building height, lot coverage, and a third requirement. Parking was not a concession or a waiver for this project. State law eliminated parking requirements based on the project's components. Distinguishing a concession from a waiver was not critical at the current time.

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Council Member Cormack understood that the presentation was a courtesy, and that there were no decisions for the Council.

Mr. Lait explained that Staff originally thought the Agenda Item was going to be a prescreening. After reviewing the project and State law, Staff realized a prescreening was not required. The Study Session was intended to increase community awareness of the project. An application for the project was going to be processed administratively. There was no architectural review or ability to appeal any decision on the project.

Council Member Cormack encouraged Staff for the City and the County of Santa Clara (County) to review Ms. Ellson's proposal for egress.

Council Member Filseth requested Staff comment on Ms. Ellson's proposal and the potential for the project to increase the number of cars parked on Nelson..

Mr. Lait asked the architect to provide parking data, if she had any. The project site and the fire lane were County properties, and County Staff needed to work with the applicant on use of the fire lane. The City's role was fire egress.

Ms. Blessing-Kawamura advised that the project team planned to work with City Staff regarding any studies needed for the approval process and the fire lane proposal.

Council Member Kou inquired about the possibility of increasing the percentage of units for IDD individuals in an effort to decrease the potential demand for parking.

Ms. Blessing-Kawamura wanted to provide an inclusive environment for IDD residents, and that was accomplished with a 50-percent set aside.

Council Member Kou asked about off-site parking at the AbilityPath site or Challenger School.

Ms. Conley indicated there had not been any discussions of off-site parking.

Council Member Kou expressed concern regarding the building height. Perhaps the project team would consider installing story poles to help the community visualize the project. Staff needed to escalate traffic calming and a parking plan, especially on Nelson Drive.

Council Member Stone asked if the housing units were going to count toward the City's Regional Housing Needs Allocation (RHNA).

Mr. Lait answered yes.

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Council Member Stone requested the percentage of City housing stock that was reserved for disabled persons.

Mr. Lait did not know the number of existing units for disabled persons and did not believe there was a target for such housing.

Council Member Stone related his enthusiasm for the project and encouraged Staff to begin working on traffic and parking on Nelson Drive.

Vice Mayor Burt appreciated the extensive community outreach and the evolution of the building. The City needed to review traffic and parking in the area given the recent spate of projects in the area.

Council Member Tanaka encouraged the developer to consider modifications in an effort to increase community support for the project.

Mayor DuBois believed the requested concessions were reasonable. The reference to Eichler was appropriate and appreciated. Maintaining the proposed building height and the setback on Charleston would encourage the community's support. He inquired about plans for managing onsite parking and to utilize a Transportation Demand Management (TDM) Program.

Ms. Blessing-Kawamura reiterated that the team planned to work with Staff.

NO ACTION TAKEN

Agenda Changes, Additions and Deletions

City Manager Ed Shikada reported Action Items were reordered for public involvement.

Public Comment

Cherrill Spencer urged the Council to forego an Ordinance about hate speech and to advance an Ordinance supporting the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW).

Bill Ross noted that hate speech was protected, but threats were not. Council Members who were threatened should be protected.

Aram James remarked that threats the lack of an investigation into them were not acceptable. An Ordinance prohibiting hate speech was a waste of time.

Roberta Ahlquist advised that an Ordinance supporting CEDAW had been pending for four years.

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Winter Dellenbach stated many people had called for a specific Police Officer's resignation or termination and, according to a *Palo Alto Online* story, he was gone.

Consent Calendar

Council Member Tanaka registered no votes on Agenda Item Numbers 6 and 7.

Bob Wenzlau, addressing Agenda Item Number 7, encouraged the Council to support the offset with Oaxaca.

MOTION: Mayor DuBois moved, seconded by Council Member Cormack to approve Agenda Item Numbers 4-8.

