



CITY OF PALO ALTO OFFICE OF THE CITY CLERK

June 18, 2018

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

Approval of Action Minutes for the June 4, 2018 Council Meeting

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

ATTACHMENTS:

- Attachment A: 06-04-18 DRAFT Action Minutes (DOCX)

Department Head: Beth Minor, City Clerk



CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting
June 4, 2018

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:06 P.M.

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

Absent:

Closed Session

1. PUBLIC EMPLOYMENT
Title: City Manager
Authority: Government Code Section 54957(b).

MOTION: Vice Mayor Filseth moved, seconded by Council Member Scharff to go into Closed Session.

MOTION PASSED: 9-0

Council went into Closed Session at 5:07 P.M.

Council returned from Closed Session at 7:23 P.M.

Mayor Kniss announced the Council will go back into Closed Session after Agenda Item Number 8 - PUBLIC HEARING/LEGISLATIVE AND QUASI-JUDICIAL: 2755 El Camino Real [16PLN-00464]...

Agenda Changes, Additions and Deletions

MOTION: Council Member Wolbach moved, seconded by Council Member Scharff to continue Agenda Item Number 9- PUBLIC HEARING: LEGISLATIVE AND QUASI-JUDICIAL 250 and 350 Sherman Avenue, Public Safety Building Project... to June 11, 2018.

MOTION PASSED: 9-0

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Minutes Approval

2. Approval of Action Minutes for the May 21, 2018 Council Meeting.

MOTION: Vice Mayor Filseth moved, seconded by Council Member Wolbach to approve the Action Minutes for the May 21, 2018 Council Meeting.

MOTION PASSED: 9-0

Consent Calendar

MOTION: Council Member Kou moved, seconded by Council Member Holman, third by Council Member Tanaka to pull Agenda Item Number 4- QUASI-JUDICIAL: Consideration of Appeals of the Planning and Community Environment Director's Decision to Approve the Architectural Review Application for 620 Emerson Street... to be heard on a date uncertain.

MOTION: Vice Mayor Filseth moved, seconded by Council Member Scharff to approve Agenda Item Numbers 3, 5-6.

3. Approval and Authorization for the City Manager to Execute an Electric Enterprise Fund Construction Contract With Hot Line Construction, Inc. in the Total Not-to-Exceed Amount of \$652,558, Which Includes the Contract Amount of \$593,235 Plus a 10 Percent Contingency of \$59,323, for the Pole Replacement 2018 Project.
4. ~~QUASI-JUDICIAL: Consideration of Appeals of the Planning and Community Environment Director's Decision to Approve the Architectural Review Application for 620 Emerson Street (17PLN-00331) to Allow Demolition of an Existing Single Story Building and Construction of a new Two story 4,063 Square Foot Commercial Building for the Expansion of Nobu Restaurant. The Project Includes Replacement of Three On-site Parking Spaces With Five In-lieu Spaces in the Downtown Parking Assessment District. Environmental Assessment: Exempt From the Provisions of the California Environmental Quality Act (CEQA) per Guideline Section 15303 (New Construction). Zoning District: CD-C (GF)(P) (Downtown Commercial).~~
5. Ordinance 5440 Entitled, "Ordinance of the Council of the City of Palo Alto Amending Chapter 10.51 of Title 10 of the Palo Alto Municipal Code Related to the Crescent Park No Overnight Parking Program to Reflect the Current Status of Approved Streets Within the Program, to Tentatively Approve Additional Street Segments Within Crescent Park, and to add Provisions for Opting-out of or Dissolving the Restricted

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Parking Area (FIRST READING: May 14, 2018 PASSED: 8-0 DuBois absent).”

6. Ordinance 5441 Entitled, “Ordinance of the Council of the City of Palo Alto Amending Palo Alto Municipal Code Chapter 4.39 (Private Intrusion Alarms) to Include the Addition of Unwanted, Unwarranted Residential, and Commercial Fire Alarms (FIRST READING: May 14, 2018 PASSED: 8-0 DuBois Absent).”

MOTION PASSED: 9-0

Action Items

7. Review of Refined Public Opinion Survey Results Regarding Potential 2018 Ballot Measure to Address the Funding Gap for the 2014 Infrastructure Plan and Unplanned Potential Community Assets Projects, and Potential Direction to City Staff for a 2018 Ballot Measure.

