



CITY OF PALO ALTO OFFICE OF THE CITY CLERK

June 24, 2019

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

Approval of Action Minutes for the June 3 and June 10, 2019 Council Meetings

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

ATTACHMENTS:

- Attachment A: 06-03-2019 DRAFT Action Minutes (DOCX)
- Attachment B: 06-10-2019 DRAFT Action Minutes (DOCX)

Department Head: Beth Minor, City Clerk



CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting
June 3, 2019

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

Present: Cormack, DuBois, Filseth, Fine, Kniss, Kou, Tanaka

Absent:

Closed Session

1. CONFERENCE WITH CITY ATTORNEY- EXISTING LITIGATION
Subject: Gustavo Alvarez v. City of Palo Alto, et al.
United States District Court, Northern District of California,
Case No. 5:19-cv-02328-NC
Authority: Government Code Section 54956.9(d)(1).

MOTION: Council Member Dubois moved, seconded by Council Member Kniss to go into Closed Session.

MOTION PASSED: 7-0

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

Council returned from Closed Session at 6:18 P.M.

Mayor Filseth announced no reportable action.

Study Session

2. Safe Routes to School Annual Update.

NO ACTION TAKEN

Agenda Changes, Additions and Deletions

None

Minutes Approval

3. Approval of Action Minutes for the May 13, 2019 Council Meeting.

MOTION: Council Member Kniss moved, seconded by Council Member DuBois to approve the Action Minutes for the May 13, 2019 Council Meeting.

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MOTION PASSED: 7-0

Consent Calendar

MOTION: Council Member DuBois moved, seconded by Council Member Kou, third by Council Member Tanaka to remove Agenda Item Number 11, "Adoption of a Resolution Amending Objective Standards for Wireless Communications Facilities..." to be heard on June 17, 2019.

MOTION: Vice Mayor Fine moved, seconded by Council Member Cormack to approve Agenda Item Numbers 4-10, 11-13.

4. Approval of Amendment Number 2 to Contract Number C16161210 With Shah Kawasaki Architects, Inc., in an Amount Not-to-Exceed \$117,564 to Provide Continued Construction Administration and LEED Certification Services for the Fire Station 3 Replacement Project (PE-15003), for a new Total Not-To-Exceed Amount of \$814,242.
5. Approval and Authorization for the City Manager to Execute a Fiber Optic Lease Agreement With Equinix LLC., for a Term Not-to-Exceed Five Years and a Total Not-to-Exceed Amount of \$625,465.
6. Authorization for the City Manager to Sign a Memorandum of Understanding for a \$200,000 Grant of Funds With the State Homeland Security Grant Program via Santa Clara County for a Solar Generator to Support the Mobile Emergency Operations Center (MEOC).
7. Adoption of a Park Improvement Ordinance for Pickleball Courts at Mitchell Park.
8. Preliminary Approval of the Downtown Business Improvement District (BID) 2019-2020 Annual Report; Adoption of a Resolution 9835 Entitled "Resolution of the Council of the City of Palo Alto Declaring an Intention to Levy an Assessment Against Businesses Within the BID for Fiscal Year 2020; and Setting a Time and Place for a Public Hearing to be Held by the City Council on the Levy of the Proposed Assessment."
9. QUASI-JUDICIAL.1210 Newell Road [18PLN-00289]: Recommendation by the Planning and Transportation Commission to Uphold the Director's Tentative Decision to Deny a Variance Request to Allow for an Exception From the Standard Corner Lot Fence Height Regulations for a Fence of Approximately 7' 5" in the Front Yard, 8' in the Rear Yard, and 7' 5" in the Street Yard, and no Reduced Height in the Sight Triangle for the Newell Road/Community Lane Intersection. Environmental Assessment: In Accordance With Guideline Section 15270, California Environmental

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Quality Act (CEQA) Does not Apply to Projects That a Public Agency Disapproves. Zoning District: R-1 (Single-Family).

