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:

**Agenda Changes, Additions and Deletions**

Mayor DuBois mentioned that Council will take up Item 9 at 10:00 p.m. and there will be no City Manager comments.

**ORAL COMMUNICATION**

Rebecca Sanders shared that neighbors in the Ventura Neighborhood closest to El Camino Real have been experiencing increased noise coming from the hydrogen pump at the Shell gas station.

Aram James shared that on October 14, 2021, the Human Relations Commission (HRC) will be discussing the Palo Alto Police Department’s K9 Policy. He asked what the current cost is for defending the current K9 litigation. He shared that the last African American police officer retired from the Palo Alto Police Department and encouraged diversity among the police force. He strongly encouraged Ms. Stump and Council Member Stone to not enable Council Member Tanaka to further harm the public’s right to free speech.

David Coale announced that Bike Palo Alto will be brought back in virtual format and will be held the entire month of October. A new feature included brightly colored route arrows painted on the pavement.

**Consent Calendar**

Council Member Kou, Stone, Tanaka registered a no vote on Agenda Item Number 5.

Council Member Tanaka registered a no vote on Agenda Item Number 4.
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MOTION: Mayor DuBois moved, seconded by Council Member Cormack to approve Agenda Item Numbers 2-4, 6.

1. Approval of Minutes from August 30, 2021 City Council Meeting.

2. Request for Authorization to Amend the Existing Agreement for Litigation Defense Services with the Law Firm of Jarvis, Fay & Gibson (Contract S15159508) to Extend the Term to June 30, 2022.

3. Approval of a Budget Amendment (Requires 2/3 Approval) for General Fund Operating Budget in Community Services Department Implementing a Grant from the Institute of Museum and Library Services (IMLS) Museums for America Grant Awarded to the Palo Alto Art Center Foundation to Support Creative Attention Initiative at the Palo Alto Art Center.

4. Approval of an Exemption to Competitive Solicitation and Change Order No. 1 to Existing Contract C20172366A With Hotline Construction, Inc. for Additional Underground Construction and Emergency Construction On-call Services, Increasing the Contract Amount by $6,800,000 for a new Not-to-Exceed Amount of $11,300,000; and Approve a Budget Amendment in the Electric Fund.

5. Approval of Advanced Metering Infrastructure (AMI) Contract with Sensus USA Inc. in the Amount of $15,283,218; and Authorization for the City Manager to Negotiate and Execute Change Orders up to a Not-to-Exceed Amount of $1,484,000, for a Total Contract Amount Not-to-Exceed $16,767,218; Approval of Amendment No. 2 with E Source in an Amount Not-to-Exceed $1,339,947 for Phase 3 AMI Consulting; and 3) Adoption of a Resolution to Transfer up to $18,900,000 from the Electric Special Project Reserves to the Smart Grid Technology Installation Project EL-11014. (This item is continued to a date uncertain)

6. Approval of Construction Contract Number C22181780 with Roofing Constructors, Inc. in the Amount Not-to-Exceed $362,713 to Replace the Existing F & FH Wing Roofs at Cubberley Community Center, Capital Improvement Program Project CB-16002; and Authorization of Contract Contingency in an Amount Not-to-Exceed $36,271 for Related, Additional but Unforeseen Work Which May Develop During the Project.

ITEMS 2, 3, 6 OF MOTION PASSED: 7-0
ITEM 4 OF MOTION PASSED: 6-1, Tanaka no

Action Items

7. Update from the Palo Alto Advisory Committee on Early Care & Education (PAACECE) on recent Assessment of Local Families, Effect of COVID on Child Care providers and plans to address identified needs, including the Approval of Budget Amendments in the General Fund and the Child Care Trust Fund to Implement the PAACECE's Annual Work Plan.

Community Services Director Kristen O’Kane stated that the first objective is to share with the Council the results of the Needs Assessment of Families with Young Children. The second objective is to recommend approval to use funds from the Childcare Trust Fund to support early childcare providers in the City.

Minka Van Der Zwaag reported that the Palo Alto Advisory Committee on Early Care and Education (PAACECE) is a group of local childcare professionals of who work on issues of early child care and education.

Deputy Chief for Early Learning First 5 Dr. Heidi Emberling shared that the Needs Assessment for Families with Young Children explored four key areas. Quality of life in Palo Alto, the early care and education (ECE) landscape, access to inclusion in the Palo Alto community, and community services, resources and supports. The needs assessment held 18 informative interviews, 41 interviews with ECE providers, a survey and held three focus groups. The assessment was conducted pre-COVID 19. The assessment showed that families are concerned about the high cost of living, work pace, isolation from extended families, and the inability to access affordable high-quality childcare. Also, the assessment acknowledged the challenges of recruiting teachers and teacher retention. Due to very little federal funding that supports the early education system, educators are not being able to afford to live in the community.

Executive Director Children’s preschool center Kay Erikson shared the impacts that COVID 19 has caused on the City’s providers. The State Emergency Order and mandates put very restricting rules on childcare facilities and caused a huge financial and enrollment hardship. Many teachers decided not to return to work due to fear of COVID-19 exposure. One of the challenges that many childcare facilities faces is hiring high-quality early childcare educators. To support childcare facility directors, PAACECE formed the Provider Network which is a group of Palo Alto providers that meet bi-weekly to provide support. The recovery and support
of the childcare sector is essential for economic recovery and for parents to be able to work.

Janet Zamudio shared that PAACECE’s Work Plan includes the continuation of the ECE bi-weekly program director meetings, plans to create a pilot program for classroom teachers to provide connection and support, create a series of professional development opportunities to meet educators’ needs, and review and improve the current mechanism of communicating resources to families in the community. Connecting teachers to professional development opportunities is critical along with mental health support.

Ms. Van Der Zwaag remarked that PAACECE requests that funding be provided for its Community of Practice Cohort, for scholarships, and a mini-grant. The Community of Practice Cohort costs $20,000 and would be a 6-months training session that will support reflective early childhood teaching, build a community of support, and facilitate collaboration. The scholarship fund of $5,000 would support individuals who attend outside professional training and continuing education. The mini-grant of $5,000 will be used to obtain onsite assistance to provide classroom observation, behavioral, and mental health support to kids.