MOTION: Council Member Scharff moved, seconded by Vice Mayor Filseth to direct Staff to return to Council with language for a 2 percent Transient Occupancy Tax (TOT) revenue measure for the November 2018 ballot.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE OF THE MAKER AND SECONDER to add to the Motion, “and an alternative of a 1 percent TOT measure along with a separate 1 percent tourism fee.”

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE OF THE MAKER AND SECONDER to add to the Motion, “direct Staff to increase enforcement of short term stay collection of TOT by auditing providers by the end of 2019 and spot verification that fees are being collected from the largest rental providers.” (New Part B)

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace the Motion Part B with, “direct Staff to increase enforcement of short term stay collection of TOT through a process of auditing providers by the end of 2019.”

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to remove from the Motion Part B, “through a process of auditing providers.”

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

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- A. Return to Council with language for a 2 percent Transient Occupancy Tax (TOT) revenue measure for the November 2018 ballot and an alternative of a 1 percent TOT measure along with a separate 1 percent tourism fee; and
- B. Direct Staff to increase enforcement of short term stay collection of TOT by the end of 2019.

MOTION AS AMENDED PASSED: 6-3 Holman, Kou, Tanaka no

MOTION: Mayor Kniss moved, seconded by Council Member Fine to refer the concept of a sugar sweetened beverage tax to the Policy and Services Committee for further analysis and a long term plan for placement on a future ballot or not.

SUBSTITUTE MOTION: Council Member DuBois moved, seconded by Council Member Holman to direct Staff to return to Council with a sugar sweetened beverage tax modeled after the Berkeley Tax with funds directed to the General Fund, funding parks, recreation, and community services.

SUBSTITUTE MOTION FAILED: 4-5 DuBois, Holman, Kou, Scharff yes

MOTION PASSED: 8-1 Kou no

- 8. PUBLIC HEARING/LEGISLATIVE AND QUASI-JUDICIAL: 2755 El Camino Real [16PLN-00464]: Adoption of an Ordinance Amending Palo Alto Municipal Code (PAMC) Title 18 (Zoning) Chapter 18.30 (Combining Districts) to add a new Combining District to Allow for Higher Density Multi-family Housing that Includes a Workforce Housing Component to be Located on Public Facilities Zoned Properties Within 0.5 Miles of Fixed Rail Transit Stations; Adoption of an Ordinance Amending the Zoning Map to Apply the New Combining District to the Subject Property at 2755 El Camino Real; Site and Design Approval to Allow Construction of a 57 Unit Multi-Family Residence at the Subject Property; and Resolution 9760 Entitled, "Resolution of the Council of the City of Palo Alto Adopting the 2755 El Camino Real Multi-Family Residential Project Mitigated Negative Declaration." Environmental Assessment: An Initial Study (IS/MND) Was Published for Public Comment on January 19, 2018 for a Circulation Period Ending on February 20, 2018. A Final MND was Published on May 18, 2018. Zone District: Public Facilities (PF).

Public Hearing opened at 10:27 P.M.

Public Hearing closed at 11:03 P.M.

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

- A. Adopt a mitigated negative declaration Resolution and a mitigation monitoring and reporting plan;
- B. Adopt an Ordinance to create a new "Workforce Housing Combining District;"
- C. Adopt an Ordinance to amend the Zoning Map and apply the new Combining District to 2755 El Camino Real;
- D. Approve the site and design application based on the findings and subject to conditions of approval included in the draft Record of Land Use Action including the following changes to the conditions of approval:
 - i. Replace in Condition 1, "February 20, 2018" with "March 22, 2018;"
 - ii. Add a Condition, "the applicant shall be responsible for financing the new bus shelter shown on the project plans sheet C7;"
 - iii. Replace in Condition 7, "Building Permit" with "Certificate of Occupancy;"
- E. Add to Municipal Code Section 18.30(K).090(d), "within a three (3) mile radius of the project or" after "whose place of employment is;" and
- F. Direct Staff to return to Council with an Ordinance applying this district to commercial properties.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace Motion Part F with, "direct Staff to return to Council with an appropriate Ordinance applying a workforce housing combining district to commercial properties."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to remove Part D.iii. from the Motion.

