



CITY OF PALO ALTO OFFICE OF THE CITY CLERK

November 28, 2016

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

Approval of Action Minutes for the November 14, 2016 Council Meeting

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

ATTACHMENTS:

- Attachment A: 11-14-16 DRAFT Action Minutes (DOCX)

Department Head: Beth Minor, City Clerk



CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting
November 14, 2016

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:30 P.M.

Present: Burt, DuBois, Filseth, Holman arrived at 5:33 P.M., Scharff, Schmid arrived at 5:33 P.M., Wolbach

Absent: Berman, Kniss

Closed Session

1. CONFERENCE WITH CITY ATTORNEY

City Designated Representatives: City Manager and his Designees Pursuant to Merit System Rules and Regulations (James Keene, Molly Stump, Rumi Portillo, Dania Torres Wong, Allyson Hauck)
Employee Organizations: Palo Alto Fire Chiefs' Association (FCA)
Authority: Government Code Section 54957.6(a).

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Authority: Govt. Code Section 54956.8
Property: Lytton I (Lytton Gardens), 656 Lytton Avenue; Lytton II, 651 University Avenue; Lytton IV, 322, 332 and 334 Everett Avenue, Palo Alto 94301
Assessor's Parcel Numbers: Lytton I AP# 120-03-074; Lytton II AP# 12-003-079; Lytton IV AP#120-14-046 & AP#120-14-048
Agency Negotiators: James Keene, Lalo Perez, Hamid Ghaemmaghami, Molly Stump
Negotiating Parties: Community Housing, Inc., Episcopal Homes Foundation, and City of Palo Alto
Under Negotiation: Price and Terms of City's Options to Repurchase Lytton Gardens Senior Communities.

Vice Mayor Scharff advised he will not be participating in Agenda Item Number 2- CONFERENCE WITH REAL PROPERTY NEGOTIATORS... because he owns real property within 500 feet of the subject property.

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

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MOTION PASSED: 5-0 Berman, Holman, Kniss, Schmid absent

Council went into Closed Session at 5:31 P.M.

Vice Mayor Scharff left the meeting at 6:00 P.M.

Council returned from Closed Session at 7:23 P.M. and Vice Mayor Scharff returned to the meeting

Mayor Burt announced Council voted 6-0 Berman, Kniss absent, Scharff recused, to authorize the Acting City Manager to exercise the City's purchase option on Lytton I (Lytton Gardens), 656 Lytton Avenue (APN 120-03-074) dated October 31, 2016 and directed Staff to work with Community Housing, Inc. toward an agreement that would preserve affordability for all Lytton Garden units for the longest term possible.

Special Orders of the Day

3. Three Resolutions: Resolution 9640 Entitled, "Resolution of the Council of the City of Palo Alto Expressing Appreciation to Abbie Knopper Upon Completion of her Term as a Parks and Recreation Commissioner;" Resolution 9641 Entitled, "Resolution of the Council of the City of Palo Alto Expressing Appreciation to Ed Lauing Upon Completion of his Term as a Parks and Recreation Commissioner;" and Resolution 9642 Entitled, "Resolution of the Council of the City of Palo Alto Expressing Appreciation to Jennifer Hetterly Upon Completion of her Term as a Parks and Recreation Commissioner."

MOTION: Council Member Schmid moved, seconded by Vice Mayor Scharff to adopt the three Resolutions expressing appreciation to Abbie Knopper, Ed Lauing, and Jennifer Hetterly.

MOTION PASSED: 7-0 Berman, Kniss absent

Agenda Changes, Additions and Deletions

None.

Consent Calendar

MOTION: Vice Mayor Scharff moved, seconded by Council Member Wolbach to approve Agenda Item Numbers 4-15, including changes to Agenda Item Number 14- Finance Committee Recommendation... as described by the Lalo Perez, Acting City Manager/Chief Financial Officer.

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Mayor Burt and Council Member Holman registered no votes on Agenda Item 15- SECOND READING: Adoption of an Ordinance Adding Chapter 9.17 (Personal Cultivation of Marijuana)...

