



# CITY COUNCIL SUMMARY MINUTES

Special Meeting  
August 1, 2022

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

Present In Person: Burt, Cormack, Filseth, Kou, Stone, Tanaka  
Present Virtually: DuBois  
Absent: None

## Special Orders of the Day

### 1. Appreciation for Assembly Member Marc Berman

Mayor Burt remarked about receiving great support from state and federal legislators on funding for city initiatives and he wanted to acknowledge and appreciate the work that Assembly Member Marc Berman has done to help obtain a \$5.4 million earmark for Fire Station #4.

Assembly Member Berman stated this has been a priority of his for a long time. He stated there were good budgetary times at the state level to fund critical projects and this was at the top of his list. He toured Fire Stations 3 and 4 about 10 years ago and saw the working conditions the antiquated fire stations provided. He stated he knows the importance to the community for first responders to react as quickly as possible.

Council Member Cormack stated she toured Fire Stations 3 and 4 earlier this year and in side-by-side photos compared to a while ago, the difference was shocking. She stated her appreciation of Assembly Member Berman in helping with this project.

Council Member Tanaka stated he really appreciated what Assembly Member Berman has done for the city.

## Study Session

### 2. Study Session on Status of National and Regional Airplane Noise Initiatives

City Manager Ed Shikada explained the reason to have a study session on this topic. This has been a long-standing priority and issue of concern for

# SUMMARY MINUTES

Palo Alto community members and they provide periodic updates to the Council. He thought it would be important to give the Council and Community a status report on issues locally and nationally on the topic of aircraft noise. The Council has established a protocol for staff to respond to any issues of concern as they come up. He stated the public works director will lead ongoing engagement on this topic. A number of residents continue to monitor and provide support to the city's engagement in aircraft noise issues.

Public Works Director Brad Eggleston presented an agenda listing the upcoming speakers. He will give an update on Palo Alto's engagement with SFO about their GBAS project over the last year. He emphasized this session was not about Palo Alto's airport and a separate discussion with the Council is planned for this fall that will include review of issues like noise, unleaded fuel, and the work they are doing to plan for sustainability at the airport.

Peter Kirsch of Kaplan Kirsch Rockwell talked about what is going on nationally with respect to airport noise issues. Topics covered were the FAA's Neighborhood Environmental Survey (NES) from 2021, Congressional activity, and NextGen and flight paths. The NES is an effort to determine whether the manner in which the FAA reports on noise impacts remains valid as the data upon which the FAA relied is outdated and from 1979 and years before. Research done outside of the United States determined the data is no longer applicable. The goal of the study was to produce a nationally representative curve for noise from civil aircraft operations, principally fixed-wing as opposed to helicopters, and how that related to annoyance to aircraft noise exposure. Two important terms are the metric and the threshold. The metric is the manner in which the FAA reports noise. Average day-night noise level is DNL or CNEL. This metric was not being examined in the NES. The purpose of the survey was to examine the threshold or what level of noise is sufficiently high to generate community annoyance and to deserve federal intervention either under environmental laws or other very specialized laws. The NES results found the estimated percent of people who were highly annoyed by aircraft noise. Mr. Kirsch showed a chart where a noise exposure level of 50 dB annoyed 20 percent of the population and a noise exposure level of 75 dB made more than 80 percent of the public highly annoyed. Highly annoyed is the terminology the FAA uses to determine when noise levels are sufficient to warrant federal reaction. Another chart showed comparisons of 2021 data to 1979 data. The level of public annoyance the FAA believed existed is much lower than it is today. The conclusion of the FAA study is that people are annoyed at a much lower level today than they were in 1979. Mr. Kirsch went over the implications of the NES. It could determine levels of noise eligible for mitigation under the FAA's Part 150 regulations and affect residential soundproofing, land use

# SUMMARY MINUTES

planning, funding under the federal grant programs, and aviation easements. Currently all of those assume that there are no significant noise impacts at levels below 65 dB. As seen on the chart, that assumption is not accurate today. There are also implications for environmental review. In terms of NEPA, the National Environmental Policy Act, and CEQA, questions arise as to the scope of the impact area and the method of analysis. The NES did not examine if DNL was the correct metric. Part 161 of the FAA regulations define how and when airports can restrict operations for noise reasons. There are questions about whether airports may have increased liability for noise at levels below 65 which courts have accepted to be the threshold of significant impact. Mr. Kirsch stated that perhaps the most important implication of the study is managing community expectations. Communities have been raising concerns about noise levels that are far less than 65 and the FAA has taken the position of not analyzing noise below 65 dB. This study suggests that level is no longer appropriate. The FAA received thousands of comments about the NES. The FAA says it plans to engage all the FAA lines of business and it will hire the Federal Mediation and Conciliation Service to analyze the impacts and mediate different views on the impacts of the study. Unfortunately, the FAA has no timeline or defined regulatory path. Mr. Kirsch does not believe the FAA will do anything soon. Other studies are underway by reputable universities on sleep disturbances and health effects. Congress has established a Quiet Skies Caucus and Congresswoman Ann Eshoo is an active member. They ensure Congress pays attention to the noise issues and puts pressure on the FAA where appropriate. There have been a couple congressional efforts in the last year or two on noise. District-specific legislation through the annual appropriations process has required the FAA to do studies, examine noise impacts, and be more community sensitive. There were unsuccessful efforts by Congresswomen Bass and Speier to add language to the infrastructure bill earlier this year to address noise. In May 2022, Congress had oversight hearings on the need to address noise impacts. Every 5 years or so, FAA reauthorization occurs. This is an opportunity for Congress to legislate on policy issues regarding the FAA. The next reauthorization is in 2023 and Congress has begun drafting legislation. Noise metrics and thresholds are very likely to be a topic. It is likely there will be language dealing with noise metrics, noise thresholds, implementation of NextGen, and the noise impacts of drones and advanced air mobility or electric aircraft. These are the issues to watch and be engaged in. Other hot Congressional topics include Metroplex and NextGen and the appropriateness of the DNL metric, thresholds, local flexibility on restrictions, and other studies. NexGen and flight paths continue to be issues of significance. The FAA did very little additional work during the pandemic on new NextGen flight paths or metroplexes. Metroplex implementation has been completed in 11 of 21 metropolitan areas and the FAA continues to tweak those areas. There were

# SUMMARY MINUTES

no new metroplex rollouts during the pandemic and there is very little remaining litigation over metroplex resulting in a period of quiet policy making and litigation but he expects that to heat up a bit in the coming months as the FAA focuses on other parts of the country without metroplex implementation.

