



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

**February 26, 2018**

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

### **Approval of Action Minutes for the February 3 and 5, 2018 Council Meetings**

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

#### **ATTACHMENTS:**

- Attachment A: 02-03-18 DRAFT Action Minutes (DOCX)
- Attachment B: 02-05-18 DRAFT Action Minutes (DOCX)

Department Head: Beth Minor, City Clerk





# CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting  
February 3, 2018

The City Council of the City of Palo Alto met on this date in the El Palo Alto Room, Mitchell Park Community Center at 9:11 A.M.

Present: Filseth, Fine, Holman, Kniss, Kou, Scharff, Tanaka, Wolbach

Absent: DuBois

1. Mayor's Welcome, Overview of the Day, Retreat Orientation.
2. Oral Communications.
3. FY 2017 Performance Report, the National Citizen Survey™, Palo Alto Community Survey, and Citizen Centric Report.

## **NO ACTION TAKEN**

4. Policy and Services Committee Recommendation (Transportation, Housing, Finance, Grade Separation) and Selection of 2018 Council Priorities.
5. Discussion and Definition of Priorities With Greater Specificity – e.g. Sub-bullets, Outcomes, Milestones, Key Performance Indicators.

At this time, Agenda Items 4 and 5 were heard together.

The City Council took a break from 11:49 A.M. to 12:10 P.M.

**MOTION:** Council Member Scharff moved, seconded by Council Member Fine to approve the following as 2018 Council Priorities:

- A. Transportation
- B. Housing
- C. Finance
  - i. Create an Infrastructure Funding Plan.
- D. Grade Separation
  - i. Choose a preferred alternative by the end of the year.

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**AMENDMENT:** Council Member Wolbach moved, seconded by Council Member XX to add to the Motion under the Finance priority “long term employee costs” and “supply, affordability and renter protections” under the Housing priority.

## **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 under the Housing priority, “Adopt policies to increase the rate of market rate and affordable housing production according to the goals set forth in the Comprehensive Plan.”

**AMENDMENT:** Council Member Wolbach moved, seconded by Council Member XX to add to the Motion under the Transportation priority, “Improve mobility for Palo Alto residents by decreasing single occupancy vehicle trips to Palo Alto.”

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

**SUBSTITUTE MOTION:** Council Member Holman moved, seconded by Council Member XX to approve the following as 2018 Council Priorities:

- A. Transportation
- B. Housing
- C. Finance/Infrastructure Plan
- D. Grade Separation/Preferred Alternative

## **SUBSTITUTE MOTION FAILED DUE TO THE LACK OF A SECOND**

**AMENDMENT:** Council Member Tanaka moved, seconded by Council Member XX to add to the Motion under the Finance priority, “Account for the true cost of employees.”

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

**AMENDMENT:** Council Member Tanaka moved, seconded by Council Member Kou to add to the Motion under the Grade Separation priority sub-bullet i., “...and eliminate eminent domain.”

## **AMENDMENT WITHDRAWN BY THE MAKER**

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion under the Transportation

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priority “mobility, circulation, traffic mitigations and reduction of in-bound SOV trips.”

**MOTION AS AMENDED RESTATED:** Council Member Scharff moved, seconded by Council Member Fine to approve the following as 2018 Council Priorities:

- A. Transportation
  - i. Mobility, circulation, traffic mitigations and reduction of in-bound SOV trips.
- B. Housing
  - i. Adopt policies to increase the rate of market rate and affordable housing production according to the goals set forth in the Comprehensive Plan.
- C. Finance
  - i. Create an infrastructure funding plan.
- D. Grade Separation
  - i. Choose a preferred alternative by the end of the year.

**MOTION AS AMENDED PASSED:** 7-0 Tanaka not present, DuBois absent

## 6. Wrap-up and Next Steps.

Council Member Fine spoke about the importance of holding efficient meetings and prompt decision making in the coming year.

Mayor Kniss agreed and thanked everyone for attending the retreat. She also thanked Staff for their work in setting up the day’s event.

ADJOURNMENT: The meeting was adjourned at 2:52 P.M.



# CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Regular Meeting  
February 5, 2018

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:02 P.M.

Present: DuBois, Filseth, Fine, Holman, Kniss, Kou, Scharff, Tanaka, Wolbach

Absent:

## Closed Session

### 1. CONFERENCE WITH LABOR NEGOTIATORS

City Designated Representatives: City Manager and his Designees Pursuant to Merit System Rules and Regulations (James Keene, Ed Shikada, Charles Sakai, Rumi Portillo, Sandra Blanch, Nicholas Raisch, Molly Stump, Terence Howzell, Lalo Perez, Kiely Nose)  
Employee Organizations: Utilities Management and Professional Association of Palo Alto (UMPAPA); Service Employees International Union, (SEIU General Unit) Local 521; Palo Alto Peace Officers' Association (PAPOA); Palo Alto Fire Chiefs' Association (FCA); International Association of Fire Fighters (IAFF), Local 1319; Palo Alto Police Managers' Association (PAPMA); Unrepresented Management, Professional Employees, and Limited Hourly Employees  
Authority: Government Code Section 54957.6(a).

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

**MOTION PASSED:** 9-0

Council went into Closed Session at 6:05 P.M.

Council returned from Closed Session at 7:18 P.M.

Mayor Kniss announced no reportable action.

## Agenda Changes, Additions and Deletions

None.

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## Consent Calendar

**MOTION:** Vice Mayor Filseth moved, seconded by Council Member Scharff to approve Agenda Item Numbers 2-6.

2. Resolution 9737 Entitled, "Resolution of the Council of the City of Palo Alto Extending the Electric Rate Schedule E-1 TOU (Residential Time-of-Use Rate Adjustment) and Repealing Resolution 9495."
3. Resolution 9738 Entitled, "Resolution of the Council of the City of Palo Alto to Relinquish Enforcement of Parking Regulations to Stanford University of Off-street Parking Facilities Privately Owned and Maintained by Stanford University at the Following Locations: 217 Quarry Road (Hoover Pavilion Garage), Sweet Olive Way (Hoover Pavilion Surface Lot 1), 215 Quarry Road (Arboretum Children's Center Surface Lot 1A), 800 Welch Road (Cancer Clinical Trials Office), 780 Welch Road (Asian Liver Center Surface Lot)."
4. Adoption of an Ordinance Amending Chapter 10.56 (Special Speed Zones) of Title 10 of the Palo Alto Municipal Code to Reduce the Posted Speed Limit Near Private Schools.
5. Adoption of an Ordinance Amending Sections 4.42.190 (Taxi Meters) and 4.42.200 (Schedule of Rates, Display) of Chapter 4.42 of Title 4 (Business and License Regulations) of the Palo Alto Municipal Code to Allow Taxicab Service to be Prearranged by Mobile Device Application and Internet Online Service.
6. Approval of a Construction Contract With Vila Construction, Inc. in the Amount of \$2,298,376 and Approval of Amendment Number 3 to Contract Number C13148737 With Advance Design Consultants Inc. in the Amount of \$206,623 for a Not-To-Exceed Amount of \$876,890 for Construction Phase Services for the Lucie Stern Buildings Mechanical and Electrical Upgrades, Capital Improvement Program Project PE-14015.

**MOTION PASSED:** 9-0

## Action Items

9. Staff Recommends That Council Take the Following Actions Related to the Construction of the new Junior Museum and Zoo (JMZ):  
1) Approve the Agreement Between the City of Palo Alto and the Friends of the Palo Alto Junior Museum and Zoo to Replace the Existing Building and Facilities Housing the Palo Alto Junior Museum and Zoo

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With a new Building and Facilities (Facilities Agreement), Including the Site Lease and Agreement Regarding use Restriction; and 2) Authorize the City Manager to Approve the Final Design for the new JMZ Based on the Recommendation of the Construction Liaison Team, and Consistent With the Preliminary Design Approved by the City Council on December 4, 2017; and 3) Amend the Fiscal Year 2018 Budget Appropriation Ordinance for the Capital Improvement Fund by: a) Increasing the Appropriation for the JMZ Renovation Project AC-18001 by \$682,000; and b) Increasing the Appropriation for Rinconada Park Improvements PE-08001 by \$1,629,000; and c) Decreasing the Infrastructure Reserve by \$2,311,000; and 4) Direct Staff to Identify a Funding Strategy for the Remaining Portion of the City's Contribution to the Project (\$3,898,000) as Part of the FY 2019 Budget Process.