4. Approval of Minutes from September 13, 2021 City Council Meeting.
5. Adoption of **Resolution 9990** Approving and Attesting to the Veracity of the City's 2020 Annual Power Source Disclosure and Power Content Label Reports.
6. Approval of an Exemption to Competitive Solicitation per Palo Alto Municipal Code 2.30.360(j) for Cooperative Purchases, and Approval for the City Manager or Designee to Execute Purchase Order C22183161 with CarahSoft Technology Corporation, Utilizing a State of California Multiple Award Schedule Contract, to Procure DocuSign Services for a Three-Year Term with an Annual Amount of \$126,753, for a Total Not-To-Exceed Amount of \$380,258.
7. Finance Committee Recommends Adoption of **Resolution 9991** Approving an Agreement for the Purchase and Sale of Verified Emission Reductions With the Integrative Organization of Oaxaca Indigenous and Agricultural Communities to Purchase 24,000 Tons CO2e for a Total Purchase Price of \$228,000.
8. Approval of Construction Contract Number C22182320 with Golden Bay Construction, Inc. in the Amount of \$1,250,923, and Authorization for the City Manager to Negotiate and Execute Change Orders Up to a Not-to-Exceed Amount of \$125,093, for the Storm Drainage System Replacement and Rehabilitation Project, Capital Improvement Program Project SD-06101.

MOTION ITEMS 4, 5, 8 PASSED: 7-0

MOTION ITEMS 6-7 PASSED: 6-1, Tanaka no

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Council Member Tanaka noted that the contract in Agenda Item Number 6 was for 25,000 licenses where there were only 400 active users. He preferred obtaining bids from multiple providers. He supported purchasing carbon offsets, but they should benefit people in California.

City Manager Comments

City Manager Ed Shikada clarified that the City was not purchasing 25,000 licenses but 25,000 envelopes or documents in Agenda Item Number 6. The Centers for Disease Control and Prevention (CDC) approved booster vaccinations for people in various occupations. Latinx and Hispanic Heritage Month was September 15 to October 15, 2021. The Public Art Program was hosting *Code: ART* October 7-9, 2021. Staff's signature lines now included a button where community members were able to provide feedback. October 19, 2021 was the deadline to submit an application for the Architectural Review Board (ARB), Historic Resources Board (HBR), Parks and Recreation Commission (PRC), and Planning and Transportation Commission (PTC). October 2021 Agenda Items addressed the commercial linkage fee study, revisions to the Tree Ordinance, grade separations, land use items, a preliminary quarterly financial update, potential ballot measures, and parking policies.

Action Items

10. Adopt a Resolution Declaring an Emergency Shelter Crisis, Adoption of a Resolution Authorizing the City Manager to Apply for California Project HomeKey Funds in Conjunction with LifeMoves, and Related Direction to Staff Regarding an 88-132-unit Emergency Shelter Project at a Portion of the LAMP site (1237 North San Antonio Road); Environmental Assessment: Exempt Pursuant to AB 140 and AB 2553; Alternatively, Exempt under CEQA Guidelines Section 15269 as an Action to Mitigate an Emergency.

City Manager Ed Shikada recalled that the Council last discussed the project on August 9, 2021. The issues were complex, and a full discussion and understanding of the issues were essential.

Deputy City Manager Chantal Cotton Gaines reported there was no 24/7 operating, interim, or transitional housing shelter in Palo Alto. Project HomeKey offered short-term lodging and wrap-around services. The Notice of Funding Availability (NOFA) indicated that \$200 million was available for the Bay Area, the application period opened October 1, 2021, and applications were processed as they were received. Project HomeKey provided \$150,000 per door up to \$200,000 for a three-bedroom family unit as a capital subsidy

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towards construction. There was also an operating subsidy for different types of units. Unspent capital subsidy could be used for operating expenses.

LifeMoves representative Aubrey Merriman explained that Project HomeKey expedited housing for unhoused people. LifeMoves looked forward to partnering with the City to cultivate philanthropic support and identify ongoing funding sources.

Brian Greenberg noted that LifeMoves operated Hotel de Zink. Shelter options that were distant from Palo Alto were not good for moving people off the street.

LifeMoves representative Jo Price advised that the current project accommodated 64 single units and 24 family units for a total of 136 beds.

Ms. Cotton Gaines summarized challenges to locating a project on the Los Altos Treatment Plant (LATP) site. LifeMoves had dealt with some of the same problems in the past. A site appraisal was underway and was going to be ready for submission of an application. Operating expenses for 88 doors were estimated at \$4 million a year for the first five years. Accepting a grant committed the City to a 15-year covenant on the site and to operating the shelter for at least five years. The County of Santa Clara (County) committed to fully funding two years of operating expenses. The HomeKey Program provided a \$1.17 million subsidy for two years. LifeMoves and the City of Palo Alto committed to identify funding for any operational gaps. Capital expenses were estimated at \$17.6 million or 88 doors at \$200,000 each. LifeMoves contacted a private donor who pledged \$5 million towards any capital gap. The amount of funding needed to prepare the site was unknown. The City currently received \$115,000 in lease revenue from the LATP site.

