



CITY COUNCIL ACTION MINUTES

Special Meeting
January 24, 2022

The City Council of the City of Palo Alto met on this date in virtual teleconference at 5:00 P.M.

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

Absent: None

Study Session

1. Report from the Human Relations Commission regarding their project titled "100 Community Conversations on Race and the Lived Experience in Palo Alto."

NO ACTION TAKEN

Agenda Changes, Additions and Deletions

None

Consent Calendar

Council Member Tanaka registered a no vote on Agenda Item Number 4.

MOTION: Council Member DuBois moved, seconded by Vice Mayor Kou to approve Items 2-10.

2. Approve Minutes from the January 10, 2022 City Council Meeting.
3. Approval of General Services Contract with Denali Water Solutions, LLC for Sludge Hauling Services in an Amount Not to Exceed \$2,427,084 for a 3-Year Term ending March 30, 2025, from the Wastewater Treatment Enterprise Fund.
4. Review and Acceptance of Annual Status Report on Development Impact Fees for Fiscal Year 2021.
5. Acceptance of the Macias Gini & O'Connell Audit of the City of Palo Alto's Financial Statements as of June 30, 2021 and the Management Letter; Approval of the FY 2021 Annual Comprehensive Financial Report (ACFR); and Amendments to the FY 2021 Budget in Various Funds.

ACTION MINUTES

6. Adoption of **Resolution 10014** Declaring Weeds to be a Public Nuisance and Setting January 24, 2022 for a Public Hearing for Objections to the Proposed Weed Abatement.
7. Adoption of **Resolution 10015** Scheduling the City Council Summer Break and Winter Closure for 2022.
8. Adoption of **Resolution 10016** Authorizing Use of Teleconferencing for Council Meetings During Covid-19 State of Emergency.
9. SECOND READING: Adopt Park Improvement **Ordinance 5541** for the Replacement of the Palo Alto Flood Basin Tide Gate Structure in the City's Baylands (FIRST READING: January 10, 2022 PASSED: 7-0).
10. SECOND READING: Adoption of Interim **Ordinance 5542** Amending Titles 16, 18 and 21 in Response to Senate Bills 9 and 478, Including Amendment to the City's Affordable Housing Requirements for SB 9 Projects. CEQA Status: This Action is not Considered a Project or is Exempt from CEQA in Accordance With Government Code Sections 66411.7(n) and 65852.21(j) or Section 15061 of the State CEQA Guidelines. (FIRST READING: January 10, 2022 PASSED: 7-0).

ITEM 4 OF MOTION PASSED: 6-1, Tanaka no

ITEMS 2-3, 5-10 OF MOTION PASSED: 7-0

City Council went on break at 6:57 P.M. and returned at 7:07 P.M.

Action Items

11. Discuss Polling Results, Analysis, and Community and Stakeholder Engagement Plan; Recommend Further Refined Parameters for a Possible Local Tax Ballot Measure for November 2022 Election (Business License Tax and Utility Tax Proposals); and Direct Staff on Related Items such as Community and Stakeholder Engagement Plan.

MOTION: Council Member DuBois moved, seconded by Council Member Filseth to direct Staff to:

- A. Pursue preparation of a square footage business license tax with the following characteristics, as recommended by the Finance Committee:
 - i. Continue to review the rates, adding option 3 (flat fee of \$50 for first 5,000 square footage occupied and apply a monthly tax rate per square foot beyond the 5,000 threshold) as a starting point;

ACTION MINUTES

- ii. Exemptions for businesses subject to the Transient Occupancy Tax and grocery stores;
- iii. Annual escalator uses CPI as a basis;
- B. Develop a proposal for voter ratification of the existing gas General Fund Equity Transfer and eliminate the UUT option, with exploration of whether to cap growth of the transfer to be explored via polling;
- C. Amend the workplan to three polls, with the second poll developed and executed by the City's polling consultant, and the third to test potential ballot language; and
- D. Launch the Community and Stakeholder Engagement Plan, as outlined in the staff report.

AMENDMENT: Council Member Cormack moved, seconded by Council Member Tanaka to eliminate the .20 cent rate from Part A, Part i. of the Motion.

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

MOTION PASSED: 6-1, Tanaka no

City Council went on break at 9:52 P.M. and returned at 9:57 P.M.

12. Public Hearing: Adoption of Ordinance Clarifying Ambiguities in Height Transitions and Amending the Setback for the RM-40 Zone District.

Public Hearing opened at 10:20 P.M.

Public Hearing closed at 10:40 P.M.

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

- A. Amend the proposed Ordinance to a 150 ft height transition zone, while leaving the abutting conditions where they already exist;
- B. Clarify if projects want to reduce the horizontal transition zone, they are opting into the discretionary process;
- C. Extend the height transition rules in Part A to RM40 adjacent non-residential buildings; and

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D. Investigate 18.38.150 section (b), and to incorporate RMD into the language.

MOTION PASSED: 5-2, Cormack, Tanaka no

Adjournment: The meeting was adjourned at 11:44 P.M. in honor and memory of John Arrillaga, who contributed enormously to the Silicon Valley as a developer, a philanthropist, and a pioneer.

ATTEST:

DocuSigned by:
Lesley Milton
E56491CF3DB34FA...

City Clerk

APPROVED:

DocuSigned by:
[Signature]
ED9E9CFB88E64FF...

Mayor

NOTE: Action minutes are prepared in accordance with Palo Alto Municipal Code (PAMC) 2.04.160(a) and (b). Summary minutes (sense) are prepared in accordance with PAMC Section 2.04.160(c). Beginning in January 2018, in accordance with [Ordinance No. 5423](#), the City Council found action minutes and the video/audio recordings of Council proceedings to be the official records of both Council and committee proceedings. These recordings are available on the City's website.

Certificate Of Completion

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Source Envelope:	
Document Pages: 4	Signatures: 2
Certificate Pages: 2	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelopeld Stamping: Enabled	Danielle Kang
Time Zone: (UTC-08:00) Pacific Time (US & Canada)	250 Hamilton Ave
	Palo Alto , CA 94301
	Danielle.Kang@cityofpaloalto.org
	IP Address: 199.33.32.254

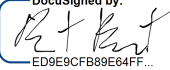
Record Tracking

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Storage Appliance Status: Connected	Pool: City of Palo Alto	Location: DocuSign

Signer Events

Pat Burt
 pat@patburt.org
 Mr
 Security Level: Email, Account Authentication (None)

Signature

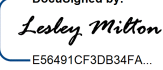
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Electronic Record and Signature Disclosure:
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Lesley Milton
 Lesley.Milton@CityofPaloAlto.org
 City Clerk
 Security Level: Email, Account Authentication (None)

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Electronic Record and Signature Disclosure:
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Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
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Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
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