James Allerdice, Jr. of Vianair gave some background on GBAS, Ground Based Augmentation System. They assessed the impact of GBAS on the community. GBAS equipment in the United States is provided by Honeywell primarily. There are only a few systems that have been deployed so far. GBAS boosts the existing satellite signal so aircraft get a much higher fidelity signal when close to the airport. The generic term is Local Area Augmentation System and GBAS is the equipment that provides that service. This provides improvement, or navigational fidelity, over the existing wide area augmentation system that allows aircraft to shoot approaches to category I minimums. When it is cloudy, aircraft can get down to 250 feet above the ground with the wide area augmentation system. The GBAS allows them to get lower to the ground in CAT II or CAT III approach minimums with the goal to maybe get to an auto land capability which can be done with current ILS systems. This becomes an economic boon for the FAA and airports in that each runway has an ILS system and replacing all the ILS systems with one system makes a lot of economic sense to them. There is a long way to go before GBAS is accepted and implemented around the United States but the good news is the narrowing of the flight paths experienced with RNAV or RNP will not be significantly more affected by GBAS. The flight tracks are already pretty narrow and those concentrated paths will not get worse to a perceptible amount by the use of GBAS. Because GBAS is a new system, it requires new flight procedures to be made and the good news about that is it opens up the possibility of having input into those flight procedures to maybe mitigate some of the impact to the communities. Aircraft receive signals from multiple GPS satellites and when they get in the vicinity of an airport, GBAS augments their signal allowing them to be more precise in their navigation around airports and when departing and landing. Mr. Allerdice displayed a video concept by the FAA of the possible use of GBAS. It displayed the ability of GBAS to enable a program called MARS, Multiple Airport Route Separation. Planes would use paths in close proximity to each other and give the airports more capacity.

Director Eggleston stated SFO's goals for the project are to use the more precise approach pathways that GBAS is able to provide to reduce noise and emissions. Potential ways are to use approaches that keep aircraft further off shore and use increased approach angles so aircraft can fly higher over impacted communities on approach. Palo Alto has hosted 3 community meetings where staff and consultants presented information about GBAS and

# SUMMARY MINUTES

answered questions from members of the public. GBAS overlays of existing RNAV approaches began in March 2022 and are exact duplicates of existing approaches. Innovative approaches (IAs) as called by SFO are those where they are hoping to use GBAS to make noise improvements. Group 1 Innovative Approaches were submitted to the FAA in April 2022. Unfortunately, they were submitted before Palo Alto was able to host the third community meeting. Group 2 Innovative Approaches and other potential groups are those that SFO thinks have a greater potential for noise reduction. Development of those IAs is just beginning. Palo Alto has some concerns regarding this project. Firstly, Palo Alto has not been allowed to be a member of the SFO Roundtable whose members have been discussing and giving authorizations related to GBAS. Group 1 IAs were submitted to the Roundtable and submitted to the FAA before Palo Alto could provide input. We think it important there be a robust noise monitoring program so we can verify that is the case. There is currently no such program proposed by SFO. Palo Alto has a strong interest in engagement with SFO to make sure that these Group 2 IAs and others beyond that take full opportunities for noise reduction. These concerns were raised in a May 31, 2022, letter from the City of Palo Alto to SFO. We received a response from SFO on June 17, 2022, and are currently reviewing it.

Mayor Burt asked if they had seen the response letter.

Director Eggleston stated it was provided to the Council shortly after it was received and it is also posted publicly.

Council Member Stone asked Mr. Kirsch what legislation is needed to require noise monitoring and fund this from the Airport Improvement Program (AIP) for communities like Palo Alto outside of DNL 65 contour?

Mr. Kirsch stated Congress can direct the FAA to change the metric and the threshold but this is not likely. Congress can direct the Agency to revise the metric and give the Agency a deadline for revising the metric and direct the FAA to use the new threshold or new metric for all decision making whether it be under AIP, the grant program, or under Part 150, the noise compatibility planning program, or other purposes. A number of members of Congress have already expressed an interest in authoring legislation to that effect. Mr. Kirsch stated the key is to make sure that the language does not give the FAA a lot of wiggle room. The more specific Congress is about its direction, the greater the likelihood the Agency will make the changes being sought.

Council Member Stone asked if there is anything they could do to ensure the FAA reviews its noise policy based on the NES results in a more timely,

# SUMMARY MINUTES

thoughtful, and transparent review that will take into account impacts to communities and allow for public comment.

Mr. Kirsch stated it is critical that Congress impose a deadline.

Council Member Stone asked Mr. Kirsch if a California state law can be used to legally challenge the continued use of CNEL 65.

Mr. Kirsch responded that is complicated and uncertain. Federal law directed the FAA to establish a single metric and a single threshold in 1979. There is no comparable California law. The more state agencies pressure localities in their CEQA documentation to go outside the 65, the greater chance that will happen statewide.

Council Member Stone cited the Performance Based Navigation Implementation Process, 7100.41, and asked if the city needed to be a participant in a full working group in order to request any change.

Mr. Allerdice replied that many times the airport is the proponent. They can participate but the level of input they have varies. The FAA and the National Air Traffic Controllers Association can say yes or no to anything that goes in based on safety, operational impact, etc. The community should be represented by someone who has been in those meetings and knows how they work.

Council Member Stone expressed frustration at the lack of power local agencies have. He commented they should keep engaging with lobbyists to make meaningful changes especially for the FAA Reauthorization Act of 2023 to ensure deadlines and the review process on the FAA noise police are included. He suggested working on a plan to address urban air mobility to protect residents. Council Member Stone stated it is important to continue working directly with SFO on fixing the current approach independently of GBAS and having uninterrupted noise monitoring of GBAS approaches.

Council Member Cormack asked Mr. Allerdice how they can find a member of the Air Traffic Controller Association who lives in Palo Alto.

Mr. Allerdice said the key is to get to ones represented on the working groups. He stated he was an air traffic controller who sat on working groups. They were able to go into several communities and have conversations on behalf of the communities to get some things done.

Council Member Cormack asked staff how they should organize their work going forward in the next step for the city.

# SUMMARY MINUTES

City Manager Shikada suggested continuing to respond to proposals or changes of concern for the community in addition to ongoing monitoring via Mr. Kirsch's company as well as working with the community members. City Manager Shikada suggested renewing the request to join the SFO Roundtable.

Council Member Cormack asked if someone should be a designated subject matter expert.

Council Member Dubois asked about the result of litigation on airplane noise.