Assistant Director of Planning and Development Services Rachael Tanner explained that legislation and a Resolution declaring an emergency shelter crisis deemed HomeKey projects consistent with all local requirements and eliminated any requirement for discretionary approval and environmental analysis.

Lisa Van Dusen, speaking as an individual, encouraged the Council to support the project and provide housing and services for homelessness people.

Hamilton Hitchings suggested the Council consider the feasibility of a third story and fund a welcoming and quality facility.

David Meyer, SV@Home, noted the success of the Mountain View HomeKey project and wished the City well in obtaining a grant and building a facility.

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Anna Botelho urged the Council to proceed with the proposal and concurred with the suggestion for a third story.

Scott O'Neil supported the project and Mr. Hitchings' suggestion.

Megan Swezey Fogarty urged the Council to move the proposal forward.

Aram James hoped the Council adopted a Resolution declaring an emergency shelter crisis and ensured accountability for all project partners.

Sheryl Klein, speaking as an individual, was pleased with the momentum for the project. LifeMoves had a strong reputation for providing services to homeless individuals.

Patty Regehr, speaking as an individual, supported the project and a continued focus on affordable housing so that residents were able to remain in the community.

Adam Schwartz supported the plan for building emergency housing for unhoused people.

Kelsey Banes believed homelessness was an urgent crisis that required urgent action. She supported the suggestion for adding a third story.

Council Member Cormack appreciated the en suite bathrooms. She requested an update regarding Valley Water's staging area.

Public Works Watershed Protection Manager Karin North reported that conversations between the City and Valley Water were ongoing.

Council Member Cormack requested the earliest date that the City was able to submit an application.

Ms. Cotton Gaines answered October 1, 2021.

Council Member Cormack inquired about a timeline for environmental review of the Green Waste portion of the site.

Ms. Cotton Gaines advised that a California Environmental Quality Act (CEQA) review of the Green Waste site was not going to impact the HomeKey Project.

Assistant City Attorney Albert Yang explained that Staff needed some time to review the project in depth.

Council Member Cormack requested the rationale for proposing two rather than three stories.

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Ms. Cotton Gaines acknowledged the LAMP's proximity to the Baylands. Staff previously asked LifeMoves to prepare concepts with two and three stories.

Council Member Cormack inquired about the height of a two-story facility as proposed.

Chuck Bloszies indicated the height was approximately 20 feet for two stories.

Council Member Stone asked if Staff recommended two or three stories.

Ms. Tanner related that Staff was neutral regarding the number of stories. Three stories provided more beds, but two stories aligned with guidelines for development in the Baylands.

Council Member Stone supported three stories if the height was consistent with the Baylands guidelines. He inquired about the usual height of buildings in the area.

Ms. Tanner explained that the guidelines encouraged low and horizontal buildings. Low and horizontal were subjective terms.

Council Member Stone requested the additional cost of a third story.

Ms. Price reported a three-story facility with 136 units cost an estimated \$27 million. Operations costs were estimated at \$5.5 million to \$6 million.

Council Member Kou agreed with the change in zoning for the site but did not agree with declaring a shelter crisis to streamline the process for future projects. She inquired about a professional services agreement between the City and LifeMoves.

Ms. Cotton Gaines clarified that the City and LifeMoves were going to be parties to a lease.

Council Member Kou inquired regarding the City's ability to collect data and determine the success of the project and programs.

Mr. Shikada reported the County, the City, and LifeMoves were going to negotiate the form and structure of the lease.

Council Member Kou asked if the Council was going to receive additional information prior to the application period opening on October 1, 2021.

Mr. Shikada did not believe so, but Staff planned to take Council's direction and identify next steps.

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Mr. Yang added that an operating agreement between the City and LifeMoves was likely to address accountability and operations.

Council Member Kou asked if Staff was able to prepare a financial analysis pertaining to other uses of the site in an effort to demonstrate the City's contribution to the project.

Mr. Shikada indicated Staff was able to prepare an analysis, but he was unsure whether it was a factor in decision-making.