No public comment.

Council Member Filseth asked why the Palo Alto Unified School District (PAUSD) was not helping in PAACECE’s efforts.

Ms. Van Der Zwaag stated that the programs are to help private childcare providers.

Council Member Cormack acknowledged that early childhood educators are the saving grace for many families and that many of the facilities are operated and run by women. She inquired what the City has planned for the remaining $270,000 in the Child Care Trust Fund.

Ms. Van Der Zwaag answered that the funds are not yet allocated. PAACECE will use the funds when it is most impactful to address the needs of childcare providers and/or local families.

Council Member Cormack stated she supports the Community of Practice Cohort concept. She agreed with the comment that professional development is an issue everywhere. She inquired what the average hourly wage is for an early childhood educator.

Ms. Erikson commented that for private childcare centers, the average is $22 to $24 per hour for a fully qualified educator.
Council Member Cormack asked if recent legislative actions have affected childcare wages.

Ms. Emberling noted that the State of California is supporting reimbursement rates for subsidized slots. She mentioned that in Santa Clara County most childcare educators earn between $12 to $13 per hour.

Ms. Erikson acknowledged that many educators commute to Palo Alto because the wages are higher than other cities in the Bay Area.

Council Member Cormack announced that she will be supporting Staff’s recommendation.

Vice Mayor Burt disclosed that he was not aware of the Child Care Trust Fund. The childcare industry has been hit just as hard as the other provider services. He appreciated the comment that many folks in the community earn too much money to qualify for subsidies, but do not earn enough to pay for childcare. He expressed that the requested funding is not enough to spread over the different educators. He wanted to know how PAACECE would use additional funds and does PAACECE feel it should request more funding. He noted that now is the time to use the trust fund that has sat idle for many years. He disclosed that the City/School Liaison Committee is working on mapping out shared interests between the City and PAUSD. He predicted that PAUSD would be willing to share the costs of helping early childhood providers.

Ms. Van Der Zwaag remarked that the intention is to send the needs assessment to various stakeholders in the community and seek their time and investment to help work on the issues outlined in the assessment. PAACECE acknowledged that $300,000 will not last long and the Committee wishes to start with the proposed smaller initiatives first.

Ms. Emberling agreed with Ms. Van Der Zwagg’s comment that PAACECE has discussed how to utilize the money in the longest-lasting way possible. She mentioned that the Community of Practice Cohort was piloted in past years and was very successful but expensive. She noted that even with the stabilization grants that the Board of Supervisors issued to childcare facilities, many facilities have shut down. The need is tremendous and endless and PAACECE has been very thoughtful in how to have the biggest impact for the least amount of money.

Council Member Stone asked if the lack of family support is being caused by a lack of family living nearby.
Ms. Emberling confirmed that is correct. The COVID-19 Pandemic has restricted parent groups and gathering places. Parents are no longer able to create parent relationships and are feeling isolated. She encouraged the City to promote family events and gatherings to support informal parent networks.

Council Member Stone strongly agreed that providing community connections will be very helpful. The comment regarding folks who make too much money for subsidies, but cannot afford childcare resonated with him. He acknowledged that folks are moving out of the City to live closer to family who can provide free childcare and that should not be a reason for folks to leave the City. He inquired what languages are the services that PAACECE offers being advertised in.

Ms. Van Der Zwaag shared that PAACECE has a resource site for educators and families. The page is in English but there is the ability to translate that into Chinese and Spanish. PAACECE is working to identify what programs and resources are available to families that are not already listed on the website. PAACECE’s educator programs are mostly in English and Spanish.

Council Member Stone pointed out that survey respondents are concerned about the lack of community resources for families with special needs children. He found that disturbing and emphasized that the City should be addressing those types of barriers.

Mayor DuBois asked if the Childcare Trust Funds are restricted.

Finance Director Kiely Nose answered yes.

Mayor DuBois inquired if there are Federal Government funding available for early childcare and can the City apply for them.

Ms. Nose remarked that independent agencies would be responsible for applying for the funds.

Ms. Emberling confirmed that is correct.

Mayor DuBois agreed that he did not know there was a Childcare Trust Fund. He suggested that emerging childcare needs should be incorporated into the regular budget process.

Council Member Tanaka wondered why the item was not on the Consent Calendar. He also did not know about the trust fund and wanted to understand why the Council was not made aware of the fund. He supported
PAACECE’s efforts, agreed that parents are very underrepresented in the City, and that support for early childcare education is very important.

Ms. Van Der Zwaag agreed that the item could have been on the Consent Calendar. The reason it was not is because PAACECE wanted to provide Council with a report on the trust fund as well as what is happening in the community in terms of childcare.

Vice Mayor Burt was concerned to hear the PAACECE wants to be conservative with the trust fund. He stated that the childcare community is in crisis and the City does not have the funds to resolve the crisis. He recommended that Council increase the request to $50,000.

Council Member Stone requested further information from Staff on if there is a plan in place for more funding.

Ms. Van Der Zwaag commented that there could be a large request from the childcare providers for the educational support. She recommended that funds that are not used be transferred back to the trust fund or moved to the next fiscal year.

Ms. Nose noted that Council will be receiving several budget items over the coming months. Staff could evaluate whether the programs are successful and then return with a proposal for an increase in funds.

Council Member Stone inquired what the total amount is in the Childcare Trust Fund.

Ms. Nose answered $300,000.

Ms. Emberling mentioned that a Yale study that was released several years ago that discovered that there are more expulsions in early childcare than in all of K-12 combined. These expulsions were made due to early childcare providers not having the skills to provide care for undiagnosed underlying needs. Increasing the scholarship funds to allow for professionals to come in and screen for early intervention would be life-saving for families.

Council Member Stone understood that the additional $20,000 would come from the Childcare Trust Fund.

Ms. Van Der Zwaag confirmed that is correct.

Council Member Stone accepted Vice Mayor Burt’s friendly amendment to increase the funding to $50,000.
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Mayor DuBois commented that Staff should have requested more funding in the beginning. He supported Ms. Nose’s suggestion that Staff come back with a proposal for an increase of funds. He requested clarification around why the fund was never used.