10. Policy and Services Committee Recommends the Council Accept the 2019-2020 Sustainability Work Plan.
11. ~~Adoption of a Resolution Amending Objective Standards for Wireless Communications Facilities on Wood Utility Poles in the Public Rights of Way to Correct an Administrative Error.~~
12. Ordinance 5466 Entitled "Ordinance of the Council of the City of Palo Alto Amending Title 16 (Building Regulations) of the Palo Alto Municipal Code to Require Management of PCBs During Building Demolition in Compliance With the Municipal Regional Stormwater Permit (FIRST READING: May 20, 2019 PASSED 7-0)."
13. Ordinance 5467 Entitled "Ordinance of the Council of the City of Palo Alto Amending Title 12 of the Palo Alto Municipal Code to set a 120 Day Statute of Limitations for Challenges to the City's Gas Rates (FIRST READING: May 20, 2019 PASSED 7-0)."

MOTION PASSED FOR AGENDA ITEM NUMBERS 4-10, 12-13: 7-0

Action Items

14. Discussion and Direction Regarding the Cubberley Master Plan, Including a Request for Proposal for Development of the Cubberley Business Plan and Level of Housing for the California Environmental Quality Act (CEQA) Review.

Council took a break at 7:54 P.M. and returned at 8:14 P.M.

MOTION: Council Member DuBois moved, seconded by Council Member Kou to request a Request for Proposal (RFP) for development of a Cubberley Business Plan, as well as the following:

- A. Assume that lease payments will go into a development fund after December, 2019. Do not assume automatic renewal of lease;
- B. Assume that if the parties chose to do so they can relocate the property lines to benefit the project;
- C. Assume that ownership and operational costs will be subject to negotiation based on funding commitments;

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- D. Explore higher density for housing on San Antonio at 32, 64, and 112 Units for California Environmental Quality Act (CEQA) purposes; and
- E. Business plan should propose parkland dedications as part of the project.

SUBSTITUTE MOTION: Council Member Cormack moved, seconded by Council Member Kniss to:

- A. Direct Staff to proceed with a Request for Proposals (RFP) for a consultant to develop a business plan and proforma for future Cubberley construction and operations; and
- B. Direct Staff to include Option 3, 112 housing units, in the California Environmental Quality Act (CEQA) Project Description.

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to change the Motion Part B to state "Direct Staff to include Option 4, 164 Housing units, in the California Environmental Quality Act (CEQA) Project Description."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion a New Part C to direct Staff to hold a Joint Study Session with PAUSD in August 2019.

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion Part C: i. Assume that if the parties chose to do so they can relocate the property lines to benefit the project; and ii. Assume that ownership and operational costs will be subject to negotiation based on funding commitments.

SUBSTITUTE MOTION AS AMENDED RESTATED: Council Member Cormack moved, seconded by Council Member Kniss to:

- A. Direct Staff to proceed with a Request for Proposals (RFP) for a consultant to develop a business plan and proforma for future Cubberley construction and operations; and
- B. Direct Staff to include Option 4, 164 Housing units, in the California Environmental Quality Act (CEQA) Project Description.
- C. Hold a Joint Study Session with PAUSD in August 2019, which will include discussion regarding the following:
 - i. Assume that if the parties chose to do so they can relocate the property lines to benefit the project; and

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- ii. Assume that ownership and operational costs will be subject to negotiation based on funding commitments.

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to change the Motion Part B to state "Direct Staff to study 164 housing units, with up to 100 units on City land, and up to 112 units on 525 San Antonio and Greendell School, in the California Environmental Quality Act (CEQA) Project Description."

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to move Part C. ii. to Part A.

