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7.	Approval of a Construction Contract with Express Sign & Neon, Inc. Not to Exceed \$327,558 for the Wayfinding Portion of the City Hall Remodel Project PE-12017
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8.	Hearing on Buena Vista Mobile Home Park Residents Association's Appeal of Hearing Officer's Decision Relating to Mitigation Measures Proposed by Buena Vista Mobile Home Park Owner in Connection with Mobile Home Park Closure Application
Adjou	rnment: The meeting was adjourned at 10:00 P.M., with this item continued to Tuesday, April 14, 2015219

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:07 P.M.

Present: Berman, Burt, DuBois, Filseth, Holman, Kniss, Scharff, Schmid,

Wolbach

Absent:

City Manager Comments

Mayor Holman noted the City Manager was unavailable; therefore, City Manager comments were continued to the following week.

Consent Calendar

MOTION: Council Member Dubois moved, second by Council Member Filseth, third by Mayor Holman to pull Agenda Item Number 7- Approval of a Construction Contract with Express Sign & Neon, Inc. Not to Exceed \$327,558 for the Wayfinding Portion of the City Hall Remodel Project PE-12017, to be heard on a date uncertain.

MOTION: Council Member Kniss moved, seconded by Council Member Berman to approve Agenda Item Numbers 1-6.

- 1. Approval of Contract Amendment No. Two to Contract No. C12142825 in the Amount of \$668,000 with NV5, Inc. for Preparation of an Environmental Impact Report (EIR) for the Newell Road/San Francisquito Creek Bridge Replacement Project, Capital Improvement Program Project PE-12011, Approval of Amendment No. Two to a Cost Share Agreement with the Santa Clara Valley Water District Providing Local Matching Funds in the Amount of \$235,074 for Design and EIR Preparation for the Newell Road/San Francisquito Creek Bridge Replacement Project, and Adoption of a <u>Budget Amendment Ordinance</u> 5318 Entitled "Budget Amendment Ordinance of the Council of the City of Palo Alto in the Amount of \$668,000 to CIP Project PE-12011, Newell Road/San Francisquito Creek Bridge Replacement Project."
- 2. Approval of Contract No. C15156501 with SP Plus to Provide Online Permit Sales Hosting for the Downtown Residential Preferential Parking District in the Amount of \$284,068 and a New Parking Website; Adoption of a <u>Budget Amendment Ordinance 5319</u> Entitled "Budget Amendment Ordinance of the Council of the City of Palo Alto Transferring \$43,813 to the Residential Parking Permit Program Fund and Appropriate \$28,230 to the Planning and Community Environment

Department Operating Budget Offset with a Reduction of \$72,043 from the General Fund Budget Stabilization Reserve."

- 3. Approval of Amendment No. 1 to Contract C14151310 with Ghirardelli Associates, to Add \$68,000 for a Total Not to Exceed \$706,600 for Construction Management of the California Avenue Streetscape Improvements Project (CIP- PL-11002).
- 4. Approval of and Authorization for the City Manager or His Designee to Execute a Consent to Change of Control Agreement with Frontier Solar, LLC. and Amendment No. 1 to the City's Power Purchase Agreement with Frontier Solar, LLC.
- 5. Staff Recommendation to Initiate a Special Recruitment to Fill One Unscheduled Vacancy on the Architectural Review Board.
- 6. Ordinance 5320 Entitled "Ordinance of the Council of the City of Palo Alto Amending Chapter 16.58 Implementing New Public Safety Facility and General Government Facility Impact Fees and Direction to Draft Resolution Setting Initial Impact Fee Rates at 75 Percent of Levels Identified in Nexus Study (First Reading: December 15, 2014 PASSED: 9-0)."
- 7. Approval of a Construction Contract with Express Sign & Neon, Inc. Not to Exceed \$327,558 for the Wayfinding Portion of the City Hall Remodel Project PE-12017.

MOTION PASSED FOR AGENDA ITEM NUMBERS 1-6: 9-0

Action Items

8. Hearing on Buena Vista Mobile Home Park Residents Association's Appeal of Hearing Officer's Decision Relating to Mitigation Measures Proposed by Buena Vista Mobile Home Park Owner in Connection with Mobile Home Park Closure Application.

Mayor Holman reported the Council would hear the Buena Vista Residents Association's appeal of the Hearing Officer's determination in the Buena Vista Mobile Home closure matter. The Council would determine whether the Hearing Officer's decision, as it might be amended by the Council, provided a package of mitigation measures that were adequate to mitigate the adverse impact on displaced residents, provided that the package did not exceed the reasonable cost of relocation. Once the Council identified mitigations that met the criteria, it would approve the closure application. The Council was not present to discuss whether closing the park was fair or

the right thing for the community. The park was privately owned, and the owner had a right under State and local law to go out of business, provided that he mitigated impacts to the displaced residents to the extent required by law. The Council was not present to discuss the hope and aspiration of many in the community that Buena Vista could be preserved for affordable housing. That was not within the Council's jurisdiction at the current time. The Council was aware of community and neighborhood leaders working toward that goal. The City Manager informed the Council that he had set aside City funds so that the Council could hold such a discussion at the right time. The Council first had to consider the closure application. The Council had an obligation to be neutral, unbiased, and fair and to reach a decision based on evidence before the Council. Only after the process had concluded could the Council participate in a broader community conversation regarding Buena Vista. Those issues were not before the Council, and the Council would not discuss or act on those issues. While the Agenda Item likely would be continued to the following night, public comment would not be allowed in the subsequent meeting. Public comment would be allowed only in the current meeting time.