Council Member Kou asked if the \$5 million private donation was to be used for capital costs.

Mr. Shikada answered yes.

Mayor DuBois preferred a mix of single and family units. He inquired whether LifeMoves had previously constructed a multi-story facility.

Ms. Price explained that they had not built the proposed model on two stories, but the design team was working on a two- and three-story project in Redwood City.

Mr. Bloszies added that vendors indicated modules were stacked six and eight stories in other projects.

Mayor DuBois inquired regarding the height needed to raise the first floor above the floodplain.

Ms. North related that surveying was underway to determine the appropriate height.

Mayor DuBois asked if the conservation land was dedicated land.

Ms. Tanner did not believe so.

Mayor DuBois asked if the site was currently in its natural state.

Ms. North stated it was mostly covered with gravel and being used as a staging area for construction projects.

Mayor DuBois requested the rationale for the Resolution declaring an emergency.

Mr. Yang explained that declaring an emergency was intended to exempt the project from CEQA. In making the declaration, the City was obligated to report

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the status of the City's unhoused population annually to the State. The Council had the discretion to review and perhaps lift the declaration in a year or so.

Vice Mayor Burt noted that the City's homeless population totaled about 320 and calculated about 200 clients were going to move through the project each year. The math did not support a three-story project specifically for transitional housing. The extra capacity may be used for longer-term housing. Some of the dirt remaining from construction of the golf course and flood control project was going to be used to increase the elevation of the project site. LifeMoves was confident they could fill the funding gap, but the City had to commit to filling the gap before donors were located. Projections for the annual operating costs had increased moderately since the Council first learned of the project. He inquired regarding the City's ability to ensure funding gaps were filled in light of the deficits and reductions of the past few years.

Ms. Cotton Gaines reported Staff and the County Office of Supportive Housing Staff had discussed funding and the proposed model with LifeMoves and believed costs could be further reduced.

Mr. Greenberg explained that the safety of residents and the effectiveness of programs were labor-intensive endeavors. He did not want to reduce staffing to the point of impacting safety and programs.

Mr. Merriman related that LifeMoves did not intend to transfer costs to the City. LifeMoves had a funding model that could be quite effective if all parties collaborated.

Eden House Paul Simpson added that the staffing plan provided 33.3 full-time equivalents (FTE), and a minimum of two staff members would be on duty at all times. The staffing plan was sufficient to achieve outcomes and operate the site safely.

Council Member Tanaka requested an estimate of the cost to the City.

Mr. Simpson reiterated the overall operations cost of \$19.7 million. After deducting State and County funding, the gap was probably \$5 million or \$6 million. LifeMoves was committed to working with the City to raise that amount.

Consuelo Hernandez, County Office of Supportive Housing Director, related that the HomeKey Program advanced the Community Plan to End Homelessness and the strategy to double the number of shelters. Her team was reviewing the operating budget for all interim housing in the county.

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Council Member Tanaka wanted the City to follow Mountain View's lead and lease property in the Baylands to provide revenue. He asked if the \$115,000 from Slide Number 17 was market rent.

Assistant City Manager Kiely Nose indicated that the Staff Report outlined the loss in revenue and the market value of the site. The site could potentially generate up to \$500,000 per year. However, the City was receiving about \$115,000 in rent revenue from the site. Staff had not analyzed the potential rent revenue from a use other than construction staging.

Council Member Tanaka believed Council Members needed an analysis of the potential revenue from other uses.

Council Member Filseth asked if the City's Affordable Housing Fund was a possible funding source for operating costs.

Director of Planning and Development Services Johnathan Lait replied no.

Council Member Filseth asked if the number of units needed to be limited in order to provide quality services and structurally sound facilities.

Mr. Bloszies advised that Building Code requirements were different for buildings up to three stories and buildings of four or more stories. Therefore, three stories were the practical limit for this type of construction. Two hundred beds seemed to be the threshold for services.

Council Member Cormack asked if the City was going to receive \$2.5 million from the County's challenge grant.

Ms. Cotton Gaines was not comfortable stating that the City was going to receive the funding and did not know if the amount was in addition to other amounts.

Council Member Cormack calculated a funding gap of \$17.9 million and requested clarification of additional funding amounts to fill the gap.

Ms. Nose reported Project HomeKey funds were available for operating costs and were separate from the \$14.4 million amount.

Ms. Price indicated that the amount of additional funding was \$1.17 million times two.

