



## **CITY OF PALO ALTO OFFICE OF THE CITY CLERK**

**September 6, 2016**

**The Honorable City Council  
Attention: Finance Committee  
Palo Alto, California**

### **Approval of Action Minutes for the August 22, 2016 Council Meeting**

Staff is requesting Council review and approve the attached Action Minutes.

**ATTACHMENTS:**

- Attachment A: 08-22-16 DRAFT Action Minutes (DOC)

Department Head: Beth Minor, City Clerk





# CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting  
August 22, 2016

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:36 P.M.

Present: Berman, Burt arrived at 5:45 P.M., DuBois, Holman, Kniss, Scharff, Schmid, Wolbach

Absent: Filseth

## Closed Session

1. CONFERENCE WITH CITY ATTORNEY  
Subject: Written Liability Claim Against the City of Palo Alto by Gilles Boccon-Gibod (Claim No. C16-0026)  
Authority: Government Code Section 54956.9.

**MOTION:** Council Member Wolbach moved, seconded by Council Member Berman to go into Closed Session.

**MOTION PASSED:** 5-0 Berman, DuBois, Scharff, Schmid, Wolbach yes, Holman, Kniss not participating, Burt, Filseth absent

Council went into Closed Session at 5:38 P.M.

Council returned from Closed Session at 5:59 P.M.

Mayor Burt announced the Council voted (7-0 Burt, Filseth absent) to authorize a settlement in the matter of Claim No. C16-0026, filed by Gilles Boccon-Gibod. The matter settled for \$59,434.42.

## Special Orders of the Day

2. Proclamation of the City Council Honoring Robert Kelley.

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## Agenda Changes, Additions and Deletions

None.

## Consent Calendar

**MOTION:** Vice Mayor Scharff moved, seconded by Council Member Kniss to approve Agenda Item Numbers 3-10, including changes outlined in the At Place Memorandum for Agenda Item Number 8- Approval of Contract Amendment Number 4 With Van Scoyoc Associates Inc...

3. Approval and Authorization of the City Manager to Execute a Contract With Builders Protection, LLC in a Total Not-to-Exceed Amount of \$4,620,000 for Three Years for Water, Gas, Wastewater, Electric, Storm Drain, and Street Resurfacing Construction Inspection Services; and Finding That the Contract's Approval is not a Project Requiring California Environmental Quality Act Review.
4. Resolution 9618 Entitled, "Resolution of the Council of the City of Palo Alto Correcting Clerical Errors in two Items Previously Approved as Part of the Palo Alto Clean Local Energy Accessible Now (CLEAN) Program."
5. Approval of Contract Number C16163335 With Sierra Traffic Markings, Inc. in the Amount of \$850,000 to Provide On-call Traffic Safety Services, Allowing Them to Implement Minor Roadway Improvements in Response to Community Service Requests.
6. Approval of a Revenue Agreement With the County of Santa Clara in the Amount of \$250,000 Over two Years for Support of Intensive Case Management in Connection With Housing Subsidies to be Provided by the County of Santa Clara for Palo Alto's Homeless.
7. Policy and Services Committee Recommendation to City Council for Next Steps in the City's Neighborhood Engagement Initiative Including: Establishing a Yearly Goal of Three Town Hall Meetings; Updating the Co-Sponsorship Agreement; Adopting a List of Neighborhood Associations; and Amending the Annual Budget to

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Reduce the General Fund and Increase the General Liabilities Insurance Program Fund by \$5,000.

8. Approval of Contract Amendment Number 4 (Contract Number C12146667) With Van Scoyoc Associates Inc. for Federal Legislative Representation to Extend the Contract for two Years Through July 31, 2018 and add \$202,000 for a Total Not-to-Exceed Amount of \$606,000.
9. Approval of an Amendment to the Existing Joint Powers Authority Agreement With the Silicon Valley Regional Interoperability Authority to Include Participation by the Santa Clara Valley Transit Authority.
10. Approval for the Consolidation of the Unscheduled Vacancy on the Planning and Transportation Commission With the Fall 2016 Board and Commission Recruitment.

**MOTION PASSED:** 8-0 Filseth absent

## Action Items

11. Resolution 9691 Entitled, "Resolution of the Council of the City of Palo Alto Adopting a Net Energy Metering Successor Rate E-EEC-1 (Export Electricity Compensation); Establishing the Net Energy Metering Transition Policy; and Amending Rule and Regulation 2 (Definitions and Abbreviations) and 29 (Net Energy Metering and Interconnection) (Continued From June 27, 2016)."

**MOTION:** Vice Mayor Scharff moved, seconded by Council Member Holman to adopt a Resolution adopting a Net Energy Metering (NEM) Successor Rate, E-EEC-1 ("Export Electricity Compensation") and amending Utilities Rule and Regulation 2 ("Definitions and Abbreviations") and 29 ("Net Energy Metering and Interconnection"); and direct Staff to return with options and a recommendation for the NEM Transition Policy.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "to Council within four months" after "direct Staff to return."

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add at the end of the Motion, "return to Council

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within one year of reaching the cap from the expiring NEM program with a report describing other NEM programs in California with a comparison to the Palo Alto program including the effectiveness of our program in spurring local residential solar options.”

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, “change the method for calculating the NEM cap to five percent of the customer class non-coincident peak.”