Mr. Kirsch stated the litigation was about NextGen and most of the lawsuits have been resolved in the FAA's favor. Two resolved against the FAA concern Phoenix and Los Angeles where the FAA was ordered to revise its environmental documentation.

Vice Mayor Kou asked about the statutes of limitation on past changes made by the FAA and if a lawsuit could start several years after a change has been made.

Mr. Kirsch stated the statute of limitations is 60 days from when the FAA takes the action and this is why the FAA is able to avoid litigation.

Vice Mayor Kou mused about legislation to change that. Vice Mayor Kou asked if state or local authorities could have some control over aircraft noise by passing legislation to limit aircraft noise over residential areas. She asked if they could introduce night curfews or limit the number of planes or aircraft noise levels.

Mr. Kirsch stated no. The FAA has exclusive authority over aircraft.

Vice Mayor Kou asked what would be required to give state or local governments the ability to control aircraft noise.

Mr. Kirsch stated that is a matter of the U.S. Constitution unless Congress were to give up the power over airspace, which will not happen. The federal government has control over the national airspace. You would not want each state or locality to define where aircraft can or cannot fly. Conversely, if an airport wanted to build facilities, it will need state or local environmental approval that can be used as leverage in securing changes.

# SUMMARY MINUTES

Vice Mayor Kou asked about the FAA environmental review and what is needed to eliminate the use of CADEX and require level 2 or level 3 environmental review for all major changes.

Mr. Kirsch stated under federal law, the FAA is allowed to adopt a series of CADEXs that require minimal environmental review. Congress could change the rules on when the FAA could take advantage of a CADEX.

Vice Mayor Kou asked how they would lobby that.

Mr. Kirsch said that would be through the congressional delegation drafting precise language limiting the FAA's ability to rely on the CADEX instead of doing an environmental assessment.

Vice Mayor Kou asked if they would want to get into Quiet Skies with other congressionals.

Mr. Kirsch said absolutely.

Vice Mayor Kou asked what legislation should be considered to protect negative impacts on communities for urban air mobility such as electric manned or unmanned transportation of people and goods.

Mr. Kirsch stated the impacts of AAM are speculative. The San Francisco Bay area is ground zero for a lot of the AAM development in the United States. Understanding impacts are in the early stages and we do not know much yet. Communities and organizations looking at aircraft noise should carefully follow the developments in the licensing of these aircraft to determine if they will have significant noise impacts. Congress can direct the FAA to do studies and set regulations on the noise levels of these new aircraft but the FAA intends to do that so no new legislation is needed. Until we know what the impacts are, it is very hard to legislate on that.

Vice Mayor Kou asked if the FAA is following the current NEPA process when making changes that may affect communities.

Mr. Kirsch explained the FAA has NEPA regulations they follow in most instances. He believes the FAA regulations are not adequately protecting communities and are outdated. Pressure on the FAA to change those would be appropriate and Congress can direct the FAA to do that.

Vice Mayor Kou asked if grounds for filing a lawsuit against the FAA could be failure to follow NEPA, flawed analysis or inaccurate statements, and incomplete information.



# SUMMARY MINUTES

Mr. Kirsch stated those are a good basis. In addition, environmental statutes such as those that protect park land and historic sites. Mr. Kirsch repeated that the deadline for suing is 60 days which can be the time the FAA takes to implement an action and Congress may need to address the statute of limitations.

Vice Mayor Kou asked staff how the City is engaging with lobbyists in terms of working together to consider and propose state legislation.

City Manager Shikada responded that they have had no specific proposals to float with legislators.

Vice Mayor Kou remarked that looking into expanding the contours might be helpful.

City Manager Shikada responded the 65 CNEL threshold is driven by the FAA and federal legislation.

Council Member Tanaka thanked the staff and members of the public for working on this and Vice Mayor Kou for her questions. Council Member Tanaka inquired about finding lobbyists who are more specialized in airplane noise or people who have deeper connections to people in the FAA to gain more sway in making progress.

City Manager Shikada stated they periodically will do a new RFP for the federal lobbyists. He stated this issue is larger than selection of lobbyists in moving the needle on necessary changes.

## PUBLIC COMMENT

Karen Porter agreed that the city's ability to do anything meaningful about jet noise has worsened over the last year. She stated litigation is the only leverage. In addition to the annoyance of jet noise, the thunder-like noise generated by San Jose and SFO arrivals exacerbate cardiovascular disease as documented by public health studies conducted by Stanford and Boston Schools of Public Health published in 2013.

Kerry Yarkin asked that no more letters be written to low-level bureaucrats in the FAA as nothing has happened. The strategy of relying on neighbors to buy in on sharing the noise did not work. She suggested leveraging the Palo Alto Airport and not accepting any more FAA grants. Ms. Yarkin stated the community is disproportionally burdened by the jet noise and particle pollution. She asked that action be taken legally.

# SUMMARY MINUTES

Jennifer Landesman stated private citizens of Palo Alto came up with 11 asks from City Council in 2014. One was to propose an FAA rule change regarding the jurisdictional and legal problems, a second was to explore a city jet noise app, and a third was to proactively pursue the unanimous recommendations of the select committee. Ms. Landesman stated the legislative process is very influenced by industry interests and can be dishonest and she asked the Council to focus on what is under their control and to hear from the citizens.

Rebecca Ward agreed that many opportunities to litigate were missed and this is the only avenue. She stated the Council's inaction and the quest for a reasonable solution has failed the community. The problem of concentrated jet noise and the strategy should be changed, and she suggested hiring resources that can help. She stated the SFO Roundtable blocks us from membership and therefore access to FAA and airport resources to help remediate noise problems.

Mark Shull suggested the Mayor and Council members build direct relationships with Ivar Satero and take the case to the San Francisco Airport Board.

Darlene Yaplee agreed with asking to join the San Francisco Roundtable. She thanked the Council for joining ABCx2, hosting GBAS community meetings, and pushing SFO to monitor noise in Palo Alto. She believes in changes made through congressional representatives.

Los Altos Mayor Anita Enander thanked the staff, consultants, the Council, and community members for continuing to work on this problem. She stated Los Altos community members remain committed to working with Palo Alto and others to solve the noise problem and reduce environmental impacts.

John Perry thanked the Palo Alto City Council and Mayor Enander. He asked if Palo Alto and other communities could band together to leverage influence statewide and nationwide. He asked if communities could impose a fine, fee, or tax to motivate the airlines to reduce their overflights and if they could force Congress to limit activity. He asked if communities could enact statutes or ordinances that force changes to environmental regulations to include noise levels.