SUBSTITUTE MOTION AS AMENDED RESTATED: Council Member Cormack moved, seconded by Vice Mayor Fine to:

- A. Direct Staff to proceed with a Request for Proposals (RFP) for a consultant to develop a business plan and proforma for future Cubberley construction and operations, and assume that ownership and operational costs will be subject to negotiation based on funding commitments;
- B. Direct Staff to study 164 housing units, with up to 100 units on City land, and up to 112 units on 525 San Antonio and Greendell School, in the California Environmental Quality Act (CEQA) Project Description; and
- C. Hold a Joint Study Session with PAUSD in August 2019, which will include discussion regarding the following:
 - i. Assume that if the parties chose to do so they can relocate the property lines to benefit the project

SUBSTITUTE MOTION AS AMENDED PASSED: 4-3 DuBois, Kou, Tanaka no

Mayor Filseth, who voted on the affirmative side, asked for a reconsideration of the Substitute Motion.

SUBSTITUTE MOTION AS AMENDED FAILED: 3-4 DuBois, Filseth, Kou, Tanaka no.

MOTION RESTATED: Council Member DuBois moved, seconded by Council Member Kou to request a RFP for development of a Cubberley Business Plan, as well as the following:

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- A. Assume that lease payments will go into a development fund after December, 2019. Do not assume automatic renewal of lease;
- B. Assume that if the parties chose to do so they can relocate the property lines to benefit the project;
- C. Assume that ownership and operational costs will be subject to negotiation based on funding commitments;
- D. Explore higher density for housing on San Antonio at 32, 64, and 121 Units for CEQA purposes; and
- E. Business plan should propose parkland dedications as part of the project.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to delete from the Motion Parts A and E.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion Part D "...and Greendell School..."

AMENDMENT: Vice Mayor Fine moved, seconded by Council Member Kniss to change Motion Part C to support Option 4 for CEQA purposes.

AMENDMENT FAILED: 3-4 Cormack, Fine, Kniss yes

MOTION AS AMENDED RESTATED: Council Member DuBois moved, seconded by Council Member Kou to request a RFP for development of a Cubberley Business Plan, as well as the following:

- A. Assume that if the parties chose to do so they can relocate the property lines to benefit the project;
- B. Assume that ownership and operational costs will be subject to negotiation based on funding commitments; and
- C. Explore higher density for housing on San Antonio and Greendell School at 32, 64, and 112 Units for CEQA purposes.

SUBSTITUTE MOTION: Council Member Cormack moved, seconded by Vice Mayor Fine to:

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- A. Direct Staff to proceed with a Request for Proposals (RFP) for a consultant to develop a business plan and proforma for future Cubberley construction and operations, and assume that ownership and operational costs will be subject to negotiation based on funding commitments;
- B. Direct Staff to study 112 housing units, with up to 100 units on City land, and up to 112 units on 525 San Antonio and Greendell School, in the California Environmental Quality Act (CEQA) Project Description; and
- C. Hold a Joint Study Session with PAUSD in August 2019, which will include discussion regarding the following:
 - i. Assume that if the parties chose to do so they can relocate the property lines to benefit the project.

SUBSTITUTE MOTION PASSED: 6-1 Tanaka no

- 15. PUBLIC HEARING / QUASI-JUDICIAL. 2321 Wellesley Street [18PLN-00178]: Request for a Zone Change From R-1 to RMD (NP) and Approval of a Major Architectural Review to Construct a Two-family Residence. Environmental Assessment: Exempt From the Provisions of CEQA per Section 15303. Zoning District: R-1 (Single-family Residential).

Public Hearing opened at 11:20 P.M.

Public Hearing closed at 11:24 P.M.

MOTION: Council Member DuBois moved, seconded by Council Member Kniss to:

- A. Find the proposed Ordinance and project exempt from the California Environmental Quality Act in accordance with CEQA Guidelines Section 15303(b);
- B. Introduce an Ordinance amending the Zoning Map to rezone the subject property from R-1 to RMD(NP) as recommended by the Planning and Transportation Commission on December 12, 2018; and
- C. Adopt the Record of Land Use Action approving the Architectural Review, based on findings and subject to conditions of approval as recommended by the Architectural Review Board on December 20, 2018.