Council Member Filseth concurred with Ms. Nose’s recommendation.

Vice Mayor Burt agreed that the needs should be reviewed under the budget context but that does not mean the Council should not act now.

Ms. Nose recommended that the motion be amended to say that the additional funding shall be proportionally allocated as recommended in the Staff report.

Ms. Van Der Zwaag noted that the trust fund was established to support the needs identified in the Childcare Master Plan. The trust fund then sat idle for several years. Legal counsel advised Staff to use the funds for programs and services that are close to the original purpose of the Childcare Trust Fund.

Council Member Cormack aligned herself with Council Member Filseth that PAACECE should do additional analysis and return with a new proposal. She expressed her concern about Council making decisions quickly and continually overriding Staff’s recommendation.

MOTION: Council Member Stone moved, seconded by Mayor DuBois to approve an amendment the Fiscal Year 2022 Budget Appropriation for:

A. The Child Care Trust Fund by:
   i. Increasing the expense appropriation transfer to the General Fund by $50,000, with the additional funding proportionally allocated as indicated in the report; and
   ii. Decreasing the ending fund balance by $50,000, with the additional funding proportionally allocated as indicated in the report;

B. The General Fund by:
   i. Increasing the revenue estimate transfer from the Child Care Trust Fund by $50,000, with the additional funding proportionally allocated as indicated in the report; and
   ii. Increasing the Community Services Department expenditure appropriation by $50,000, with the additional funding
proportionally allocated as indicated in the report, to address the needs of Early Education Providers and local families as identified by the Palo Alto Early Care & Education Committee.

**MOTION FAILED:** 4-3, Cormack, Filseth, Tanaka no

**MOTION:** Mayor DuBois, seconded by Council Member Stone to approve an amendment the Fiscal Year 2022 Budget Appropriation for:

A. The Child Care Trust Fund by:
   
   i. Increasing the expense appropriation transfer to the General Fund by $30,000; and

   ii. Decreasing the ending fund balance by $30,000;

B. The General Fund by:
   
   i. Increasing the revenue estimate transfer from the Child Care Trust Fund by $30,000; and

   ii. Increasing the Community Services Department expenditure appropriation by $30,000 to address the needs of Early Education Providers and local families as identified by the Palo Alto Early Care & Education Committee.

**MOTION PASSED:** 7-0

The City Council went on break at 6:26 P.M. and returned at 6:36 P.M.


Planning and Development Services Director Jonathan Lait reported that the action before the Council is to determine that the Parcel Map with Exceptions substantially conforms to the map that was previously approved by the Council in January 2021.

No public comment.

**MOTION:** Council Member Cormack moved, seconded by Mayor DuBois to:
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A. Find the project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15303, and 15061(b)(3); and

B. Find that the subject parcel map with exceptions substantially conforms to the approved preliminary parcel map with exceptions and approve the subject parcel map with exceptions on the consent calendar pursuant to Palo Alto Municipal Code (PAMC) Chapter 21.16 and the Subdivision Map Act.

MOTION PASSED: 7-0

AA1. Adopt an Ordinance Amending Palo Alto Municipal Code Title 10 (Parking) to Allow Virtual Parking Permits and Update Definitions and Procedures; and Direct Staff to Implement Virtual Parking Permits in a Phased Approach

Planning & Transportation Director Jonathan Lait acknowledged that the ordinance is very comprehensive and that it changed many aspects of the Zoning Code. The Housing Work Plan requires that Staff identify by-right project procedures and strengthen objective standards. These initiatives were placed in the Housing Work Plan due to Senate Bill (SB) 35. Objective standards included a clear setback, height, floor area, etc., and can easily be applied to projects. The City’s Zoning Code contained many subjective standards including performance standards, design context, and findings for permits. Staff changed those subjective standards into objective standards so that they can be applied to SB35 projects. There have been concerns that doing this weakens the Palo Alto Municipal Code (PAMC). Staff intended to strengthen the City’s design and aesthetic interests by crafting objective standards that can be applied to projects that are only subject to objective standards. Staff worked with the Architectural Review Board (ARB) and the Planning and Transportation Commission (PTC) to finalize the new objective standards. The State of California does not require the City to make the proposed changes. Council previously supported the initiative of turning subjective standards into objective standards. Staff did receive a letter from Palo Alto Neighborhoods (PAN) who raised several concerns about the new objective standards. Regarding impacts of the new standards, Staff acknowledged that there is judgment involved in changing the subjective standards to objective standards. Staff has relied heavily on the ARB and PTC to vet through the standards. Regarding the concern of eliminating privacy protection for residents, Staff encouraged the Council to review Staff’s proposal and provide feedback. Regarding the concern about loopholes and commercial projects being subject to lesser standards. Commercial projects will continue to be subject to ARB findings and the new Intent Statements. Regarding the concern of Staff favoring up zoning for
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housing developments, Staff acknowledged that the ordinance reflected the changes as outlined in the Housing Work Plan task of identifying by-right project procedures. Staff proposed the concept of extending the Housing Incentive Program (HIP) to pedestrian and transportation-oriented development areas and extending the Affordable Housing (AH) Overlay as a by-right. Staff requested that Council provide feedback on those concepts. Staff will be conducting a separate initiative of extending the objective standards to South of Forest Avenue (SOFA) and other coordinated area plans. He concluded by introducing Jean Eisberg with Lexington Planning who continued the presentation.