**MOTION:** Council Member Wolbach moved, seconded by Council Member Scharff to:

- A. Approve an agreement between the City of Palo Alto and the Friends of the Palo Alto Junior Museum and Zoo to replace the existing building and facilities housing the Palo Alto Junior Museum and Zoo (JMZ) with a new building and facilities (Facilities Agreement), including the Site Lease and Agreement regarding use restriction; and
- B. Authorize the City Manager to approve the final design for the new JMZ based on the recommendation of the Construction Liaison Team, and consistent with the preliminary design approved by the City Council on December 4, 2017; and
- C. Amend the Fiscal Year 2018 Budget Appropriation Ordinance for the Capital Improvement Fund by:
  - i. Increasing the appropriation for the JMZ Renovation Project AC-18001 by \$682,000; and
  - ii. Increasing the appropriation for Rinconada Park Improvements PE-08001 by \$1,629,000; and
  - iii. Decreasing the Infrastructure Reserve by \$2,311,000; and
- D. Direct Staff to identify a funding strategy for the remaining portion of the City's contribution to the project (\$3,898,000) as part of the FY 2019 Budget Process.



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**AMENDMENT:** Council Member DuBois moved, seconded by Council Member Holman to replace in the Motion Part D, "direct Staff to identify" with "refer to the Finance Committee, as part of the infrastructure funding discussion, identifying."

**AMENDMENT FAILED:** 3-6 DuBois, Holman, Kou yes

**MOTION PASSED:** 9-0

7. Review and Accept a Proposed Housing Work Plan for 2018-2019 and Refer Specific Elements to the Planning & Transportation Commission for Preparation of Related Zoning Ordinance(s).

**MOTION:** Council Member Fine moved, seconded by Council Member Scharff to:

A. Direct Staff to:

- i. Complete ongoing projects and initiatives designed to stimulate the production of affordable and workforce housing; and
- ii. Develop and adopt one or more zoning amendment Ordinances with provisions designed to encourage production of a diversity of housing types in appropriate locations; and
- iii. Prepare the economic analyses necessary to prepare and consider Ordinances increasing inclusionary requirements from 15 percent to 20 percent for new development, applying inclusionary requirements to new rental housing, and requiring payment of in-lieu fees or off-site replacement if existing units are removed from the housing stock resulting in a net loss of units; and
- iv. Use the City's affordable housing funds to stimulate the rehabilitation and development of new affordable housing; and
- v. Partner with other agencies and organizations to meet the needs of underserved members of our community and to engage in community conversations about the use of publicly-owned land for affordable housing; and
- vi. Add an item to the 2018 Ordinance to increase housing Floor Area Ratio (FAR) in the Downtown, California Avenue, and El Camino Real areas; and

B. Refer Work Plan Items 2.1 through 2.6 to the Planning and Transportation Commission for input on the preparation of a

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2018 Housing Ordinance and a recommendation for consideration by the City Council; and

- C. Refer Work Plan Items 3.1 through 4.2 to the Policy and Services Committee for input on possible policy changes and on the use of City housing funds.

This Agenda Item continued to February 12, 2018.

- 8. PUBLIC HEARING: Two Resolutions: Resolution 9739 Entitled, "Resolution of the Council of the City of Palo Alto to Continue the Evergreen Park-Mayfield Residential Preferential Parking (RPP) Program With Modifications;" and Resolution 9740 Entitled, "Resolution of the Council of the City of Palo Alto Establishing 2-Hour Parking Along a Portion of El Camino Real Between College Avenue and Park Boulevard; and Finding the Action Exempt From the California Environmental Quality Act (CEQA) (Continued From December 11, 2017 and January 29, 2018)."