MOTION PASSED: 7-0

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16. Authorize and Approve \$1 Million From the Residential Housing In-lieu Fund and \$9 Million From the Commercial Housing Fund for a Total of \$10 Million for the Development and Construction of the 100 Percent Affordable Housing Project at 3705 El Camino Real; and Approve Budget Amendments in the Residential Housing In-lieu Fund and the Commercial Housing Fund.

MOTION: Council Member Kniss moved, seconded by Mayor Filseth to approve a \$10 million loan to Palo Alto Housing Corporation for the predevelopment and construction of an 100% affordable housing project at 3705 El Camino Real, including:

- A. Amend the Fiscal Year 2019 Budget Appropriation Ordinance for:
- i. The Residential Housing In-Lieu Fund by:
 - a) Increasing Grants and Subsidies in the amount of \$1,000,000; and
 - b) Decreasing the Ending Fund Balance in the amount of \$1,000,000;
 - ii. The Commercial Housing Fund by:
 - a) Increasing Grants and Subsidies in the amount of \$9,000,000; and
 - b) Decreasing the Ending Fund Balance in the amount of \$9,000,000; and
- B. Authorize the City Manager or designee to negotiate and execute a Loan Agreement, Regulatory Agreement, and related documents necessary to implement Council direction in a form substantially similar to prior agreements approved by the City.

MOTION PASSED: 7-0

State/Federal Legislation Update/Action

None.

Closed Session

17. CONFERENCE WITH CITY ATTORNEY – ANTICIPATED LITIGATION
Subject: 2555 Park Blvd
Authority: Government Code Section 54956.9(d)(2) and (e)(3)

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(One Potential Case, as Defendant)

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

MOTION PASSED: 7-0

Council went into Closed Session at 11:45 P.M.

Council returned from Closed Session at 12:10 A.M.

Mayor Filseth announced the Council voted 6-1 (Council Member Kou dissenting) to approve an agreement between the City and the property owner at 2555 Park Boulevard to resolve a potential lawsuit with an agreement that retail use shall not be required on the ground floor of the building at 2555 Park Boulevard and that the office use on the ground floor shall be considered a legal nonconforming use.

Adjournment: The meeting was adjourned in honor of the victims of the shooting at the Virginia Beach Municipal Center at 12:15 A.M.



CITY OF PALO ALTO CITY COUNCIL DRAFT ACTION MINUTES

Special Meeting
June 10, 2019

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:05 P.M.

Present: Cormack, DuBois, Filseth, Fine, Kniss, Kou, Tanaka

Absent: DuBois

Closed Session

1. CONFERENCE WITH CITY ATTORNEY-POTENTIAL LITIGATION
Subject: Noise and Other Impacts Arising From Management of Aircraft in the Northern California Airspace, Including the STAR PIRAT TWO Procedure
Authority: Government Code Section 54956.9(d)(4)
(One Potential Case, as Plaintiff).

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

MOTION PASSED: 6-0 DuBois absent

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

Council returned from Closed Session at 7:35 P.M.

Mayor Filseth announced that the City Council decided not to initiate litigation against the Federal Aviation Administration.

Agenda Changes, Additions and Deletions

Ed Shikada, City Manager, removed the proposed Ordinance on Refuse Collection from Agenda Item Number 10.

Consent Calendar

MOTION: Council Member Kou moved, seconded by Council Member Tanaka, third by Council Member XXX pull Agenda Item Number 6, "Approval of an Agreement With Rincon Consultants...".

MOTION FAILED DUE TO THE LACK OF A THIRD

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Council Member Kou registered a no vote on Agenda Item Number 6.

Council Member Tanaka registered a no vote on Agenda Item Number 6

MOTION: Council Member Kniss moved, seconded by Council Member Cormack to approve Agenda Item Numbers 2-9.