Lexington Planning Consultant Jean Eisberg remarked that on October 25, 2021, Staff will present on how to transform legislative actions and expand the HIP to Council. Objective standards are defined as no personal or subjective judgment, are uniformly verifiable, and are known by the applicant and the City before submittal. Subjective criteria are not enforceable for certain types of projects undergoing streamlined review. The City has objective development standards that create the development envelop, but the City does not have objective design standards that can be enforced. The proposed ordinance also contained other changes to Title 18 to clean up ambiguities, remove redundancies, and acknowledge changes in technology. The project was funded by SB2 and the goal of SB2 was to streamline housing approvals, facilitate housing affordability and accelerate housing production. Many cities within Santa Clara County are drafting their objective standards, design standards, updating development standards, and pursuing process streamlining. Regarding the Housing Accountability Act (HAA), the HAA applied to multi-family housing, mixed-use housing development projects that are at least 2/3 residential, and transitional or supportive housing. For these projects, the City cannot deny, reduce density, or make a project infeasible if it complies with objective standards. SB35 projects included projects with at least 50 percent affordable housing for very low-income households. Under SB35, Staff has up to 180 days to review the project, no discretionary review is required, and the project must be approved if it meets eligibility criteria and objective standards. SB330 prohibited jurisdictions from imposing subjective design standards after January 1, 2020. Currently, the City has received two applications that fall under SB330 and one potential SB35 project. The ARB recommended approval of the objective standards on April 1, 2021, and PTC recommended approval of both the design standards and the other updates on June 9, 2021. Staff contacted over 30 stakeholders to receive their feedback on the standards. Written comments were received from five of the stakeholders and many public comments were made at the PTC and ARB meetings. Members of the public raised concerns regarding height transitions and so Staff removed the height transition standards from the objective standards.
and recommended that the Council discuss those at a later time. The ARB supported the format, organization, and topics. They debated over specific standards, dimensions, and Intent Statements. Overall, the ARB had philosophical concerns about having objective design standards. The objective standards will apply to any zoning district where the Context-Based Design Criteria us to apply except for medical office and medical research (MOR), research, office and limited manufacturing (ROLM), and public facilities (PF) zones. The standards are organized by an umbrella Intent Statement, which is subjective, with the standards listed underneath with a menu of options for developers to choose from. Other proposed updates to Title 18 included replacing the Context-Based Design Criteria with objective standards, transforming other subjective standards throughout the code and removing redundancies, streamlining the review process of HAA, and transforming legislative action. Staff worked with the Public Works Department to revise and reorganize other design regulations including water quality, landscape screening, lighting impact, etc. The draft ordinance also addressed new process changes to Chapter 18.75 and Chapter 18.76 to facilitate streamlining. Projects that can use the new streamlining process included multi-family residential in multiple-family residential (RM) districts, mixed-use projects in commercial zones that meet the 2/3s threshold, HAA projects, SB35 and SB330 projects. Regarding transforming legislative actions that support housing production, Staff proposed to change the legislative actions that provide flexibility in developing standards for certain types of market-rate, affordable, or workforce housing projects to objective criteria. These changes were related to the Affordable Housing Overlay and the Workforce Housing Overlay. Staff also proposed that the HIP be expanded within the Pedestrian Transit-Oriented Development (PTOD) eligible zone.

Architectural Review Board Chair Osma Thompson reported that at least three Members of the ARB were concerned about the insufficiencies of applying City-wide objective standards. Two members were concerned about the applicability of the ordinance and they expressed they would like to limit its applicability as much as possible. Another Board Member felt that the standards have the potential to design cookie-cutter buildings. The ARB will continue to monitor the applicability and implications that the standards have on projects and revisit the objective standards when necessary.

Public Hearing opened at 7:11 P.M.

Rebecca Sanders wanted to understand if the Context-Based Design Criteria has been eliminated for projects that are reviewed by the ARB. She did not support the approach of having the Planning Director be the ultimate architect for the City. She wanted to see the work placed on Boards and
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Commissions instead of Staff. In the proposal, historic resources and the California Environmental Quality Act (CEQA) are not referenced. She concluded by asking if the new Tree Ordinance is referenced and if it was included in the objective standards. Also, she wanted to know what will happen to projects located in the Baylands.

1650****565 expressed concern that the language in the objective standards eliminates several meaningful and very important privacy protections. He recommended that the language regarding positions for second-story balconies and windows be put back in the document. He did not support having commercial structures not be subject to objective standards. He found it shameful that residents in RM zones are being excluded and expressed his disappointment that residents were not involved in the process.

Jeff Levinsky recommended the objective standards be applied only to projects that qualify under the new State mandate and to keep the Context-Based Design Criteria for all other projects. The Staff report did not demonstrate that the objective standards will preserve the protections and quality criteria that have been in place for years. The crosswalk document provided by Staff is not accurate. The proposed new standards have many undefined terms and loopholes. There was no effort to solicit feedback from the public and the new standards fail to protect residents in high-density housing.

Peter Jon Shuler supported the previous speakers who wished to see more protections for folks living in high-density housing. He supported the comments that there was no public engagement.

Jamie Beckett (Final Speaker) agreed with the statements regarding public outreach and protections for high-density housing. She strongly encouraged Council to reinsert the Context-Based Design Criteria for all projects not subject to objection standards. She stated that RM40 zones are discriminated against and should be protected.

Public Hearing closed at 7:26 P.M.

Mayor DuBois asked if there is any risk of tying the ordinance directly to State law or should the ordinance be more localized.

Ms. Eisberg confirmed that the ordinance used the State’s definition of housing development projects to narrowly define the objective standards.

Mayor DuBois inquired if the ordinance refers to the definition or the HAA.
Ms. Eisberg answered that the ordinance refers to the HAA.

Mayor DuBois restated should the City’s ordinance be more localized in case State law changes.

Mr. Lait indicated that the City would have to change the ordinance regardless of whether the ordinance was localized or not.

Mayor DuBois asked if the new ordinance would eliminate all projects from going to PTC for review.

Ms. Eisberg noted that rezoning and site and design projects would still be subject to reviewed by the PTC. If there are changes made to the overlay districts, those projects would require both PTC and Council approval.

Mayor DuBois inquired if other mixed-use projects can qualify for streamlining.

Ms. Eisberg answered only projects with 2/3s of its square footage being residential space.

Vice Mayor Burt remarked that it is important to understand that there may be scenarios where housing projects produce more jobs than housing units. The new State laws have been changed to give the HAA more teeth and that enables developers to use the new rules. He inquired if Staff’s stakeholder outreach included residents.

Mr. Lait concurred that every ARB meeting discussing the objective standards was a public meeting and noticed in the paper. There was also one community meeting held summer of 2021.