**MOTION RESTATED:** Vice Mayor Scharff moved, seconded by Council Member Holman to adopt a Resolution adopting a Net Energy Metering (NEM) Successor Rate, E-EEC-1 (“Export Electricity Compensation”) amending Utilities Rule and Regulation 2 (“Definitions and Abbreviations”) and 29 (“Net Energy Metering and Interconnection”); direct Staff to return to Council within four months with options and a recommendation for the NEM Transition Policy; return to Council within one year of reaching the cap from the expiring NEM program with a report describing other NEM programs in California with a comparison to the Palo Alto program including the effectiveness of our program in spurring local residential solar options; and change the method for calculating the NEM cap to five percent of the customer class non-coincident peak.

**MOTION AS AMENDED PASSED:** 8-0 Filseth absent

Council took a break from 8:08 P.M. to 8:17 P.M.

12. Interim Retail Preservation Ordinance: Request for a Waiver at 100 Addison, Discussion Regarding Applicability to Retail and "Retail-Like" Uses Which do not Have Required Entitlements, and Discussion Regarding Potential Ordinance Improvements and Next Steps.

**MOTION:** Council Member DuBois moved, seconded by Vice Mayor Scharff to direct Staff to return to Council with a framework for an Ordinance for the Downtown Area, including South of Forest Area Coordinated Area Plan Phase 2 (SOFA II) and a more flexible framework for the City as a whole.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, “including:

- A. Requiring display windows on properties with non-conforming uses; and

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- B. Considering adjustments to the Ground Floor (GF) boundary; and
- C. Considering protections outside the GF and for basements; updating definitions as needed; and
- D. Options to amortize out certain non-conforming uses along University Avenue."

**AMENDMENT:** Council Member Holman moved, seconded by Council Member XX to add to the Motion, "somewhat" after "(SOFA II) and a."

## **AMENDMENT FAILED DUE TO THE LACK OF A SECOND**

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "add to the requirement of Retail; 'generally open to the public with a minimum number of hours.'" (New Part E)

**MOTION RESTATED:** Council Member DuBois moved, seconded by Vice Mayor Scharff to direct Staff to return to Council with a framework for an Ordinance for the Downtown Area, including South of Forest Area Coordinated Area Plan Phase 2 (SOFA II) and a more flexible framework for the City as a whole, including:

- A. Requiring display windows on properties non-conforming uses; and
- B. Considering adjustments to the Ground Floor (GF) boundary; and
- C. Considering protections outside the GF and for basements; updating definitions as needed; and
- D. Options to amortize out certain non-conforming uses along University Avenue; and
- E. Add to the requirement of Retail; "generally open to the public with a minimum number of hours."

**MOTION AS AMENDED PASSED:** 8-0 Filseth absent

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**MOTION:** Council Member Holman moved, seconded by Council Member DuBois to deny the request for a waiver at 100 Addison Avenue from the Retail Protection Ordinance and uphold the Director's decision.

**AMENDMENT:** Vice Mayor Scharff moved, seconded by Council Member DuBois to add to the Motion, "and allow education uses in the Interim Ordinance."

## **AMENDMENT WITHDRAWN BY THE SECONDER**

**AMENDMENT:** Vice Mayor Scharff moved, seconded by Council Member Kniss to add to the Motion, "and allow education uses in the Interim Ordinance."

## **AMENDMENT WITHDRAWN BY THE MAKER**

**AMENDMENT:** Mayor Burt moved, seconded by Council Member Berman to add to the Motion, "and allow education and medical office uses in the Interim Ordinance."

**INCORPORATED INTO THE AMENDMENT WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Amendment, "for properties in SOFA II, Residential Transition-35 Zone (RT-35)."

**INCORPORATED INTO THE AMENDMENT WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Amendment, "on Alma Street."

**INCORPORATED INTO THE AMENDMENT WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Amendment, "or abutting" after "(RT-35), on."

**AMENDMENT RESTATED:** Mayor Burt moved, seconded by Council Member Berman to add to the Motion, "and allow education and medical office uses in the Interim Ordinance for properties in SOFA II, Residential Transition-35 Zone (RT-35), on or abutting Alma Street."

**AMENDMENT FAILED:** 4-4 DuBois, Holman, Scharff, Schmid no, Filseth absent

**AMENDMENT:** Vice Mayor Scharff moved, seconded by Council Member Kniss to add to the Motion, "and allow education uses in the Interim Ordinance for



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properties in SOFA II, Residential Transition-35 Zone (RT-35), on or abutting Alma Street.”

**AMENDMENT PASSED:** 5-3 DuBois, Holman, Schmid no, Filseth absent

**MOTION RESTATED:** Council Member Holman moved, seconded by Council Member DuBois to deny the request for a waiver at 100 Addison Avenue from the Retail Protection Ordinance and uphold the Director’s decision and allow education uses in the Interim Ordinance for properties in SOFA II, Residential Transition-35 Zone (RT-35), on or abutting Alma Street.

**MOTION AS AMENDED PASSED:** 8-0 Filseth absent

13. Policy Discussion on Comprehensive Plan Update Environmental Impact Report Scenarios 5 & 6 **(Staff requests this item be continued to August 29, 2016).**

This Item was continued to August 29, 2016.

## Inter-Governmental Legislative Affairs

14. Status Update and Potential City Responses to the Governor's "By Right" Housing Bill and Pending Bills Addressing Housing Issues.

## **NO ACTION TAKEN**

## Council Member Questions, Comments and Announcements

None.

Adjournment: The meeting was adjourned at 11:40 P.M.