Council Member Cormack noted that the County agreed to fund two years of operations costs.

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Ms. Hernandez clarified that the County funding for operations costs was based on the original proposal. The County was analyzing the costs and committed to being a good partner.

Council Member Cormack calculated the overall gap at \$7.1 million.

Mayor DuBois inquired about the use of Community Development Block Grant (CDBG) funding.

Ms. Nose advised that CDBG funding was available for the project, but annual CDBG funding was usually less than \$1 million.

Ms. Cotton Gaines noted that Staff identified Permanent Local Housing Allocation grants as a possible source of \$230,000 per year.

Council Member Cormack stated her comfort with a \$7 million gap over five years and a partnership with LifeMoves, which had a successful history of philanthropy.

Mr. Merriman indicated that creativity in structuring public and private donations provided options.

MOTION: Mayor DuBois moved, seconded by Council Member Kou to:

- A. Adopt a resolution declaring an emergency shelter crisis with a one-year deadline and return to City Council for discussion on renewal;
- B. Adopt a resolution authorizing the City Manager to apply for California Project HomeKey funds in conjunction with LifeMoves for an 88-unit emergency shelter project at a portion of the LATP site (1237 North San Antonio Road);
- C. Direct Staff to complete due diligence necessary for the application;
- D. Direct Staff to return with necessary actions related to capital and operating costs for the project and include the City's portion of the operating expenses as part of the City's Long Range Financial Forecasting, taking into account the funding from LifeMoves as a partner as well as financial support from other agencies (e.g., the State, and Santa Clara County); and
- E. Direct Staff to identify the costs associated with moving Green Waste operations within LATP Area C and to work with LifeMoves to identify funding sources for the relocation.

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Mayor DuBois supported a two-story project and urged Staff to move expeditiously in relocating Green Waste.

Council Member Tanaka wanted to know the source of funding for any potential funding gaps. He asked LifeMoves to describe the impacts of its programs on homelessness in other cities.

Ms. Price reported people typically stayed in transitional housing 90 to 120 days. The Mountain View site recently reached 100 percent capacity, and 28 percent of residents had moved to permanent housing.

Mr. Greenberg expected a dramatic reduction in Palo Alto's homeless population at the end of 18 months. LifeMoves worked closely with law enforcement to remove the most challenging people from the street and into housing.

Ms. Hernandez added that 249 new people became homeless in Palo Alto every year. More than 72 percent of them benefited from a quick resolution. The project provided them with temporary housing so that they could transition to permanent housing.

Council Member Stone related that homeless people living in Palo Alto were residents of Palo Alto.

Ms. Tanner indicated that the current zoning imposed a 50-foot height limit. Most existing buildings were 20 to 25 feet tall.

AMENDMENT: Council Member Stone moved, seconded by Council Member Cormack to modify Part B of the Motion to pursue a 132-unit emergency shelter project with 3-stories.

Council Member Stone felt the project was critical to helping people, and the City needed to take advantage of the opportunity to provide housing.

Council Member Cormack noted the lack of sites for additional projects. A three-story facility provided beds for the entire population of homeless people in Palo Alto.

Council Member Tanaka supported the Amendment but expressed concern regarding the return on investment. He reiterated his request for an analysis of revenue from a market-rate lease of the site.

Mr. Shikada advised that Staff was not in a position to conduct a highest and best use analysis of the site. Achieving the highest and best use of the site was speculative at best.

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Vice Mayor Burt did not believe there was a demonstrated need for a three-story project and suspected that the project's capacity was going to exceed the need.

Council Member Kou did not support the Amendment because the project was located in the Baylands.

AMENDMENT FAILED: 2-5, Burt, DuBois, Filseth, Kou, Tanaka no

MOTION: Mayor DuBois moved, seconded by Council Member Kou to:

- A. Adopt a resolution declaring an emergency shelter crisis with a one-year deadline and return to City Council for discussion on renewal;
- B. Adopt a resolution authorizing the City Manager to apply for California Project HomeKey funds in conjunction with LifeMoves for an 88-unit emergency shelter project at a portion of the LAMP site (1237 North San Antonio Road);
- C. Direct Staff to complete due diligence necessary for the application;
- D. Direct Staff to return with necessary actions related to capital and operating costs for the project and include the City's portion of the operating expenses as part of the City's Long Range Financial Forecasting, taking into account the funding from LifeMoves as a partner as well as financial support from other agencies (e.g., the State, and Santa Clara County);
- E. Direct Staff to identify the costs associated with moving Green Waste operations within LAMP Area C and to work with LifeMoves to identify funding sources for the relocation; and
- F. Direct Staff to continue to partner with Valley Water to identify a staging area in preparation for a purified water plant.