Rebecca Eisenberg thanked the Council for paying attention to this urgent matter. She mentions a letter from the Sky Posse of Palo Alto and expressed disappointment their suggestions were not discussed. She stated private airplanes cause devastation to the environment.

# SUMMARY MINUTES

3. 278 Lambert, 3040 - 3250 Park, 3201-3225 Ash & 200 - 404  
Prescreening Study Session: Report on Negotiations Between the City Council Ad Hoc and the Sobrato Organization and Prescreening for Development Agreement and Rezoning, Seeking Initial Public Input on Negotiated Terms. Environmental Assessment: Not a Project. Zoning District: RM-30 (Medium Density Multiple-Family Residence District) and GM (General Manufacturing).

Planning and Development Director Jonathan Lait stated this study session was to get public input and to conduct preliminary screening for any development agreement that may be filed. An Ad Hoc consisting of Vice Mayor Kou and Council Member Dubois met with the Sobrato Organization for about 6 months to come up with the terms in the report. The Sobrato Organization expressed interest in retaining R&D uses in the cannery building and also townhome development. Director Lait displayed a graphic of proposed parcels consisting of a portion of the cannery building, a parking garage, a large building housing R&D and retail space, a 74-unit townhome development, open space with housing project, the existing Ash Building, and the Audi repair building that would be converted to R&D use. There is a \$5 million contribution to the affordable housing fund and open space improvements. If the original project of 91 townhome units was to go forward, it would include 14 units of deed restricted affordable units. The concept being presented does not include affordable housing within the townhome development but it provides for an opportunity of substantially more affordable housing units if the city could partner with a nonprofit or other low-income housing provider. Sobrato would contribute 1 acre of land for low-income housing as well as \$5 million to help the city work with a nonprofit provider. Director Lait talked about the city creating a plan for open space and Matadero Creek naturalization and renovating the cannery building highlighting its history and including retail space. Future plans include a robust TDM for commercial uses and an RPP exclusion for townhomes. The next steps are the Sobrato Organization filing an application and going through the City's review process.

Mayor Burt invited the members of the Ad Hoc committee to comment.

Council Member DuBois mentioned meeting almost weekly since December 2021. An open session last spring revealed the desire for open space, creek restoration, and housing. He summarized they are getting 2.25 acres of park land, 1 acre of affordable housing, \$1 million for park improvements, and \$4 million for affordable housing. Council Member DuBois specified this is just an outline and it has to go through City processes, an EIR, and public comment. Council Member DuBois believes Sobrato's plan is positive for the

# SUMMARY MINUTES

neighborhood and delivers on the public's desire for housing and open space. He stressed they are working to preserve and honor the architecturally interesting components of the building. Council Member DuBois acknowledged the work of the NVCAP Working Group.

Mayor Burt invited members of the Council to comment.

Council Member Stone asked Director Lait for an estimate on how much the City may receive from impact fees.

Director Lait did not recall.

Assistant City Attorney Albert Yang said he could pull that up.

Council Member Stone asked why the Historic Resources Board (HRB) is not included in the process and said he hopes they could be involved.

Director Lait said the HRB will be included.

Council Member Stone asked if it was possible to require architects and engineers who specialize in preservation to be involved.

Director Lait stated they have a detailed historic analysis of the building prepared by the City's consultant who would be involved in reviewing any proposed plans. He added a qualified historian architect has been engaged to work on the project.

Council Member Stone asked for confirmation that CEQA requires a review of the historic building as well as the property as a whole.

Director Lait stated an environmental analysis will cover the entirety of the redevelopment as depicted in the 5 parcels.

Assistant City Attorney Yang stated that impact fees will total between \$500,000 and \$600,000. A 1% public art fee will depend on construction costs but are projected at north of \$1 million.

Council Member Stone stated this might be an issue to either continue or schedule another meeting for the public. He said it would be helpful to have a side-by-side comparison of the NVCAP goals and priorities of the city. It would be helpful to better understand under the code what is legally required of the applicant and a sense if the community is getting a good deal.

# SUMMARY MINUTES

Vice Mayor Kou referenced the proposed parcels and a bridge over the creek that would connect to Boulware Park.

Mayor Burt introduced Applicant Tim Steele.

Applicant Tim Steele is Senior Vice President of Real Estate Development for the Sobrato Organization and property owner of the subject property. He stated what has been presented is a thoughtful compromise of months of work. He stated they have been working with a historical architect from the Architectural Resources Group.

## PUBLIC COMMENT

Terry Holzemer, a working group member of NVCAP, expressed concerns about the historical aspects of the cannery building and the settlement agreement. He stated a financial analysis should be done.

Bob Moss urged that the entire building be preserved. He stated the proposed retail space is too small and should replace the offices and R&D. He prefers more open space and park land rather than parking and on-site low-income housing.

Julie Lythcott-Haims stated the site was a redlined area where the City put Black and Asian residents when prevented from living in other neighborhoods and she hopes this is recognized.

Rebecca Eisenberg said Sobrato bought homes from families of color under duress. She stated the Council is selling out the public and natural environment to avoid a lawsuit. She asked for the public to decide.

Mirco Horst stated the project impacts include noise, toxic plume, and misplacement of the below market rate housing with no access to major transportation.

Susan Stansbury stated the creek is a treasure and agrees naturalization is important. She asked that locally native plants be used. She suggested working with Grassroots Ecology. For the buildings, she requested the City require living buildings net-zero or net-positive in energy use.

Cedric Pitot de La Beaujardiere urged the Council to not downgrade Concept 3 and requested full naturalization of the creek. He urged the Council to require the use of native, drought-tolerant, and high habitat value plants, green stormwater infrastructure, green building, and net-zero energy buildings. He mentioned ground source heat pumps as an energy-efficient

# SUMMARY MINUTES

way to heat and cool homes. He requested the Council require the use of bird-friendly glazing. He wants to see more retail including a café, restaurant, or bar and suggested a European-style town square concept with a commons area.

Karen Holman asked if CEQA will analyze the cannery property as a whole, how the naturalization of the creek design will be determined and analyzed by CEQA, and what the impacts are to the cannery property's historic standing given demolition and new buildings. She suggested comparative tables of the gains for Sobrato and the City that include financial benefit, land use gain and loss, and what is offered versus what is required. She asked if the City will retain historic expertise for new construction. Ms. Holman suggested changing the name of Portage to Thomas Foon Chew Cannery Way. Another suggestion was to add the property to California and Palo Alto inventories.

Peter Drekmeier spoke to the benefits of Matadero Creek for children and was in favor of naturalizing the creek. Mr. Drekmeier suggesting thinking about supply and demand in terms of housing and jobs.