4. Approval of Contract Number C17166399 With Page and Turnbull in the Amount of \$105,930 to Prepare Architectural Design Guidelines for Eichler Neighborhoods and Assist the City of Palo Alto in the Implementation of Related Changes to the Individual Review (IR) Guidelines and/or Zoning Code; and Adoption of Categorical Exemption Under Section 15061 of the California Environmental Quality Act (CEQA) Guidelines and Approval of a Related Budget Amendment in the General Fund.
5. Approval of a Contract Amendment With Cypress Security, Inc. (C16160138A) in the Amount of \$768,223 for a Total Not-to-Exceed Amount of \$2,092,215 and Extend the Term of the Agreement to June 30, 2017 and Approval of Budget Amendments in the General Fund.
6. Approval of Contract Number C17165854 With Anderson Pacific Engineering Construction, Inc. in the Total Amount Not-to-Exceed \$426,800 to Provide Construction Services for the Rehabilitation of the Meter Station in the Collection System to the Regional Water Quality Control Plant - Capital Improvement Program Project WQ-04011; and Finding of CEQA Exemption Pursuant to Guideline 15301(b), Maintenance of Existing Facilities.
7. Resolution 9643 Entitled, "Resolution of the Council of the City of Palo Alto to Authorize the City Manager to Submit Application(s) and Related Agreement(s) for the California Department of Resources Recycling and Recovery (CalRecycle) Rubberized Pavement Grant Program."
8. Adoption of an Ordinance Amending Palo Alto Municipal Code Chapter 4.39 (Private Intrusion Alarms).
9. Approval of Amendment Number 3 With C&S Engineers, Inc. Contract Number C15155208A to Increase the Contract by \$350,000 for a Total Not-to-Exceed Amount of \$1,458,329 for Engineering and Design Services Related to the Airport Apron Reconstruction Design Phase 1B; and Approval of a Budget Amendment in the Airport Enterprise Fund.
10. Approval of \$3,175,600 Appropriation to Capital Improvement Program Project VR-17000 From Vehicle Replacement and

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Maintenance Fund Reserve and Approval of Budget Amendments in Various Funds.

11. Utilities Advisory Commission Recommendation That the City Council Approve Design Guidelines for the 2017 Gas Cost of Service Analysis.
12. Approval of the Contract With American Reprographics Company, LLC (ARC) for Managed Print Services for a Not-to-Exceed Total of \$1,683,173 Over Five Years.
13. Approval and Authorization for the City Manager to Execute a Professional Services Agreement With Essence Partners in the Amount of \$870,000 for Utilities Marketing, Communication and Graphic Design Services for a Term of up to Three Years.
14. Finance Committee Recommendation That the City Council Approve the Fiscal Year 2016 Reappropriation Requests to be Carried Forward Into Fiscal Year 2017 and Approve Budget Amendments in Various Funds.
15. Ordinance 5399 Entitled, "Ordinance of the Council of the City of Palo Alto Adding Chapter 9.17 (Personal Cultivation of Marijuana) to Title 9 of the Palo Alto Municipal Code (Public Peace, Morals and Safety) to Prohibit Outdoor Cultivation of Marijuana (FIRST READING: October 24, 2016 PASSED: 7-1 Burt no, DuBois absent)."

MOTION FOR AGENDA ITEM NUMEBRS 4-14 PASSED: 7-0 Berman, Kniss absent

MOTION FOR AGENDA ITEM NUMBER 15 PASSED: 5-2 Burt, Holman no, Berman, Kniss absent

Action Items

16. PUBLIC HEARING: 900 N. California Ave. [14PLN-00233]: Recommendation for Approval of a Preliminary Parcel Map, With Exceptions, to Subdivide an Existing 30,837 Square Foot Parcel Into Three Parcels. The Parcel Map Exception is to Allow one of the Parcels to Exceed the Maximum Lot Area. Environmental Assessment: Exemption Pursuant to CEQA Guidelines Section 15061 (b)(3). Zoning District: Single-Family Residential District (R-1) **QUASI JUDICIAL.