MOTION PASSED: 7-0

The Council adjourned for a break at 9:56 PM. The meeting was reconvened at 10:09 PM.

Mayor DuBois encouraged Council Members to address the Board of Supervisors regarding transitional housing during its meeting the following day.

9. Public Hearing: Adoption of Two Ordinances Implementing the Objective Standards Project, Including: 1) New Chapter 18.24, Objective Design

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Standards, to Replace Existing Context-Based Design Criteria; 2) Modifications to Affordable Housing (AH) and Workforce Housing (WH) Overlay Districts to Eliminate the Legislative Process; 3) Expansion of Affordable Housing (AH) and Housing Incentive Program (HIP) to PTOD-Eligible Properties; 4) Changes to Remove Inconsistencies and Redundancies, and Streamline Project Review Throughout Title 18 Chapters.

MOTION: Mayor DuBois moved, seconded by Council Member Filseth to continue the item until October 4, 2021.

MOTION PASSED: 7-0

11. Discussion of Options and Direction Regarding Virtual, In-Person, or Hybrid Council and Board and Commission Meetings.

City Manager Ed Shikada reported State law changed the prior week and became effective on October 1, 2021. The Council had the discretion to continue virtual meetings on a month-by-month basis. If the Council wished to begin in-person meetings immediately, requirements for masking and additional protocols remained in effect.

Patty Regehr, Human Relations Commissioner, preferred not to disclose her location as the Brown Act required if she chose to participate remotely during hybrid meetings. She preferred to continue virtual meetings until the pandemic was better controlled.

Aram James encouraged the Council to continue virtual meetings with an eventual transition to hybrid meetings.

City Attorney Molly Stump advised that as long as the State's declared state of emergency was in effect and the Council was able to make findings every 30 days, Members of the Council and Boards and Commissions were allowed to participate remotely without listing their addresses or opening the remote locations to the public.

Mayor DuBois suggested the Council consider a hybrid format and discuss separately public attendance and conditions for participating in-person.

Council Member Cormack inquired about distancing for Council Members at the dais.

Mayor DuBois believed Council seats were separated by 5 or 6 feet.

Council Member Cormack noted that businesses and schools were operating in-person without increased infections. Staff seemed to be prepared for a

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hybrid environment. Interactions among Council Members had been lost with virtual meetings. It was time for the Council to return to Chambers.

Vice Mayor Burt remarked that COVID-19 infections were on a downward trend, and vaccinations for children and booster vaccinations for adults, if approved, were likely to facilitate the trend. In a month, the number of infections was likely to return to the levels experienced in May and June 2021, at which time hybrid meetings were appropriate. He recommended implementation of hybrid meetings beginning November 1, 2021.

Council Member Stone expressed concern that masks were going to disconnect Council Members from the public and suggested Council Members may not be comfortable speaking for an extended length of time while wearing a mask. Hybrid meetings should be implemented for the Council prior to Boards and Commissions. He inquired whether the Council's use of hybrid meetings allowed Boards and Commissions to continue virtual meetings without posting addresses.

Ms. Stump indicated that the Council had the discretion to determine that.

Council Member Stone agreed with implementing hybrid meetings for the Council, allowing the public to participate remotely or in person, and requiring proof of vaccination or a negative COVID-19 test for Council Members, Staff, and the public who participated in person.

Council Member Tanaka concurred with beginning hybrid meetings in November 2021 so that people had time to obtain booster vaccinations. He suggested allowing Council Members to decide whether they participated in person or remotely because some Council Members may prefer not to wear a mask. All Council Members wearing masks did not seem productive or transparent. Participating remotely reduced the use of vehicles and greenhouse gas emissions. Another concern was eating dinner or a snack if Council Members were in Chambers. Using multiple monitors during Council meetings meant he did not have to waste paper printing the packet or obtain a printed packet from the City Clerk.

Council Member Kou wanted to return to Chambers. Perhaps Staff was able to locate software that allowed the public to upload their proof of vaccination prior to a meeting. She asked if the public could be required to provide proof of vaccination to attend a meeting.