Vice Mayor Burt restated if the stakeholder meetings included sit-downs with the architectural community.

Manager of Current Planning Jodie Gerhardt clarified that there was no meeting with just developers.

Vice Mayor Burt wanted to know how RM40, R1, and PC Zone fit within the new objection standards.

Ms. Eisberg mentioned that objective standards would not apply to multi-family projects in the PC Zone. The standards are applied to RM40 but currently, the height transition does not apply to RM40. Staff is not suggesting that provision be changed.
Mr. Lait shared that the language in the objective standards addresses adjacent buildings in low-density zones. The standards do not apply to RM30 and RM40. He stated that is a policy conversation that the Council should have. The proposed ordinance does not address faith-based institutions but if the site is redeveloped with housing. Then the project would be required to follow the objective standards.

Vice Mayor Burt inquired what would be applied to a faith-based facility that is redeveloped into high-density housing that is adjacent to mid-century modern homes.

Mr. Lait answered that the project would be subject to the base district and objective standards.

Planning and Development Services Assistant Director Rachael Tanner noted that most churches that are in R1 zones are small and redeveloping to high-density housing would require additional action by Council.

Council Member Filseth appreciated the work done by the ARB and Staff. The objective standards are a major change from the prior process. He supported using objective standards because they are clear and concise. The City must exercise caution though due to the growing State mandates. The State Assembly is very interested in municipal architecture and they may start to micromanage the actual objective standards themselves. Any regulations that are loosening will most like not to be able to be tightened again. Those concerns should be anticipated as the City embarks on implementing objective standards. He inquired if pre-2020 Context-Based Design Standards are applied to HAA projects.

Ms. Eisberg answered that any projects submitted under SB330 are subject to the Context-Based Design Criteria in the effect that they are objective.

Council Member Filseth acknowledged that there is confusion about design intent for non-HAA projects. He asked what is the difference between the design intent and the existing Context-Based Design Criteria.

Ms. Thompson explained that the Intent Statements capture the Context-Based Design Criteria.

Council Member Filseth wanted to understand why the Context-Based Design Criteria was not left as-is for non-HAA projects.

Ms. Eisberg explained that the objective standards roll up into the umbrella of the Intent Statement which rolls up into the ARB findings. It was
impossible to do a one-for-one translation and it did not make sense to retain the language in the Context-Based Design Criteria.

Council Member Filseth understood that the goal is to have some parts of the objective standards into the design intent as well.

Ms. Eisberg noted that preferences and desires have evolved for developers and the objective standards reflect that.

Council Member Filseth emphasized that it is challenging to grasp objective standards for HAA projects and even more overwhelming to update the Context-Based Design Criteria at the same time. He recommended addressing HAA projects first and then revisit the Context-Based Design Criteria later.

Council Member Stone agreed with Council Member Filseth that doing both processes at once is challenging. He wanted to understand the rationale behind moving to Intent Statements instead of using the Context-Based Design Criteria.

Ms. Lait responded that Staff has expressed over the years how challenging it is to administer the PAMC and the initiative is to help make it easier.

Council Member Stone disclosed that the objective standards are vaguer and more complicated. He asked if other Cities are using Intent Statements as a way to frame zoning laws outside of objective-based.

Ms. Eisberg clarified that the Intent Statements are guidelines and many cities have design guidelines. Intent Statements are not required, but the statements establish the reason why the objective standard is required.

Council Member Stone remarked that he still does not understand the reason to move to this approach now. He asked what protections are there for existing trees and will the Tree Ordinance apply to project who use objective standards.

Mr. Lait confirmed that any objective standard in the Tree Ordinance will apply to the projects.

Council Member Stone announced that there is no reference to the Tree Ordinance in the draft ordinance. He requested an explanation regarding the conflicting PTC vote count listed in the Staff report.

Ms. Eisberg clarified that the PTC vote to recommend that Council adopt the objective standards was 4-1-1. One PTC Member abstained due to their
concern regarding height transitions and the objecting vote was due to the PTC Member wanting more time to work on the ordinance.

Council Member Stone understood that any recommendations made by the ARB are non-binding to applicants applying under the streamline process.

Ms. Eisberg confirmed that is correct, but it is not typical that an applicant to ignore comments made by the ARB.

Council Member Stone asked if the proposed ordinances are further limiting the City beyond what is being required under State law or do the ordinances meet State law.

Ms. Eisberg stated that the City could choose not to adopt objective standards. The problem with that is most of the Context-Based Design Criteria are not enforceable for housing projects that qualify for streamlined review.

Ms. Tanner added that the objective standards are an attempt to have the City be prepared to receive projects that qualify for streamlining. Regarding legislative streamlining, those changes are to help administrate and manage parts of the PAMC. Those changes are to be discussed at a later meeting.

Council Member Stone commented that objective standards are important, but cautioned that the City should not go beyond what State law requires.

Mr. Lait clarified that the ordinance does not reduce the number of meetings for any project that would go to the ARB that is not exempted through State law.

Council Member Cormack appreciated that Staff has recommended that Council hold two meetings to discuss objective standards. In reference to a description made by an architect called The Shape of Three Cities, she inquired which category does the City’s objective standards fall under.

Ms. Eisberg explained that the objective standards do not fall under any of the categories outlined in The Shape of Three Cities.

Council Member Cormack wanted to understand the reasoning behind the changes that have been proposed for the objective standards.

Ms. Thompson stated that the figures in the objective standards were formulated based on knowledge of the field and existing precedent.

Council Member Cormack appreciated the explanation and found it helpful for herself and the public to understand where the changes came from.
Council Member Kou agreed with the comments that Council Member Filseth and Council Member Stone raised. There is a huge concern about what types of unintended consequences there will be with objective standards and Intent Statements. She inquired what objective standards address massing and scale.

Ms. Thompson explained that for massing there are specific setbacks for upper stories to make the building appear shorter. At a human scale, there are smaller details that help create visual interest.

Council Member Kou asked how is massing and scale addressed for adjacent buildings. There is a concern about neighbors and that there be consistency throughout a neighborhood.

Ms. Eisberg reiterated that there are several options in the objective standards that architects can use to make a building seem shorter than an adjacent building. The objective standards also have requirements for glazing on windows that face adjacent buildings.