Public Hearing opened at 8:24 P.M.

Public Hearing closed at 8:38 P.M.

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MOTION: Vice Mayor Scharff moved, seconded by Council Member DuBois to:

- A. Find the Project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3); and
- B. Approve the Record of Land Use Action for the proposed preliminary parcel map application.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "including the addition of a requirement that a second unit be built on Lot 3." (New Part B.i.)

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "increase the setbacks to 8 feet on all sides of the garage and accessory buildings on Lot 3." (New Part B.ii.)

AMENDMENT: Mayor Burt moved, seconded by Council Member XX to add to the Motion, "direct Staff to determine and certify that the aggregate de-watering of the three basements not be deleterious to the surrounding properties or vegetation."

AMENDMENT RESTATED: Mayor Burt moved, seconded by Council Member XX to add to the Motion, "direct Staff to review the third party dewatering review statement to assure that the aggregate impact is evaluated and not simply the individual dewatering impact of each lot."

AMENDMENT2: Mayor Burt moved, seconded by Council Member XX to add to the Motion, "add the requirement that this development be subject to whatever new dewatering requirements the Council adopts before the next dewatering season."

AMENDMENT2 RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "add the requirement that this development be subject to whatever dewatering requirements are in effect before the next dewatering season." (New Part C)

AMENDMENT RESTATED: Mayor Burt moved, seconded by Council Member XX to add to the Motion, "direct Staff to review the third party review statement to assure that any aggregate impact presented by the construction schedule is evaluated and not simply the individual dewatering impact of each lot."

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AMENDMENT RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "direct Staff to review the third party geo-technical report to assure that any aggregate impact presented by the construction schedule is evaluated and not simply the individual dewatering impact of construction on each lot." (New Part D)

MOTION AS AMENDED RESTATED: Vice Mayor Scharff moved, seconded by Council Member DuBois to:

- A. Find the Project exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15061(b)(3); and
- B. Approve the Record of Land Use Action for the proposed preliminary parcel map application:
 - i. Including the addition of a requirement that a second unit be built on Lot 3; and
 - ii. Increase the setbacks to 8 feet on all sides of the garage and accessory buildings on Lot 3; and
- C. Add the requirement that this development be subject to whatever dewatering requirements are in effect before the next dewatering season; and
- D. Direct Staff to review the third party geo-technical report to assure that any aggregate impact presented by the construction schedule is evaluated and not simply the individual dewatering impact of construction on each lot.

MOTION AS AMENDED PASSED: 7-0 Berman, Kniss absent

18. PUBLIC HEARING: Adoption of an Ordinance Approving Revisions to the Architectural Review Findings in Palo Alto Municipal Code Chapter 18.76 and Approval of an Exemption Under Sections 15061 and 15305 of the California Environmental Quality Act (CEQA) Guidelines. The Planning and Transportation Commission Recommended Council Approval of the Ordinance (Continued From September 12, 2016 and October 24, 2016).

Public Hearing opened and closed without public comment at 8:28 P.M.

MOTION: Vice Mayor Scharff moved, seconded by Council Member Wolbach to adopt an Ordinance modifying the Architectural Review (AR) approval findings including the following change:

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- A. Remove Municipal Code Section 18.76.020 (d)(2)(c).

AMENDMENT: Council Member Holman moved, seconded by Council Member XX to add to the Motion, "replace Municipal Code Section 18.76.020 (d)(2)(c) with, 'is consistent with Context Based Design Criteria, which will be applicable to the Downtown Business District, the California Avenue Business District, and El Camino Real.'"

AMENDMENT RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECODNER to add to the Motion, "remove from 18.76.020 (d)(1), '(including context-based design criteria, as applicable)' and replace 18.76.020(d)(2)(c) with, 'is consistent with the context-based design criteria of the applicable zone district.'" (New Part B)

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to remove Part A of the Motion.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "

- B. Replace Municipal Code Section 18.76.020 (d)(5) with, 'the landscape design complements and enhances the building design and its surroundings, is appropriate to the site's functions, and utilizes to the extent practical, regional indigenous drought-resistant plant material capable of providing desirable habitat and that can be appropriately maintained;' and

- C. Remove from Municipal Code Section 18.76.020 (2)(b), 'local' after 'including historic.'"