2. Approval of a One-year Contract Renewal With Oracle America, Inc., Contract Number C19174703 for Software Program Technical Support Services in the Amount of \$119,570; and Approval and Authorization of the City Manager or his Designee to Approve up to a 10 Percent Contingency Amount Not-to-Exceed \$11,957.
3. Approval of a Wastewater Collection Construction Contract With Ranger Pipelines, Inc. in the Amount of \$2,123,073 for Wastewater Collection System Rehabilitation/Augmentation Capital Project 28 (WC-15001) in the Leland Manor/Garland, Midtown West and Lower Page Mill/Los Altos Hills Neighborhoods.
4. Approval of Amendment Number 5 to Agreement Number S0114750 With Peninsula Corridor Joint Powers Board for Shuttle Service Administration to Extend the Term of the Agreement for One-year for \$132,400 for the Embarcadero Shuttle Route From July 2019 Until June 2020.
5. Approval of Three Contract Amendments for On-call Inspection and Plan Review Services With: (1) 4Leaf, Inc.; (2) SAFEbuilt; and (3) Shums Coda Associates to Increase the Combined Amount by \$2,500,000 for a new Combined Amount Not-to-Exceed \$10,200,000, and to Extend the Term Through June 30, 2020.
6. Approval of an Agreement With Rincon Consultants in the Amount of \$143,452 for a Term of Seven Months for Environmental Analysis of the Cubberley Master Plan.
7. Policy and Services Committee Recommends the City Council Accept the Code Enforcement Audit.
8. Finance Committee Recommends the City Council Accept the Macias Gini & O'Connell's Audit of the City of Palo Alto's Financial Statements as of June 30, 2018 and Management Letter.
9. Ordinance 5468 Entitled "Ordinance of the Council of the City of Palo Alto to Amend the Contract Between the Board of Administration of the California Public Employees' Retirement System (CalPERS) and the City

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of Palo Alto to Implement the Share of Employer Contribution in Accordance With Section 20516 of the California Government Code and the Memorandum of Agreement Between the City of Palo Alto and Utilities Management and Professional Association of Palo Alto (UMPAPA) (FIRST READING: MAY 20, 2019 PASSED: 7-0)."

MOTION PASSED FOR AGENDA ITEM NUMBERS 2-5, 7-9: 6-0 DuBois absent

MOTION PASSED FOR AGENDA ITEM NUMBER 6: 4-2 Kou, Tanaka no, DuBois absent

Action Items

10. PUBLIC HEARING: Adoption of Three Ordinances Amending Title 5 (Health and Sanitation) of the Palo Alto Municipal Code to: 1) Establish new Disposable Foodware Requirements, Including Restrictions on the use of Plastic Straws, Cutlery, Stirrers, and Related Items, and Provision of Printed Receipts at Food Service Establishments; 2) Establish Regulations Related to Produce Bags at Retail Service Establishments; and 3) Require Deconstruction and Source Separation of Construction and Demolition Related Materials to Maximize Salvage and Reuse of Building Materials, and Increase Recycling and Diversion from Landfills; Adoption of a Negative Declaration for new Deconstruction Program Activities; and Finding the Disposable Foodware and Refuse Collection Ordinance to be Exempt Under California Environmental Quality Act (CEQA).

Public Hearing opened at 8:39 P.M.

Public Hearing closed at 9:13 P.M.

MOTION: Council Member Kniss moved, seconded by Mayor Filseth to:

- A. With respect to a proposed Ordinance for Disposable Foodware and Produce Bags (Disposable Foodware Ordinance):
 - i. Find the Ordinance is exempt from California Environmental Quality Act (CEQA) in accordance with CEQA Guidelines Sections 15061(b)(3), 15307 and 15308; and
 - ii. Adopt an Ordinance amending Chapters 5.30 and 5.35 of Title 5 of the Palo Alto Municipal Code, to: (1) regulate the use of disposable foodware, including restricting the use of plastic straws, cutlery, beverage plugs, stirrers and other accoutrements,

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and the provision of printed receipts at food service establishments; and (2) restrict the use of plastic produce and meat bags at retail service establishments including grocery stores and farmers markets

AMENDMENT: Council Member Cormack moved, seconded by Council Member XX to add to the Motion Part A. ii., "charge for non-reusable cups and containers and require reusable foodware for dine-in."