Rebecca Saunders is against giving up valuable zoning for homes to maintain office profits for a privately held company. She appreciated the previous comment about toxic plume.

Jeff Levinsky asked about alternatives to segregating the affordable housing from the market rate housing. He asked about alternatives to the demolition of 1/3 of a building with immense historic significance. Mr. Levinsky asked why the financial study has not been made public. He urged the Council to be open to the public and share relevant information.

Bill Ross condemned the closed session negotiations. He stated adjacent property sales are not occurring and leases are not being extended because of the Sobrato project. He suggested the open space and upgrading of Matadero Creek be the obligation of the developer. He requested a solution of dealing with the toxic plume without destroying existing businesses and residences within and around the neighborhood.

Aram James expressed concern about gentrification and over-policing. He asked for 20 percent of any housing development to be set aside for African Americans.

Matt Schlegel was in favor of the heat pump water heater program and reducing carbon emissions.

# SUMMARY MINUTES

Council Member Cormack asked for confirmation that the Council reported their action on June 21 in response to a comment there was no reportable action from the closed sessions. Staff affirmed they did.

Council Member Cormack asked for confirmation that the original Sobrato plan had 14 affordable housing units at 100 or 120 percent of area median income.

Director Lait confirmed the 14 units are 15 percent of the 91 townhomes and are deed restricted at 100 and 120 percent.

Council Member Cormack asked how many affordable housing units would be on the 1-acre proposed area.

Director Lait stated Wilton Court had 60 studio and 1-bedroom units on ½ acre.

Council Member Cormack estimated 120 units of affordable housing on 1 acre as opposed to 14 units on the SB 330 proposal.

Director Lait added the units would be more deeply affordable.

Council Member Cormack defined deeply affordable as people who are making 60 percent of the average median income could afford these units.

Mayor Burt stated the street renaming to Thomas Foon Chew is a great idea. He spoke to the benefits of being able to negotiate the more affordable housing. Mayor Burt stated that 10 years ago when the Council received an unsolicited offer to negotiate for the purchase of 7 acres, the Council declined to consider the offer and proceeded to have those acres dedicated as park land.

Council Member Dubois commented on designing within limitations regarding Matadero Creek. He stated toxic plume will be a focus of the environmental impact report. He believed the intent is for 340 Portage to be net-zero.

Applicant Steele stated the refurbished cannery portion that is currently vacant would be net-zero with environmentally friendly mechanical and electric and that targets meet or exceed net-zero.

Vice Mayor Kou commented on negotiating for deeply affordable housing. After hearing from the community, there will be larger units for families in addition to 1-bedrooms and studios. Vice Mayor Kou commented on the influence of Thomas Foon Chew in the community, particularly employing all

# SUMMARY MINUTES

different races. Vice Mayor Kou clarified the definition of redlining as a discriminatory practice where services are withheld from potential customers residing in neighborhoods classified as hazardous to investments and that have significant numbers of racial and ethnic minorities and low-income residents. Vice Mayor Kou stated they are being inclusive and diverse.

Mayor Burt stated the location of the affordable housing site is exceptional for the community as it would be near to open space and a creek and would be highly desirable.

## Agenda Changes, Additions and Deletions

None.

## Public Comment

Anna Stine-Vchino spoke on the importance of climate issues in Palo Alto. She hoped the Council would continue the goals of the S/CAP and implement specific and effective infrastructure to accommodate electrification. She advocated for the implementation of programs like the heat pump water heater rollout. She asked for equity and justice in municipal climate policy.

Anna Kim was in support of the S/CAP plan, electrification, and that water heater electrification rollout.

Moiria King stated Palo Alto has failed to meet its climate goals, specifically energy efficiency goals in 2019 and 2020, and the S/CAP has not been rolled out to full effect. She urged the City Council to support electrification.

Saman de Silva spoke on the 2023 California building code cycle. S/CAP's 80 by '30 goal is not attainable without existing building electrification. With codes coming up for Council action in the next few months, he hopes that the Council supports existing building electrification.

Katie Reuff advocated prioritizing the passage of the S/CAP including the heat pump water heater rollout. She urged the Council to be leading figures in electrification.

Julia Zeitlin implored the Council to make climate action, the S/CAP, and reducing commercial and municipal natural gas use their number one priority. She urged the Council to implement the most recent electrification initiative of the Ad Hoc Committee that aims to replace 1000 water heaters in homes with electric heat pump water heaters and to incentivize the transition away from natural gas.



# SUMMARY MINUTES

Todd Burke has spoken to proprietors on California Avenue who have concerns that the tents are coming down and he hopes that action is reconsidered to bring the tents back.

Aram James spoke to Action Item #5 on the August 8 City Council Agenda which is the approval or non-approval of Andrew Binder as the next police chief. Mr. James forwarded a letter by Dave Price to the Council. Mr. James stated City Manager Ed Shikada's failure to make the hiring process public is shameful and an affront to democracy. He urged the Council to not approve Mr. Binder for chief until the 2 other finalists for police chief are brought to town so the public can ask questions.

Maya Perlash expressed support for Palo Alto's sustainability and climate action plan and its push for electrification. She urged the Council to implement the recent electrification initiative of the Ad Hoc Committee that aims to replace water heaters in homes with electric heat pump water heaters.

Rebecca Eisenberg encouraged the Council to listen to the young adult speakers who previously commented. Ms. Eisenberg urged the Council to propose term limits, impose campaign contribution limits, and put Vote16 on the ballot.

Jonathan Erman requested Palo Alto resume free shuttle service.

## Consent Calendar

Council Members Cormack and DuBois registered a no vote on Agenda Item Number 5.

Bill Ross commented on Consent Item #4 in reference to approval of the minutes for the June 21, 2022, City Council Meeting. He stated a correction is needed in the Draft Summary Minutes on page 2 where it refers to a closed session item concerning 340 Portage. Mayor Burt referenced 540 Portage when authorizing staff to authorize a tolling and process agreement with the Sobrado organization. This makes no reference to anything disclosed in Study Session Item #3 or by Council Member Dubois or presentation by staff.

Mayor Burt clarified the record was correct when he reported out reportable action on that item.

