



CITY OF PALO ALTO CITY COUNCIL ACTION MINUTES

Special Meeting
September 23, 2019

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:02 P.M.

Present: Cormack, DuBois; Filseth arrived at 5:05 P.M.; Fine arrived at 5:50 P.M.; Kniss, Kou, Tanaka

Absent:

Closed Session

1. CONFERENCE WITH CITY ATTORNEY-POTENTIAL LITIGATION
THIS ITEM HAS BEEN REMOVED.
2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS
Authority: Government Code Section 54956.8
Property: Cubberley Conveyance Property and Leased Site,
4000 Middlefield Road, Palo Alto, CA
Assessor's Parcel Nos. 147-08-052 and 053
Agency Negotiators: Ed Shikada, Kristen O'Kane, Molly Stump,
Terence Howzell, Kiely Nose, David Ramberg, and Sunny Tong
Negotiating Parties: City of Palo Alto and Palo Alto Unified School
District (PAUSD).

MOTION: Council Member Cormack moved, seconded by Council Member DuBois to go into Closed Session.

MOTION PASSED: 5-0 Filseth, Fine absent

Council went into Closed Session at 5:03 P.M.

Council returned from Closed Session at 6:12 P.M.

Mayor Filseth announced no reportable action.

Study Session

3. Study Session Regarding Recycled Water Expansion Opportunities and Potential Regional Treated Wastewater Transfer From the Regional Water Quality Control Plant (RWQCP) to Santa Clara Valley Water District.

ACTION MINUTES

NO ACTION TAKEN.

Minutes Approval

4. Approval of Action Minutes for the September 9, 2019 Council Meeting.

MOTION: Mayor Filseth moved, seconded by Council Member Cormack to approve the Action Minutes for the September 9, 2019 Council Meeting.

MOTION PASSED: 7-0

Consent Calendar

Council Member Kniss advised she would not participate in Agenda Item Number 5 as she owns property that falls within the Williamson Act.

MOTION: Council Member DuBois moved, seconded by Council Member Cormack to approve Agenda Item Numbers 5-7.

5. Review and Approval of the Annual Williamson Act Contract Renewals Within Palo Alto City Limits; and Find This Action Exempt From Review Under the California Environmental Quality Act (CEQA) Pursuant to Section 15317 (Open Space Contracts or Easements) of the CEQA Guidelines.
6. Approval of Amendment Number 1 to Contract Number C18169608 With Clean Harbors Environmental Services, Inc. to Allow Consumer Price Index Increases to all Rates on an Annual Basis for Household Hazardous Waste Management and Emergency Response Services.
7. Approval of Amendment Number 2 to Contract Number C15152204 With Questica Inc. for the City's Budgeting Software for Five Additional Years in a Not-to-Exceed Amount of \$399,556.

MOTION PASSED FOR AGENDA ITEM NUMBER 5: 6-0 Kniss not participating

MOTION PASSED AGENDA ITEM NUMBERS 6-7: 7-0

Council took a break at 7:55 P.M. and returned at 8:20 P.M.

Action Items

- 7A. Caltrain Business Plan - Direction to Staff Regarding Comments on the Draft Long Range Service Vision (Continued From September 16, 2019).

ACTION MINUTES

MOTION: Vice Mayor Fine moved, seconded by Council Member Kniss to thank Caltrain for their continued work on their business plan and emphasize that grade separation up and down the corridor are the most critical problem to solve in order for the business plan to proceed.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to change the last word in the Motion from "proceed" to "succeed".

MOTION PASSED: 7-0

8. Colleagues' Memo From Council Members DuBois and Kou Regarding Affordable Housing Plan to Advance Housing Goals That Address Socio-economic Diversity and Affordability.

MOTION: Council Member DuBois moved, seconded by Council Member Kou to direct Staff to prioritize exploring elements of the City's affordable housing activities and accelerate bringing them to Planning and Transportation Commission and Council as each item is ready, including the following priorities contained in the Colleague's Memo:

- A. Applying/implementing an inclusionary Below Market Rate (BMR) program for rental units (Palmer Fix) Evaluate and recommend inclusionary percentage in the range of 15-25 percent of the units in rental residential developments with over 5 units (make same as ownership) must be affordable. Consider specifying income level requirements as well (percentage at each income range) Based on state law, affordable rental units would remain affordable for at least 55 years; could come in phases if possible to implement Palmer Fix quickly;
- B. Increase development impact fees to \$64 per square feet for commercial projects; explore leveraging recent nexus studies including Palo Alto's and Santa Clara County's study for the Stanford General Use Permit application to contain costs and time for an updated nexus study;
- C. Clarify/update our Ordinances to ensure that when density bonuses are applied to mixed use projects the bonus is focused on the housing portion to the extent legally permissible. Evaluate and recommend inclusionary percentage in the range of 20-25 percent of density bonus is applied to the project;
- D. Explore feasibility of in-lieu fees or off-site replacement if existing residential units are removed from the housing stock;

ACTION MINUTES

- E. Explore protections and regulations in low density zoning such as cottage cluster developments and existing duplexes in the R-1, R-2 RMD and commercial districts to preserve “missing middle housing” and preserve transitions between R1 and higher density; and
- F. Explore citywide protections and regulations to prevent existing housing to be converted to commercial/hotel use.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to amend the Motion Part A to state, “continue prioritizing the City’s work on the Palmer Fix.”

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to amend the Motion Part B to state, “Direct Staff to do a nexus study for commercial projects.”

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to amend the Motion Part C to state, “Direct Staff to transmit to Council an informational report on the state and local density bonus Ordinance.”

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to amend the Motion Part E to state, “Focus on the Housing Work Plan and Comprehensive Plan language related to low density zoning such as cottage cluster developments and existing duplexes in the R-1, R-2 RMD and commercial districts.”

MOTION AS AMENDED RESTATED: Council Member DuBois moved, seconded by Council Member Kou to direct Staff to prioritize exploring elements of the City’s affordable housing activities and accelerate bringing them to Planning and Transportation Commission and Council as each item is ready, including the following priorities contained in the Colleague’s Memo:

- A. Continue prioritizing the City’s work on the Palmer Fix;
- B. Direct Staff to do a nexus study for commercial projects;
- C. Direct Staff to transmit to Council an informational report on the state and local density bonus Ordinance;
- D. Explore feasibility of in-lieu fees or off-site replacement if existing residential units are removed from the housing stock;
- E. Focus on the Housing Work Plan and Comprehensive Plan language related to low density zoning such as cottage cluster developments and existing duplexes in the R-1, R-2 RMD and commercial districts; and

ACTION MINUTES

- F. Explore citywide protections and regulations to prevent existing housing to be converted to commercial/hotel use.

MOTION AS AMENDED PASSED: 7-0

State/Federal Legislation Update/Action

None.

Adjournment: The meeting was adjourned at 11:00 P.M.