AMENDMENT WITHDRAWN BY THE MAKER

AMENDMENT: Council Member Tanaka moved, seconded by Council Member XX to change the provision regarding receipts to, "Require businesses to offer whether or not a customer would like a receipt".

AMENDMENT WITHDRAWN BY THE MAKER

MOTION PASSED: 6-0 DuBois absent

MOTION: Council Member Kniss moved, seconded by Council Member Cormack to:

- A. With respect to a proposed Ordinance for Deconstruction and Construction Materials Management (Deconstruction Ordinance):
 - i. Adopt a Resolution adopting the Negative Declaration for the Ordinance for Deconstruction and Construction Materials Management as adequate and complete under the CEQA; and
 - ii. Adopt an Ordinance replacing Chapter 5.24 with a new Chapter 5.24 to Title 5 of the Palo Alto Municipal Code, to establish deconstruction and construction materials management requirements for demolition projects.

MOTION PASSED: 6-0 DuBois absent

Council took a break at 10:05 P.M. and returned at 10:11 P.M.

11. Colleagues' Memo on Safe Parking at the Los Altos Water Treatment Plant Located on 1275 San Antonio Road.

MOTION: Council Member Kou moved, seconded by Mayor Filseth to refer this item to Policy and Services and/or create a sub-committee or task force to craft program details to bring back to Council. Such a program should include elements such as:

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- A. Identify and determine interest in expanding vehicle dwelling management and transition services with local area nonprofits such as Project WeHope, Samaritan House, Life Moves, and Abode Services, who can partner with the city to manage a Vehicle Dweller program;
- B. Identify large commercial lots that could be used for a managed overnight program such as on Bayshore and in the Research Park and a plan to reach out to property owners;
- C. Seed the program using city-owned land located at 2000 Geng Road, and/or other potential sites. Explore bathroom construction and/or portable bathroom/shower services on identified Palo Alto city sites;
- D. Engage the County of Santa Clara to explore funding assistance and for additional programs to support enabling individuals to find employment and housing; and
- E. Direct Staff to propose additional steps to distinguish between high and low-income individuals and manage parking on streets once managed spots are available for low income individuals.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to remove from the Motion, "...and/or create a sub-committee or task force..."

AMENDMENT: Council Member Cormack moved, seconded by Vice Mayor Fine to delete Part E from the Motion.

AMENDMENT PASSED: 4-2 Kou, Tanaka no, Dubois absent

AMENDMENT: Council Member Tanaka moved, seconded by Council Member XX to amend the Motion to state "...refer this item to the Human Relations Commission and Planning and Transportation Commission prior to the Policy and Services Committee..."

AMENDMENT FAILED DUE TO THE LACK OF A SECOND

MOTION AS AMENDED: Council Member Kou moved, seconded by Mayor Filseth to refer this item to the Policy and Services Committee to craft program details to bring back to Council. Such a program should include elements such as:

- A. Identify and determine interest in expanding vehicle dwelling management and transition services with local area nonprofits such as Project WeHope, Samaritan House, Life Moves, and Abode Services, who can partner with the city to manage a Vehicle Dweller program;

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- B. Identify large commercial lots that could be used for a managed overnight program such as on Bayshore and in the Research Park and a plan to reach out to property owners;
- C. Seed the program using city-owned land located at 2000 Geng Road, and/or other potential sites. Explore bathroom construction and/or portable bathroom/shower services on identified Palo Alto city sites;
- D. Engage the County of Santa Clara to explore funding assistance and for additional programs to support enabling individuals to find employment and housing.

MOTION AS AMENDED PASSED: 5-1 Tanaka no, DuBois absent

State/Federal Legislation Update/Action

None

Adjournment: The meeting was adjourned at 11:04 P.M.