# SUMMARY MINUTES

4. Approve Minutes from the May 23, 2022, June 13, 2022, June 20, 2022 and June 21, 2022 City Council Meetings
5. Adoption of **Resolution 10060** Authorizing Use of Teleconferencing for Council Meetings During Covid-19 State of Emergency
6. Approval of a Memorandum of Agreement with Suez Water Technologies and Solutions (Suez) to Assign Suez' Membrane Aerated Biofilm Reactor (MABR) Equipment and Services to the Future General Contractor for Construction of the Secondary Treatment Upgrades Capital Improvement Project (WQ-19001) at the Regional Water Quality Control Plant
7. Approval of Amendment Number 2 to Lease between Ada's Cafe and City of Palo Alto for the Community Center Cafe at Mitchell Park for 5 Years at \$500.00 per Month on January 1, 2023 with Annual 3% Increases Thereafter
8. Adoption of Interim Urgency **Ordinance 5560** Extension Requiring a Conditional Use Permit to Establish a Firearms Dealer Retail Use. Environmental Assessment: Exempt under CEQA Guidelines 15061(c)(3).

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

Motion Split for Purpose of Voting

**Item 1-4, 6-8 PASSED:** 7-0

**Item 5 PASSED:** 5-2 Cormack, Dubois No

Council Member Cormack, Council Member DuBois spoke to their no votes.

## City Manager Comments

City Manager Shikada spoke on the status of the COVID-19 pandemic. Included in the August 8 agenda is a Summer Recess Informational Report including information on firefighter graduation, the library summer reading program, and fire prevention. City Manager Shikada spoke briefly on water conservation measures and the return of national night out. He said August is national wellness month. There are community meetings on August 16 and August 18 to gain input on the proposed green building code update. City Manager Shikada talked about upcoming business items that will be discussed on August 8, August 15, August 22, and beyond.

The Council adjourned to a break from 8:14 to 8:30 P.M.

# SUMMARY MINUTES

## Action Items

9. PUBLIC HEARING / QUASI-JUDICIAL. 1033 Amarillo Ave [22PLN-00016]: Request for a Preliminary Parcel Map with Exceptions to Subdivide a 20,787 square foot R-1 property into two (2) lots, where Lot 1 will be 10,668.50 square feet and Lot 2 will be 10,118.77 square feet. Exception is for minimum lot width and maximum lot size. Zoning District R-1 Single Family Residential.

Director Lait invited Senior Planner Emily Foley to make the presentation.

Senior Planner Foley stated the exemption is to allow the lots to be larger than the maximum size of 9,999 sf and for the lots to be narrower than the minimum lot width of 60 ft. The 2 lots would be slightly over 10,000 sf and about 53 feet wide. The Council considered 2 plans at a prescreening on October 25, 2021. The project went to the PTC in April 2022 and did not receive a recommendation for approval; however, staff recommendation is to move forward with the approval. Planner Foley listed 7 reverse findings for the subdivision that if met, the subdivision would be denied. There are 4 exception findings that must be met. Staff recommends the City Council move forward with the Record of Land Use Action to approve the project based on the findings and subject to conditions of approval. The alternate action is to direct staff to return with findings for denial and likely go on the Consent Calendar.

Applicant Ted O'Hanlon introduced himself as the consulting project executive working on behalf of the owners, American Pacific International Capital, based in San Francisco. They concur with the Staff Report and the recommendations to use the existing curb cuts. The current tenants in the 4 cottages are on 1-year leases and then will move to monthly leases. The intent is to allow for future development of the site and the first step is to subdivide it. There could be 1 home and 1 ADU on each of the 2 lots and possibly a junior ADU on each lot for a total of 6 units. He stated creating a new cottage cluster was not feasible.

Planning and Transportation Commissioner Doria Suma had nothing to add and stated she was available for questions.

City Manager Shikada stated if the Council wanted to lay this item over, he would recommended next week.

## PUBLIC COMMENT

# SUMMARY MINUTES

Joe Hirsch stated he was confused by the staff report. He stated it looks like affordable housing will be lost with this project.

Rebecca Eisenberg agreed that the staff report was confusing. She asked for clarity on what was being proposed. She found it odd for there to be an analysis for an exception that was given. She stated cottage clusters are important to Palo Alto as they provide affordable housing opportunities. Ms. Eisenberg opposed the idea of knocking down cottage clusters.

Aram James thought after the 1-year lease ended for the current tenants of the property only yearly leases could be offered. He asked if the previous tenants got relocation monies.

Council Member DuBois asked if the issue of 1 driveway versus 2 driveways is settled.

Senior Planner Foley said the applicant agreed to keep the current single driveway and is condition #5 in the draft conditions of approval.

Council Member DuBois asked why the PTC voted against approval.

Commissioner Suma stated the PTC majority was uncertain why there was a request for a lot division in advance of a project and felt it would be better for the City and residents to have more specificity. They were not able to make preliminary parcel map findings #2 or section findings #2 and #4. She mentioned 5 policies in their land use section. Exception finding #2 did not make sense and they could not agree with staff on finding #4.

Council Member Stone referenced a line on page 61 of the staff report about topology and asked if the staff recommendation has changed since hearing from the applicant they do not intend to retain the cottage cluster.

Director Lait stated the subdivision does not result in a change to the cottage cluster but if they were to be demolished and replaced, it would not reflect the current topology.

Council Member Stone asked if the policies to retain current housing prefer retaining affordable housing.

Director Lait stated he would have to review the comp plan.

Council Member Stone asked if it were possible to require affordability or displacement assurance under the conditions of approval.

# SUMMARY MINUTES

Director Lait was not sure about the displacement piece. Affordability is not a requirement.

City Attorney Molly Stump stated that state rent control law applies.

Council Member Stone asked if they could place specific conditions on approval more restrictive than city code or state law.

City Attorney Stump stated that it depended on what Council wanted to do with their conditions.

Council Member Stone asked the applicant how much the rent was when the property was purchased. Currently it is \$4000 per month.

Applicant O'Hanlon stated the rent then was approximately what it is now. One unit was occupied when the property was purchased. He addressed the PTC concerns and said they did not want to proceed with the cost of architectural and planning drawings before getting the exception granted.

**MOTION:** Council Member Mayor Burt moved, seconded by Vice Mayor Kou to continue this Item to August 8, 2022.

**MOTION PASSED/FAILED:** 5-2; Cormack, Tanaka No

10. Adoption of Resolutions: (1) Placing a Business Tax on the November 2022 Ballot; (2) Placing a Measure Affirming the Natural Gas Utility Transfer on the November 2022 Ballot; and (3) Establishing Advisory Spending Guidelines for Business Tax Proceeds.

Assistant Director of Administrative Services Christine Paras presented on Council matters of resolutions pertaining to the business tax and a measure to affirm the natural gas utility transfer. She stated changing the square footage rate changes the revenue for the tax measure from \$18 million to \$15.5 million. When presenting remaining milestones for the Council, she highlighted the due date for the County Registrar of Voters is August 12.