MOTION AS AMENDED RESTATED: Vice Mayor Scharff moved, seconded by Council Member Wolbach to adopt an Ordinance modifying the Architectural Review (AR) approval findings including the following changes:

- A. Remove from 18.76.020 (d)(1), "(including context-based design criteria, as applicable)" and replace 18.76.020(d)(2)(c) with, "is consistent with the context-based design criteria of the applicable zone district;" and

- B. Replace Municipal Code Section 18.76.020 (d)(5) with, "the landscape design complements and enhances the building design and its surroundings, is appropriate to the site's functions, and utilizes to the extent practical, regional indigenous drought-resistant plant material

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capable of providing desirable habitat and that can be appropriately maintained;" and

- C. Remove from Municipal Code Section 18.76.020 (2)(b), "local" after "including historic."

MOTION AS AMENDED PASSED: 7-0 Berman, Kniss absent

- 17. PUBLIC HEARING: Adoption of an Ordinance Amending the Fiscal Year 2017 Municipal Fee Schedule to Adjust Planning and Community Environment Fees to Reflect Adjustments to Salaries and Benefits Included in the Fiscal Year 2017 Budget.

Public Hearing opened and closed without public comment at 9:51 P.M.

MOTION: Vice Mayor Scharff moved, seconded by Council Member Schmid to:

- A. Find the Project exempt under Section 15273 of the California Environmental Quality Act Guidelines; and
- B. Adopt an Ordinance approving amendments to the Planning and Community Environment Section of the Municipal Fee Schedule for Fiscal Year 2017 to adjust fees based on a 5.5 percent adjustment for average salary and benefits increases.

MOTION PASSED: 7-0 Berman, Kniss absent

- 19. Finance Committee Recommendation That Council: (1) Adopt a Resolution Approving a Carbon Neutral Natural Gas Plan to Achieve a Carbon Neutral Gas Portfolio by Fiscal Year 2018 With no Greater Than 10¢/Therm Rate Impact; and Terminating the Palo Alto Green Gas Program; and (2) Provide Direction to Staff Concerning Aspects of Plan Implementation (**STAFF REQUESTS THIS ITEM BE CONTINUED TO DECEMBER 5, 2016**).

This Agenda Item continued to December 5, 2016.

Inter-Governmental Legislative Affairs

None.

Council Member Questions, Comments and Announcements

Vice Mayor Scharff reported on his election last Thursday as President of the Cities Association of Santa Clara County.

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Council Member Wolbach reported his attendance at a vigil Saturday night in front of City Hall recognizing the inclusivity and diversity of Palo Alto.

Council Member DuBois reported that he, along with Mayor Burt and Council Members Filseth and Holman are drafting a Colleagues Memorandum on the topic of providing water to East Palo Alto.

Mayor Burt reported that a draft of the Colleagues Memorandum mentioned by Council Member DuBois has been sent to the City Manager. He reported his participation in a Veterans Day event at the Palo Alto Veterans Hospital on Friday. He noted that veterans at the Hospital appreciated the recognition and appreciation received from the community. He encouraged the City and the community to be more deliberate regarding support of veterans. He reported on a visiting delegation from Heidelberg, Germany, a Smart Cities Alliance partner of the City. The delegation expressed interest in becoming a Sister City of Palo Alto. Another Smart Cities Alliance Partner, Yangpu District, Shanghai, China has also expressed interest in a Sister City relationship with Palo Alto. He mentioned that Neighbors Abroad has received these requests and plans to work with Heidelberg, Yangpu, and the City toward Sister City relationships.

Council Member Holman wanted to express her appreciation to Mayor Burt and Janice Svendsen, Executive Assistant to the City Manager for their efforts in planning and supporting the City's Veteran's Day event.

Council Member DuBois noted that Heidelberg has 47 Council Members.

Adjournment: The meeting was adjourned at 9:57 P.M.