Pam Davis related her work with the City to stabilize rent in and plan future development of Buena Vista Mobile Home Park. In 2001, 80 percent of homes in Buena Vista were too old to be moved to other parks. The appraised values of mobile homes would not cover the cost of another mobile home in another park. The Mobile Home Park Conversion Ordinance (Ordinance) stated reimbursement/relocation amounts for residents should be based on the comparable cost of a mobile home. Currently only three mobile home parks had no age restrictions for mobile homes.

Erika Escalante, Buena Vista Mobile Home Park Residents Association President, advised that the park was a community of extended families. The relocation plan and proposed compensation amount was not sufficient to allow residents to remain in Palo Alto.

Mary Kear, Buena Vista Mobile Home Park Residents Association Vice President, would be forced to leave the Bay area and would lose her investment in her mobile home if the park closed. The closure of the park would displace hundreds of people.

Maria Martinez moved to the park to live near her family. Her brother and sister could not move their mobile homes from the park. She could not drive and relied on public transit or her family for transportation.

Roberto Munoz wanted to remain in the park so that his daughter could remain in Palo Alto schools and he could live close to his job. He could not afford rents in other Palo Alto neighborhoods.

Melodie Cheney, Buena Vista Mobile Home Park Residents Association Secretary, stated her home in Buena Vista was the only home that she could call her own. Being physically challenged, she depended on public transportation, and the bus stop was located in front of her home. Rents in other areas of Palo Alto were more than she paid for her mortgage and utilities.

Blanca Fonseca was disabled and unable to work. Her husband and brother were supporting her, but they could not afford rent in other cities. The relocation amount was not sufficient.

Rosemary Rocha understood the Council had to make a difficult decision. One side would win and the other would lose. She wanted the residents to win.

Jennifer Guzman wanted to remain in the park, because she loved her Palo Alto school. If she moved, she would know no one in her new home and would be separated from loved ones, and her parents would lose their jobs.

Misqel Morales had benefited from his education in Palo Alto schools. He hoped the park would remain open so that his brother and son or daughter could attend Palo Alto schools.

Alfredo Garcia indicated neighbors in the park cared for his daughter. He wanted to remain in the park so that those neighbors could continue to care for his daughter.

Guadalupe Fonseca needed the Council to help the residents of the park. Her mobile home was paid for, but she did not know if she would be homeless if the park closed. Sale prices for old mobile homes in San Jose and Sunnyvale started at \$89,000.

Amanda Cerrano only felt safe living in the park, because she was a transsexual. Many residents suffered from physical disabilities.

Jessica Guzman advised that the park was a safe place for families. She wanted to continue attending Palo Alto schools.

Jose Toledo lived in the park with his sister, because it was safe and close to hospitals. He could not work due to having brain surgery, and his sister's job was not stable. Many residents needed to live close to medical care.

Elisa Guzman loved her home and school. Her family had good jobs, and she did not want anything to happen to them.

Gloria Palacios would lose her home and stability if the park closed. She could move to a less costly area, but the crime rates were very high in those areas. If she had to move, she would lose her jobs in Palo Alto, Mountain View, and Sunnyvale. Residents were requesting a fair price for their homes.

Juana Sandoval was not concerned about working while her children were home, because the park was adequate for them and the schools were good. She could not afford a home in another area.

Umbelina Martinez worked two jobs to pay for her home in the park while supporting her mother, three daughters, a stepbrother, and herself. She requested the Council provide fair compensation for residents.

Alvaro Hernandez did not want to lose his home in the park. Palo Alto homes were expensive. He and his siblings did not want to leave Palo Alto schools and their friends.

Omar Cruz wanted to continue attending Palo Alto schools and to remain with his friends.

Andre Bracamontes wanted to continue living in Buena Vista where he lived close to his grandmother and aunt who took care of him. He did not want to leave his friends who attended school with him.

Giovanni Lopez wanted to continue living in his home. He loved Buena Vista, because all his friends lived there. Moving from Buena Vista would be hard on his family.

Saul Bracamontes suggested the Council review the Ordinance closely as it was drafted 15 years previously and had not been used to address a similar situation. Education had to be a part of the Ordinance. He asked the Council to reject the proposed relocation package, because it was not fair.

Mayra Escalante believed closing Buena Vista would close doors for her son and deny him the opportunities offered by Palo Alto schools. The proposed relocation compensation would not purchase another home for her family. She and her husband would have to find new jobs if they were forced to move. Closing the park would separate many extended families.