Mayor Burt stated the Council recommends the first 10,000 sf of all business be exempt from the rate and they also recommend a standard monthly rate of \$0.10/sf. He added that nonprofits are exempt.

Council Member Eric Filseth explained how 10,000 sf is an appropriate target and added the drop in revenue is concerning and suggested the Council look at whether \$0.10 is the best number for that threshold.

# SUMMARY MINUTES

## PUBLIC COMMENT

Alex Comsak does not support any BT proposal burdening businesses, especially small businesses. He stated home-run businesses are not affected by the proposals. Larger businesses would pay about 1 percent of their rent which is nothing compared to overall rent which has been increasing 5 percent per year since 2010. He stated the BT proposal is generous for businesses and the 5 percent cap increase could be higher since current inflation is higher.

Greg Schmid spoke for Paul Machado, Joe Hirsch, Mary Gallagher, and Jo Ann Mandinach and stated business must pay their fair share of local taxes. He stated job centers need a variety of local government services and residents pay the bulk of local government costs through multiple taxes. Stanford University should contribute a fair share to local government costs.

Nadia Naik supports the business tax. She stated there is a need for grade separation to reduce traffic congestion.

Bob Moss stated the business tax is long overdue and encouraged passage of the tax. He stated the rate for larger businesses is too low and should be at least \$0.15/sf. He requested consideration of lowering the threshold of exemption to 4000 sf.

Terry Holzemer stated the Palo Altans for Sensible Zoning Regulation is in support of a business tax and large commercial businesses should pay their fair share. He said safety of rail crossings is essential to school children. He asked for a vote of yes on the business tax.

Aram James cited Miriam Green v. the City of Palo Alto and asked about the delay in paying out the funds. He asked what the current amount spent in legal costs to delay that litigation is. He is in favor of the business tax but asked for clarity.

Todd Burke expressed concern about vacant commercial property. He asked the Council to look at the economic development implications.

Mirco Horst asked the Council to consider exceptions for small businesses.

Cedric Pitot de La Beaujardiere supports option B and stated transportation is important to meeting climate goals. He expressed concern that all the transportation funding would go to grade separation and asked that some transportation dollars go to decreasing single occupancy cars, increasing

# SUMMARY MINUTES

biking and walking, improving bike connections, supporting groups with programs offering transit passes to low-wage workers, and incentivize and facilitate bike and e-bike ridership. He supports using funds to support housing and services for the unhoused and the measure to clarify and authorize the practice of transferring funds from the utility to the City's general fund.

Jonathan Erman asked the Council to clarify that these measures do not go into effect immediately. He stated the Silicon Valley Leadership Group will never be happy with anything proposed and it would be difficult to get them on board and the focus needs to be on local interests.

Mary Gloner expressed appreciation for a business tax resolution where funds would be invested in services that foster protective factors for youth including safe rail crossing funding, considering the City's history of deaths along the railway.

Shashank Joshi was in favor of the measure. He stated it will allow for safe modernization of train crossings. He stated studies have shown the most effective measures include enhancements to the Intrusion Detection System (IDS) system, proper fencing with winglets on both sides of Alma, and proper signage.

Rebecca Eisenberg agreed to the need for a business tax to support community services and requiring big business to pay its fair share but she opposed the proposed tax that lets the biggest businesses and employers and billionaire landlords off the hook. Ms. Eisenberg stated there are Supreme Court of California federal or state decisions that uphold any tax on tenant office size. She stated this tax is likely unconstitutional. She stated the tax is regressive because of the cap. She asked the Council to fix the tax to a big business tax.

Hamilton Hitchings stated the business tax is 1 percent of the total rent businesses pay each year while business rents in Palo Alto have been increasing 5 percent per year. He stated businesses need to pay their fair share. He stated businesses pay 1/3 of the property taxes due to a loophole exploited in Prop 13. Mr. Hitchings stated this tax is needed for affordable housing, public safety, and train crossing safety. He supports the Ad Hoc's alternate business tax measure, Attachment B, that is more favorable to small and medium businesses.

Adina Levin supports funding for public transportation including grade separations and affordable housing near transit. She agrees with seeking voter approval of a square footage-based tax that exempts smaller sites.

# SUMMARY MINUTES

She supports use of funds to support Transportation Management Association programs that provide access to sustainable transportation for workers.

Keith Reckdahl believes the tax is fair and appropriate and provides significant benefits while minimizing impacts to businesses. He stated the business tax will provide funding for affordable housing and improve transportation and public safety staffing and it is fair for businesses to help pay for these costs.

Andie Reed asked why other cities in the Bay Area have a business tax and Palo Alto does not. She stated all businesses should be paying equitably to run the City. She stated the decision should be up to the residents.

Alan Kaiser questioned the role of the California municipality institution in providing the results people want.

Mayor Burt asked for feedback on the Ad Hoc Committee recommendations including continuing with the gas transfer fee ballot measure and the business tax or just one of the two.

Council Member Cormack asked if the transit occupancy tax had a sunset date.

Assistant Director Paras responded it did not.

Council Member Cormack asked if the Council should pick a lower rate and increase it later if needed. She asked what is the maximum amount an employer would pay under alternate attachment B of the Ad Hoc's proposal.

Assistant Director Paras replied they would have to look that up.

Council Member Cormack asked if the Ad Hoc's new proposal came about as a result of an agreement or as a recommendation.

Mayor Burt stated the business community has not elected to negotiate with the Ad Hoc or City staff and this resulted in a recommendation.

Council Member Cormack referenced packet page 119 and the assumption the CPI will always go up and asked what would happen during a period of deflation.



# SUMMARY MINUTES

City Attorney Stump replied the Council can adjust the rate as long as it is a downward adjustment. There is no automatic trigger but Council could make that choice.

Council Member Cormack referenced page 132 regarding transportation. She asked if the Council could use the funds for things such as a shuttle system, TMA, and a bike lane.

City Attorney Stump stated Council has authority through the budget process to make decisions on expenditure of the funds.

City Manager Shikada stated the expectations of what the resolution states should be consistent with follow-up from staff in the future.

Council Member Cormack stated she would like to see the transportation section of the resolution written more broadly. She asked for reassurance that this is being structured in a way that protects the city while giving people a reasonable way to challenge the assessment.

City Attorney Stump stated it is in the City's interest to allow taxpayers to appeal through a vigorous administrative process before going to court and steps have been drafted to allow that to occur.