Ms. Stump indicated that the City was allowed to make health and safety rules for access to City facilities or certain types of services. Thus far, the City had not implemented that type of requirement for members of the public to participate in any programs. The Council needed to discuss monitoring and

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enforcing compliance with the City Manager and City Clerk. The County of Santa Clara (County) continued to mandate mask-wearing for everyone.

Council Member Kou inquired about the impact of the Council's return on Staff's workload.

Mr. Shikada reported Staff had been preparing for a return and believed Staff would be ready when the Council was ready.

Lesley Milton, City Clerk, concurred with Mr. Shikada.

Council Member Kou asked if Staff was allowed to participate remotely when making presentations.

Mr. Shikada recommended the Council allow that, at least in the beginning.

Mayor DuBois understood each Council Member was going to have an opportunity to practice with the setup for hybrid meetings.

Council Member Filseth requested clarification of transparency if the Council was present in Chambers but Staff and the public were not.

Mayor DuBois commented that the Council doing the public's business in public provided more transparency.

Council Member Kou related that seeing the faces of public speakers provided more interaction and transparency.

Mayor DuBois proposed optional in-person attendance, with Council Members encouraged to attend in person, until the County lifted the mandate for mask-wearing inside buildings. He supported requiring persons attending a meeting in-person to provide proof of vaccination only or proof of vaccination or a negative test within 48 hours of a meeting. He preferred to implement a hybrid model immediately.

Vice Mayor Burt requested the reason for members of the public not being visible during public comment.

Mr. Shikada indicated it was a practice stemming from concerns about Zoom bombing.

Vice Mayor Burt suggested members of the public should have the option to be visible to enhance interaction. Implementing hybrid Council meetings in November and hybrid Board and Commission meetings in January was not a concern.

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MOTION: Vice Mayor Burt moved, seconded by Council Member Stone to:

Begin hybrid City Council meetings on November 1, 2021, and not requiring Standing Committees, Ad-Hoc Committees, Boards and Commissions to physically convene until January 2022;

- A. Require the public, Staff and City Council Members to provide proof of vaccination or a negative COVID-19 test within 48 hours prior to the meeting;
- B. Provide an option to City Council to attend in-person or by teleconference as long as the Santa Clara County maintains mandatory indoor masking for public meetings;
- C. Upon the end of mandatory indoor masking, modify the City Council protocols to increase City Council's teleconference participation to 5 meetings per year;
- D. Request Staff to allow virtual attendees to participate by video, barring technical barriers in doing so; and
- E. If relevant changes in Santa Clara County's or the CDC's guidelines, for City Council to revisit the guidelines, consider a default standard for in-person meetings if provided by the Santa Clara County, and other in-person requirements.

Assistant City Manager Kiely Nose noted that the packet for the October 18, 2021 meeting was scheduled to be issued on October 7, 2021. Information requested in the Motion was probably going to be released in a late packet. At different times during the pandemic, the language of County regulations varied from strong recommendations to mandates.

MOTION PASSED: 7-0

Council Member Questions, Comments and Announcements

Council Member Cormack reported actions regarding reductions in water usage may occur as soon as November 2021. Presentations during the League of California Cities conference addressed unemployment during the pandemic, the California Public Employees' Retirement System's (CalPERS) discount rate and portfolios, the healthy democracy organization, empathy rather than emotion in public meetings, Class C properties and a landlord participation program, and attentional brick-and-mortar experiences. She was going to serve as an officer in the League of California Cities' Women's Caucus.

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Council Member Tanaka related his attendance at the League of California Cities' conference, where he learned that cities smaller than Palo Alto received more COVID-19 recovery funding than Palo Alto.

Mayor DuBois also attended the League of California Cities conference and had shared vendors' names with the City Manager. Funding was available for middle-mile and last-mile broadband initiatives.

Vice Mayor Burt indicated he also attended the League of California Cities conference and learned about wildland fire, a joint powers authority (JPA) for a series of cities, human-centered design, short-term rentals, and stimulus funding.

Council Member Kou advised that she attended general sessions of the League of California Cities. The Bylaws were changed to recognize diversity caucuses. Amendments to the Bylaws and two Resolutions were adopted.

Adjournment: The meeting was adjourned at 11:29 P.M.