Council Member Kou wanted to understand what happens when an upper story window is opened and if landscape is provided, what happens if the vegetation dies. She emphasized that smaller buildings’ privacy, light, and other life components need to be protected.

Mr. Lait responded that the objective standards intend to protect smaller buildings. If there are specific standards that the Council is interested in exploring, he requested that those be provided to Staff. The objective standards will become a key component in how the City meets its Regional Housing Needs Assessment (RHNA) figure.

Council Member Filseth agreed that having objective standards is very important in how the City meets its RHNA numbers. He recommended that the transition requirements between zones be apply to all zone districts. He asked if the overlays count as zoning for State mandates.

Assistant City Attorney Albert Yang answered that the City has the discretion of when to apply an overlay. SB330 prohibits a City from reducing the intensity of a housing development that is permitted.

Council Member Filseth predicted that if a project does meet the overlay criteria, then administrative approval is required.

Mr. Yang confirmed that is correct.
Council Member Filseth commented that the State is forcing the City to be overly conservative on how the objective standards are developed. He inquired what the definition of adjacent means.

Mr. Lait agreed that Staff will add more specificity to the definition of adjacent, but the intent is to address the adjacent property.

Council Member Filseth suspected that there may be additional changes that have to be made, but SB330 may not allow the City to make the changes. He asked if the extension of the rooftop equipment above the building height requirement was eliminated.

Ms. Gerhardt mentioned that there are no proposed changes to mechanical equipment height and the standards that apply to mechanical equipment.

Mr. Yang corrected that SB330 precludes a City from reducing the intensity of development below what it was in 2018.

Council Member Cormack inquired if pedestrians have always been prioritized in terms of site access.

Ms. Eisberg articulated that the hierarchy can be rearranged if the Council so chooses.

Council Member Cormack wanted the section to be flagged because it is a big change from the prior process the City used. She inquired if the City currently restricts non-residential uses to 25,000-square feet.

Ms. Eisberg indicated that the 25,000-square feet is current practice and is not proposed to be changed.

Council Member Cormack appreciated that the objective standards now require one onsite short-term loading space for passage vehicles and transportation delivery services. She asked how SB9 will interact with the objective standards.

Mr. Lait mentioned that Staff will be discussing interim standards for SB9 with PTC in the coming months.

Council Member Cormack declared that likely there will be unintended consequences and she wanted to understand the process when changes have to be made to the objective standards.

Mr. Yang articulated that any changes will use the standard process for updating a Zoning Ordinance and will be conducted as needed.
Mayor DuBois remarked that State law will make it hard to make any changes to the objective standards. The standards should be restrictive at first and then over time changes can be made where needed. Height transitions are one of the most important criteria to address massing and Council should discuss those objective standards. He requested when the item comes back to Council, that additional reports be provided that show what has been moved, deleted, or modified. After doing a quick scan, other cities have an objective standard addressing views and he suggested that be explored. He agreed that Staff should revisit the definition section and possibly have a different city review the standards for errors. He mentioned concerns regarding RM40, private open space changes, and rooftop equipment restrictions. He inquired why the name of the standards was changed to Intent Statements.

Ms. Eisberg clarified that State law states no new subjective design standards and Staff felt that the City’s Intent Statements should not be called standards.

Mayor DuBois restated if the word “standard” carries more weight than a guideline.

Ms. Eisberg answer yes, for projects that are required to meet only objective standards.

Mayor DuBois clarified does the existing subjective standards carry more weight than a guideline or Intent Statement.

Ms. Gerhardt answered that the Intent Statements will be written into the PAMC and will hold the same weight as the Context-Based Design Criteria.

Mr. Yang confirmed that the name is not important.

Council Member Kou articulated that projects subject to streamlining are not required to follow any recommendations made by the ARB.

Ms. Gerhardt noted that the project must meet all of the development standards to qualify for streamlining and ARB will confirm that the project does.

Mr. Lait commented that the general feedback from applicants is that the ARB’s comments have made the project better.

Council Member Kou asked if a project with historical significance will be reviewed by the Historical Resources Board (HRB).
Mr. Lait specified that if the project is not listed on the City’s Historical Inventory or identified as a historic structure, then it would not be reviewed by the HRB.

Ms. Eisberg clarified that SB35 requires ministerial review and historic projects that are registered are exempt from SB35.

Council Member Kou asked how traffic is evaluated for streamlined projects.

Ms. Eisberg indicated that a traffic analysis cannot be required for an SB35 application.

Council Member Kou had concerns regarding rooftop gardens being considered open space and the rain runoff being discharged into the stormwater drains and deposited into the Bay. She asked if there are other methods of capturing rainwater so that it is deposited into the underground aquifer.

Ms. Gerhardt reported that rooftop open space is restricted to downtown and there is a requirement that no additional water shall leave the site.

Council Member Kou wanted to know if Staff will be providing an analysis of potential impacts for the proposed ordinance.

Mr. Lait answered no, unless Council directs Staff to provide them.

Council Member Stone asked what “fully-obscured windows” meant and could those windows be opened.

Ms. Eisberg answered that the windows must be fixed and have glazing that cannot be seen through.

Council Member Stone recommended that an objective standard around bird-safe glass for certain height and width buildings be included in the ordinance. He mentioned concerns about rooftops being counted as open space, rainwater going into the storm drains from those gardens, and replacing the tree canopy with rooftop gardens. Also, that many of the changes effectively reduced or eliminated privacy protections and does not provide concrete guidance on landscape privacy screenings. He recommended that the landscape section be revised and refined. In conclusion, he was disappointed to see the design standards for RM districts being drastically reduced in the objective design standards.

Vice Mayor Burt acknowledged that converting subjective standards to objective standards is very complex and difficult. He commented that he is not ready to provide direction on the ordinance at this time due to there
being unresolved concerns. He recommended that Staff provide project examples to help Council understand the implications of the changes. He commented that the 15-foot height limit for mechanical equipment located on a roof is outdated and recommended that the requirement be updated to a shorter footage. He supported the comment made by Mayor DuBois about drafting an objective standard around views. He wanted to understand how the objective standards relate to the Baylands Master Plan.