AMENDMENT: Council Member DuBois moved, seconded by Council Member Holman to add to the Motion, "to direct Staff to revise the Ordinance to provide that the Combining District would not be available to projects utilizing the State Density Bonus Law."

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AMENDMENT FAILED: 4-5 DuBois, Filseth, Holman, Kou yes

MOTION AS AMENDED RESTATED: Council Member Fine moved, seconded by Council Member Scharff to:

- A. Adopt a mitigated negative declaration Resolution and a mitigation monitoring and reporting plan;
- B. Adopt an Ordinance to create a new "Workforce Housing Combining District;"
- C. Adopt an Ordinance to amend the Zoning Map and apply the new Combining District to 2755 El Camino Real;
- D. Approve the site and design application based on the findings and subject to conditions of approval included in the draft Record of Land Use Action including the following changes to the conditions of approval:
 - i. Replace in Condition 1, "February 20, 2018" with "March 22, 2018;"
 - ii. Add a Condition, "the applicant shall be responsible for financing the new bus shelter shown on the project plans sheet C7;"
- E. Add to Municipal Code Section 18.30(K).090(d), "within a three (3) mile radius of the project or" after "whose place of employment is;" and
- F. Direct Staff to return to Council with an appropriate Ordinance applying a workforce housing combining district to commercial properties.

Motion Part F separated for the purpose of voting.

MOTION PART F PASSED: 5-4 DuBois, Holman, Kou, Tanaka no

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "add a requirement for an emergency number to report noise concerns." (New Part F)

AMENDMENT: Council Member Holman moved, seconded by Council Member DuBois to add to the Motion, "add to Municipal Code Section 18.30(K).090(d), 'following a two-week offer period' after 'first category.'"

AMENDMENT WITHDRAWN BY THE MAKER

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AMENDMENT: Council Member Holman moved, seconded by Council Member Kou to add to the Motion, "require the Regulatory Agreement return to Council."

AMENDMENT FAILED: 4-5 DuBois, Filseth, Holman, Kou yes

MOTION AS AMENDED RESTATED: Council Member Fine moved, seconded by Council Member Scharff to:

- A. Adopt a mitigated negative declaration Resolution and a mitigation monitoring and reporting plan;
- B. Adopt an Ordinance to create a new "Workforce Housing Combining District;"
- C. Adopt an Ordinance to amend the Zoning Map and apply the new Combining District to 2755 El Camino Real;
- D. Approve the site and design application based on the findings and subject to conditions of approval included in the draft Record of Land Use Action including the following changes to the conditions of approval:
 - i. Replace in Condition 1, "February 20, 2018" with "March 2, 2018;"
 - ii. Add a Condition, "the applicant shall be responsible for financing the new bus shelter shown on the project plans sheet C7;"
- E. Add to Municipal Code Section 18.30(K).090(d), "within a three (3) mile radius of the project or" after "whose place of employment is;" and
- F. Add a requirement for an emergency number to report noise concerns.

MOTION AS AMENDED PASSED: 7-2 Holman, Kou no

Mayor Kniss announced Council will not return to Agenda Item Number 1- PUBLIC EMPLOYMENT...

- ~~9. PUBLIC HEARING: LEGISLATIVE AND QUASI JUDICIAL 250 and 350 Sherman Avenue, Public Safety Building Project: Adoption of: 1) Resolution of Approval of Final Environmental Impact Report for a New Public Safety Building at 250 Sherman Avenue and a New Four Story Parking Structure at 350 Sherman Avenue; and 2) Ordinance Modifying the Public Facilities (PF) Zone Development Standards; and~~

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~~(3) Approval of the Record of Land Use Action Approving Architectural Review Application [File 17PLN-00257] for a new Four-story Parking Structure at 350 Sherman Avenue to Provide 636 Public Parking Spaces Above and Below Grade. Planning and Transportation Commission Review Recommended Modification to PF Zoning Development Standards on January 31, 2018 **(STAFF REQUESTS THIS ITEM BE CONTINUED TO JUNE 11, 2018)**;~~

State/Federal Legislation Update/Action

None.

Adjournment: The meeting was adjourned at 12:56 A.M.