Mayor Kniss advised she would not participate in this Item because she owns real property within 500 feet of the Evergreen Park-Mayfield Residential Preferential Parking District. She left the meeting at 9:09 P.M.

Council took a break from 9:09 P.M. to 9:19 P.M.

Public Hearing opened at 9:33 P.M.

Public Hearing closed at 10:15 P.M.

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

- A. Adopt a Resolution to conclude the "pilot" phase of the Evergreen Park—Mayfield Residential Preferential Parking (RPP) Program established by Resolution 9663 and make the Program permanent with the following modifications:
  - i. Create three new zones (for a total of six) to better distribute employee parking occupancy throughout the District; and
  - ii. Increase employee permits for employees/employers located outside of the California Avenue Business District by 40 and distribute these employee permits within new Zones A, B, C, and D (previously Zone A and B) and move them to Zone G (see Part B) once approved by Caltrans, if Zone G is not approved, return to Council for direction within one year from April 1, 2018; and

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- iii. Add a cap to the employee daily permits, similar to the Downtown RPP District; and
  - iv. Clarify language regarding re-parking; and
  - v. Reference the program goals of reducing impacts of overflow parking from the commercial district on the neighborhood; and
  - vi. Set fees to match the Palo Alto Municipal Fee Schedule; and
- B. Direct Staff to draft a Resolution establishing a new Zone G on the East side of El Camino Real between College Avenue and Park Boulevard; and
- C. Direct Staff to make corresponding changes to the Administrative Guidelines for the RPP programs; and
- D. Find these actions exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3) and 15301 (existing facilities) of Title 14 of the California Code of Regulations.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "direct Staff to return with a recommendation regarding selling garage and lot permits to businesses outside the inactive parking assessment district." (New Part E)

**AMENDMENT:** Council Member DuBois moved, seconded by Council Member Holman to add to the Motion, "direct Staff to return with an allocation process that prioritizes neighborhood serving businesses." (New Part F)

**AMENDMENT PASSED:** 6-2 Fine, Scharff no, Kniss absent

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

- A. Adopt a Resolution to conclude the "pilot" phase of the Evergreen Park—Mayfield Residential Preferential Parking (RPP) Program established by Resolution 9663 and make the Program permanent with the following modifications:
- i. Create three new zones (for a total of six) to better distribute employee parking occupancy throughout the district; and

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- ii. Increase employee permits for employees/employers located outside of the California Avenue Business District by 40 and distribute these employee permits within new Zones A, B, C, and D (previously Zone A and B) and move them to Zone G (see Part B) once approved by Caltrans, if Zone G is not approved, return to Council for direction within one year from April 1, 2018; and
  - iii. Add a cap to the employee daily permits, similar to the Downtown RPP district; and
  - iv. Clarify language regarding re-parking; and
  - v. Reference the program goals of reducing impacts of overflow parking from the commercial district on the neighborhood; and
  - vi. Set fees to match the Palo Alto Municipal Fee Schedule; and
- B. Direct Staff to draft a Resolution establishing a new Zone G on the East side of El Camino Real between College Avenue and Park Boulevard; and
  - C. Direct Staff to make corresponding changes to the Administrative Guidelines for the RPP programs; and
  - D. Find these actions exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Sections 15061(b)(3) and 15301 (existing facilities) of Title 14 of the California Code of Regulations; and
  - E. Direct Staff to return with a recommendation regarding selling garage and lot permits to businesses outside the inactive parking assessment district; and
  - F. Direct Staff to return with an allocation process that prioritizes neighborhood serving businesses.

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

## Inter-Governmental Legislative Affairs

None.

## Council Member Questions, Comments and Announcements

Council Member Wolbach reported his attendance at the Palo Alto Transportation Management Association (TMA) meeting on Tuesday. The

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TMA Board approved a contract with Altrans for Executive Director services. The TMA discussion included possible expansion to the California Avenue area and partnerships with other cities.

Adjournment: The meeting was adjourned at 11:19 P.M.