Mr. Lait agreed that Staff will revisit the Baylands Master Plan and identify where there is overlap between those policies and the base district zoning.

Council Member Filseth concurred with Vice Mayor Burt’s comment that at this time he cannot provide recommendations on the ordinance. He inquired what action is Staff seeking on the objective standards.

Mr. Lait remarked that Staff will be bringing the item back to Council on October 25, 2021, to continue the conversation. He suggested that at the third hearing on the topic, that Council provide direction on the ordinance. He requested clarity on keeping the Context-Based Design Standards in the code.

Council Member Filseth recommended that the Context-Based Design Standards be suspended until the objective standards are finalized and then revisit them at a later time. He requested a redline draft of the Context-Based Design Standards. He summarized that Council requests more details on building transition standards, privacy protections for residents on upper floors, possible extension of privacy protections to all zones, and possible reduction of the 15-foot height restriction for rooftop equipment.

Council Member Cormack mentioned that there is missing information that can help connect the existing ordinance to the proposed ordinance. She supported the approach of having the Housing Element Working Group explore building transition standards.

Mr. Lait articulated that Council must solve the concerns around transition heights before the Housing Element Working Group can address the topic. Staff will provide an explanation on how the Code section is implemented to help with the decision-making process.

Council Member Cormack appreciated the diagrams that are in the objective standards. She requested Staff’s perspective on the various responses regarding upper story setbacks.

Ms. Thompson recalled that the ARB’s discussion was focused on how much of the façade should be setback. The ARB heard many opinions and decided
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on the objective standard because it provides flexibility if the height standard is ever increased.

Council Member Cormack explained that there have been many comments about upper floor setbacks on not just the front façade, but on the side facades as well.

Ms. Eisberg explained that any floor above the second floor cannot be seen by a person walking by.

Mayor DuBois understood that Staff is seeking board direction and then at the third meeting on the topic Council will approve the ordinances. Regarding height transitions, the objective standards did not address the topic, and he recommended a simple rule be implemented for the short term. He inquired how the ARB determined what materials should be used on the building facades.

Ms. Thompson explained that the ARB provided materials that they have used or seen in the field and are of the highest quality.

Mayor DuBois wanted to know where the specific measurement for façade articulation came from.

Ms. Thompson disclosed that using 4-inches does not compromise the interior square footage while still providing visual interest.

Mayor DuBois opined that the specific measurement feels subjective.

Ms. Thompson clarified that the 4-inches is a minimum requirement.

Ms. Gerhardt added that the ARB consists of five architects and they fully vetted all of the dimensions listed in the objective standards.

Mayor DuBois asked if the sentence “or similar strategies as approved by the Director of Planning” is subjective language.

Ms. Eisberg remarked that the language was left is to provide flexibility, but agreed that it can be tightened up.

Mayor DuBois indicated that the language is throughout the document and recommended that it be deleted. He asked why there is a 14-foot requirement for the ground floor.

Ms. Thompson noted that typically the first floor is retail in mixed-use development and the industry standard is 14-feet.
Mayor DuBois pointed out that the 14-foot requirement is listed of non-residential uses, not just retail.

Ms. Eisberg stated the requirement is a way to maintain the second-floor datum line to the abutting building.

Mr. Lait informed the Council that an applicant can opt-out of the objective standards and go through the design review process if they wish to have different design standards.

Mayor DuBois inquired if there is a requirement to have vegetation in a rooftop garden.

Ms. Eisberg mentioned that the rooftop garden requirement currently exists in the code.

Vice Mayor Burt appreciated that applicants can opt-out of the objective standards.

Mr. Lait stated that the conversation can continued on October 25, 2021 and that Staff will not be providing new information at that meeting.

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

A. Direct Staff to return with redlines on the modifications subjective standards to indicate updates and removals;

B. Treat RM-40 like other residential zones; and

C. Stop-gap motion on height transitions

City Manager Shikada requested that Staff respond if they have the bandwidth to provide the requested material to the Council by October 25, 2021.

Mr. Lait confirmed that Item A of the motion requires a lot of Staff time.

Mayor DuBois clarified that his motion pertains to the third meeting, not the meeting on October 25, 2021. He strongly recommended that Staff begin work on the redlines and present that at the third meeting.

Council Member Kou agreed that she is very interested in seeing the redlines.

Mr. Lait responded that no motion is necessary for Staff to compile the redlines.
MOTION WITHDRAWN

Council Member Cormack clarified that Council needs the crosswalk between the existing ordinances and the proposed ordinances.

MOTION: Council Member Cormack moved, seconded by Council Member Kou to continue this item to the October 25, 2021 City Council meeting.

MOTION PASSED: 7-0

The City Council took a break at 9:30 P.M. and returned at 9:40 P.M.

9. Update from the Palo Alto Advisory Committee on Early Care & Education (PAACECE) on recent Assessment of Local Families, Effect of COVID on Child Care providers and plans to address identified needs, including the Approval of Budget Amendments in the General Fund and the Child Care Trust Fund to Implement the PAACECE's Annual Work Plan.

Transportation Director Philip Kamhi announced that the proposed amendments to Palo Alto Municipal Code (PAMC) pertain to items that Council has already approved. Including license plate recognition (LPR) and the corresponding LRP Surveillance Policy.

Manager of Transportation Planning Nathan Baird disclosed that approving the PAMC updates will enable the City to implement virtual permits and continue to make progress on the Parking Work Plan. The purpose of the amendments is to efficiently use resources and adopt best practices. The amendments addressed loading and unloading zones, they will help regulate transportation network companies (TNC), removed curb sign regulation language, and allow Staff to move forward with virtual permits. The virtual permits will use a phased-in approach using the different permit sale cycles and will be rolled out as the enforcement technology is installed on contracted vehicles. Implementation of the virtual permitting process will be in 2022 and be fully online in 2023. Next steps included a discussion with the Finance Committee regarding permit pricing and employee parking space allocations as well as returning to the Planning and Transportation Commission (PTC) for further discussion on additional PAMC amendments.