Council Member Cormack stated putting the utility transfer on is a priority and data reflects that it is likely to pass. She was unsure about deciding tonight on Attachment B and repeated her suggestion of starting at a lower level and modifying it in a couple years if needed.

Council Member Dubois asked for clarification on the exemptions under state law to a square footage tax.

Administrative Services Director Nose stated that business tax state law would identify the businesses that would be exempt. Unit of measure does not matter, and she stated nonprofits would be exempt.

Assistant Director Paras added that educational, hospital, and financial institutions would be exempt.

Council Member Dubois asked if that was included in the ballot measure language.

City Attorney Stump responded that they did not make them a part of the voter-approved ordinance except to state that exemptions from the tax

# SUMMARY MINUTES

include businesses exempted by state or federal law. The exemptions are not described. She recommended an explanatory document on the side.

Council Member Dubois stated there was no interest in business leadership to engage with the Ad Hoc Committee. He stated at 10,000, they are excluding over 50 percent of businesses. He stated he is in favor of the \$0.12 level with the 10,000 sf exclusion if there is no agreement with the business community. He would accept the \$0.10 if they were to agree. He is in favor of doing the business tax without the gas transfer and suggests discussion of the gas transfer be an action item next Monday. Council Member Dubois did not support broadening the uses.

Mayor Burt stated they have expended their affordable housing funds. Regarding transportation funding focusing on grade separations, there are federal and state funding opportunities. It is imperative local share funding is available to be eligible for state and federal dollars. Regarding public safety, a decision was made in June to restore to full strength the police department including social workers and psychiatric care workers but there is no adequate funding past 2 years without this revenue stream. Mayor Burt stated there would be no tax collection until January 2024 with the full tax rate beginning in 2025.

Vice Mayor Kou asked about the resolution adopting advisory spending guidelines and what number of votes is needed if a future Council decided to change the funding from what is currently indicated.

City Attorney Stump stated a simple majority would be needed and the decision is made every year by the Council when setting the budget.

Council Member Tanaka stated the economy is in a recession and a bear market. He stated the utility tax is similar to a business tax. He stressed the importance of spending within means. He suggested revisiting the business tax at a later time. Council Member Tanaka made a motion to move forward on the utility tax and revisit the business tax later.

Mayor Burt stated he did not see a second. He referenced the hotel tax and it was decided by simple majority those funds would go exclusively to the infrastructure master plan and 3 different Councils have upheld this.

Council Member Dubois reiterated full implementation would be in 2025. Council Member DuBois moved to adopt Ad Hoc alternative as listed in Attachment B at \$0.12 a square foot, bring revised Attachment C that accounts for gas transfer not being brought forward, and bring the gas transfer item to Council on August 8, 2022, as an Action Item.

# SUMMARY MINUTES

Council Member Filseth seconded but amended the rate to \$0.11.

Council Member DuBois accepted the change to \$0.11.

Mayor Burt accepts \$0.11 with the understanding if the coalition opposing the tax comes back with mutually acceptable terms, they will return to the Council next Monday.

Council Member Tanaka asked what the average commercial rent is in the City.

Ms. Paras replied it is about \$7/sf.

Council Member Tanaka referenced page 94, Recital A. He asked how Recital A helps and if it does not, he suggested striking it.

Mayor Burt questioned what sentence Council Member Tanaka was referring to and read they do not contribute through a local business tax.

Council Member Tanaka asked if the Council could be more specific on Recital C about making sure that funds will actually be used to help the people actually paying for this.

City Attorney Stump stated the Recital complies with the law by accurately describing the form of the tax. She stated the advisory spending guidelines are Attachment C.

Council Member Tanaka referenced 2.37.020 on packet page 98 and talked about making it simpler.

City Attorney Stump stated businesses describe their own size which is subject to double-checking by City staff and audit.

Ms. Nose stated the City's records would potentially be for the full footprint of the building. A building may have shared occupancy and this calculation provides direction on how that may be split and can be reported under penalty of perjury by the business.

City Attorney Stump stated it is standard for taxpayers to self-report subject to checking.

Council Member Tanaka referenced 2.37.080 on packet page 101. He asked about having a 1-for-1 offset instead of the 50-percent offset.

# SUMMARY MINUTES

City Attorney Stump replied that was a policy decision and directed by Council.

Council Member Tanaka proposed a 1-for-1 versus a 50-percent offset on Section 2.37.080.

City Attorney Stump clarified that the TOT offset is proposed to be 1-for-1 and the discretionary sales and use tax offset is a percentage with a cap.

Council Member Tanaka referenced Section 2.37.110 on packet page 103 and asked why businesses submit the same form every quarter.

City Attorney Stump stated there is flexibility if the business wanted to pay annually.

Council Member Tanaka referenced 2.37.220, Confidentiality of Records. He felt they should use the data they have already versus having to do more. Council Member Tanaka read Section A of 2.37.270 on packet page 110 and stated this gives businesses an administrative burden.

Council Member DuBois stated staff have done a good job.

Council Member Cormack stated she will not support.

Administrative Services Director Nose stated recalculating the alternative at \$0.11, staff recommend Council give staff direction to revise the ordinance, the ballot question, and Attachment C and bring those documents back for final adoption on August 8. She stated the motion would need to be reworded.

City Attorney Stump clarified that if there are additional discussions in the business community resulting in a new proposal, Staff has the authority to draft that up and bring it forward on August 8 as an Action Item.

**MOTION:** Council Member DuBois moved, seconded by Council Member Filseth to:

- A. Direct staff to bring forth final documents on Consent based on Ad Hoc alternative as listed in Attachment B and adjusting the rate to \$0.11 cents per square foot;
- B. Direct staff to bring back a revised Attachment C that accounts for gas transfer not being brought forward; and

# SUMMARY MINUTES

C. Bring the gas transfer item to Council on August 8, 2022, as an Action Item.

**MOTION PASSED/FAILED:** 5-2; Tanaka, Cormack no

## Council Member Questions, Comments and Announcements

Vice Mayor Kou stated she attended the Santa Clara County Cities Association Special Board Meeting on June 23. She stated the Council should propose to the Cities Association that they list out all the different cities and how they voted. She also attended a meeting for the Silicon Valley Regional Interoperability Agency and they are following SB 1000 legislation pertaining to law enforcement agencies' encryption and radio communications and following the provision for reimbursements for unfunded state mandates. There is a cost to unencrypting the radios due to staff time.

Mayor Burt stated he visited 3 sister cities plus 2 cities in Denmark on a workcation paid for by himself. They discussed work being done on climate matters and he will be composing a summary for the Council, S/CAP, and Ad Hoc.

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