No public comment.
Council Member Filseth asked what happens to folks who are not internet savvy or do not have internet access, and what is the process for guest permits and folks who share permits.

Mr. Kamhi clarified that sharing permits is a misuse of the intended purpose of the permit. Regarding guest permits, the City will maintain guest hangtags and then they will be transitioned to virtual permits at a later time. Parking Staff and the City’s vendor will aid in transitioning folks to the new virtual permit system.

Council Member Filseth foresaw a large number of folks calling customer service for help.

Council Member Cormack asked what does it mean to use a “slug”.

Mr. Kamhi answered that slugs are typically fake coins or tokens that folks try to use in paid parking machines.

Council Member Cormack inquired where the virtual permit is stored.

Mr. Kamhi remarked that the permits will be stored on the City’s vendor’s server.

Council Member Cormack pressed how will folks know they have completed their permit application.

Mr. Baird shared that folks will receive a receipt.

Council Member Cormack responded that personally, she would not expect to have to search her email for a receipt. She inquired if there is a grace period between a guest arriving at a home and them installing a guest hangtag in their car.

Mr. Kamhi concurred that there currently is a 2-hour grace period.

Council Member Cormack recommended that an instructional paper be mailed out explaining how to register a guest and have a QR code on it for quick access.

Council Member Kou shared that folks have liked the physical tags because it helps neighbors know if a car has a permit or not.

Mr. Kamhi agreed that is true about the physical tag, but the virtual tag will allow for better enforcement.

Council Member Kou asked if TNC is companies that provide rideshares.
Mr. Baird confirmed that is correct.

Mayor DuBois articulated that the new virtual system will help eliminate loopholes. He supported the comments made by Council Member Cormack regarding ease of use. He inquired if there are any other changes to loading zones besides including the word “active”.

Mr. Baird answered that is the only change.

Mayor DuBois wanted to know why specific blocks are listed in the proposal.

Mr. Baird explained that Staff intends to have block boundaries listed separately from the PAMC, but that will be presented at a future time.

Mayor DuBois inquired if the violations for penalties should be broader and include other parking permits.

Mr. Baird restated that Staff is focused on the Residential Preferential Parking (RPP) districts and will later expand the program to other parking permits.

Mr. Kamhi noted that Council previously approved LPR only for RPP districts, not commercial parking garages. Currently, on-street commercial parking, garages and parking lots are enforced by the Palo Alto Police Department.

Mayor DuBois encouraged Staff to include a section outlining how the City will comply with the Data Security Ordinance.

Vice Mayor Burt remarked that there has always been a concern regarding guest tags and if the 2-hour grace period be 3-hours.

Mr. Kamhi could not recall Staff exploring a longer grace period. One component of moving to virtual permits is collecting better data to understand parking supply and demand. Once that has happened, the City may wish to revisit how long the grace period time length.

Vice Mayor Burt found the term transportation network companies confusing and he encouraged Staff to reexamine the nomenclature. He mentioned that common carriers pose more issues than rideshare companies and the City has no mechanism to address those issues. He recommended expanding short-term parking areas and loading areas as well as mandating that common carriers use them.

Mr. Kamhi reported that Staff has been focused on making more short-term parking areas throughout the City over the past year, but can explore it further opportunities.
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Vice Mayor Burt asked if Staff’s recommendation is that Council take action on the TNC and the activity requirements. Also, will those requirements be applied to common carriers.

City Attorney Molly Stump noted that the reason to use the words “transportation network company” is because that is how the group is referred to in State law. She encouraged Staff to explore how TNC regulations can be applied to common carriers and return to Council at a later time.

Mr. Baird noted that Ms. Stump’s recommendation is within the scope of work that Staff is already working on.

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

A. Adopt the attached ordinance amending Palo Alto Municipal Code (PAMC) Title 10 (Parking) to allow virtual parking permits and update definitions and procedures;

B. Approve modifications to the City’s various on-street parking permit policies to implement virtual permits; and

C. Direct Staff to study the delivery service double-parking issue and return to the City Council with a proposal to regulate on-street parking of delivery vehicles for commercial purposes.

Council Member Stone remarked that the motion is common sense and moved the City in a direction that is more sustainable.

Council Member Tanaka understood that LPR will be used in RPPs only.

Mr. Kamhi confirmed that is correct but the system will help count vehicles in commercial parking garages and lots.

Council Member Tanaka commented that the virtual system will help the City better understand parking issues. He inquired if there is a plan to use the LRP for residential areas that do not have an RPP. He shared that several residents have mentioned that in their neighborhood in Barron Park there are vehicles that have not moved for months.

Mr. Kamhi explained that vehicles that are parked in a non-RPP area for over 72-hours should be reported to the Palo Alto Police Department.

Council Member Tanaka strongly encouraged Staff to be proactive in non-RPP residential neighborhoods and help with enforcement.
Mr. Kamhi mentioned that signage can be installed to help educate folks and Staff can coordinate with Palo Alto Police Department.

Council Member Tanaka supported the use of LRP because of the better data collection and enforcement. He encouraged Staff to explore using the technology City-wide. He mentioned that some cities use LPR to identify property crimes.

City Manager Ed Shikada stated that alternative applications for LPR are outside the scope of the agenda item.

Mayor DuBois suggested that the City Manager provide an update on property crimes in his next update.

Mr. Kamhi answered that LPR can be used for crime prevention but the City’s system is not set up for that type of monitoring.

Council Member Tanaka remarked that he would be interested in the City using LPR for crime prevention. He encouraged the virtual parking system to be mobile friendly and that any regulations for folks who are double-parked not be too onerous. He mentioned that the City of Mountain View has robotic deliveries and they often double-park.

Mayor DuBois mentioned that Council approved a sidewalk drone delivery program.

Mr. Kamhi added that those deliveries use sidewalks and bike lanes to park for deliveries.

**MOTION PASSED:** 7-0

**Council Member Questions, Comments and Announcements**

Mayor DuBois mentioned that the concerts at Lytton Plaza were all attended.

Vice Mayor Burt shared that Stanford University recently beat Oregon State.

**Adjournment:** The meeting was adjourned at 10:36 P.M.