Elisa Valencia stated her children would be affected psychologically by moving to another city with which they were not familiar. It was important

not to affect the children. Residents' home should be valued at their true value.

Rosa Maria Garcia was at risk of being homeless based on the compensation the owner was offering residents. Homes similar to hers ranged in price from \$180,000 to \$250,000. She could not remain in Palo Alto because of high rental rates. She requested the Council reject closure of the park or demand the owner pay market rate for homes. She wanted her youngest son to have the same opportunities as her older children had by graduating from Palo Alto schools.

Hector Martinez did not want to leave Palo Alto schools or lose the opportunities and good education offered by Palo Alto schools.

Junior Nicolas Martinez loved his home in the park and his school. If he moved, he would not receive an education from Palo Alto schools and would not see many of his friends.

Angel Martinez did not want to be homeless, because he would not see many of his friends.

Nicolas Martinez advised that the main focus for his family was for his children to remain in Palo Alto schools. They would have to begin their studies anew at new schools. Buena Vista was an ideal place to raise children.

Karen Camacho shared stories of the support offered by teachers in Palo Alto schools. Because of the affordable housing in Buena Vista, her family benefited from the excellent education offered by Palo Alto schools.

John Barton, Community Working Group Board President, asked how much was it worth for Council Members to lose their homes and jobs, remove their children from one of the best school districts in the nation, and leave their family and friends. The community had a moral responsibility to move beyond the strict requirements of the law and to do what was right.

Candace Gonzalez, Housing Trust Silicon Valley Board Member, reported the average sale price of a single-family home in Palo Alto was more than \$2.8 million in 2014. The average fair market rent of a three-bedroom apartment in Palo Alto was more than \$4,000 per month. Hundreds of families were on waiting lists for affordable housing. Affordable housing was at a crisis level in the community.

Paul George, Peninsula Peace and Justice Center Director, referred to the Municipal Code regarding requirements for a relocation plan and comparable

housing. The proposed relocation plan was wholly inadequate. The Council could reject the relocation plan based on the law as no comparable compensation could be made.

Bonnie Packer, Palo Alto Housing Corporation Board President, advised that the need for affordable housing was great. There were no available affordable housing units in Palo Alto for Buena Vista residents. The waiting time for affordable housing could be five years or more. She hoped the Council remembered the importance of preserving diversity in the community and the critical need to maintain the park for affordable housing in perpetuity. Palo Alto Housing Corporation could collaborate with others to find a way to keep Buena Vista families and individuals in the City.

Molly Seligman implored the Council not to approve the compensation plan. The proposed plan did not satisfy the requirements of the law. Residents, if displaced, would lose their homes and jobs.

Doria Summa, Palo Altans for Sensible Zoning, believed the proposed compensation was not adequate for the relocation of Buena Vista residents to a comparable community. She encouraged the Council to work with the County of Santa Clara and other agencies to find a means to retain valued members of the community. If Buena Vista residents could not be retained in the community, then they should receive realistic compensation.

Edie Keating suggested reasonable compensation should be based on reality. The current proposal did not include securing a new site in order to make relocation a realistic possibility. Alternately, compensation should allow purchase of similar mobile homes in existing parks. In the absence of abundant or comparable spaces, the Council must consider the multiyear economic loss to residents. The proposed agreement was inadequate.

Rabbi Janet Marder, Congregation Beth Am, wanted the residents of Buena Vista to live in a safe community with excellent schools, good social services, medical facilities, and cultural enrichment. That was the purpose of affordable housing. The relocation plan was clearly inadequate and did not comply with the law. Displacement would result in job loss, disruption of multigenerational families, increased poverty, and homelessness.

Pastor Alex Van Riesen, Vineyard Christian Fellowship of the Peninsula, felt the future of Palo Alto was being decided. The relocation plan was unjust financially and morally. Buena Vista families were working models of transferring wealth and opportunity to a new generation.

Norma Grench, First Congregational Church Palo Alto, hoped the offers of funds from the County of Santa Clara and the City of Palo Alto would provide

a mechanism to make the Buena Vista parcel a deed-restricted location for below market rate housing.

Jeffrey Rensch, All Saints Church, advised that all parties would win if the community could raise sufficient funds to pay the owner a fair price. The Council should uphold the appeal so that the issue could receive a solution that benefited everyone.

Joy Sleizer felt the proposed relocation plan was insufficient. Displacing Buena Vista residents would cause many losses throughout the community.

Chris Lundin stated the proposed relocation plan was insufficient. Buena Vista residents would not be able to relocate to a comparable community.

Kenneth Dauber, speaking as an individual and for Tom Wasow, Cheryl Fuller, Don Anderson, Jerry Underdahl, Kris Brandenburger, reported the Council was required to consider the value of schools when determining compensation. The value of Palo Alto schools was high. The Council should reject the compensation offer as it did not include the value of schools. He referred to the Ordinance regarding compensation and the definition of a comparable mobile home park. The list of amenities in the third element of the definition was irrelevant to the definition of a similar community under the second element of the definition. The value of schools was required to determine similarity of communities. Palo Alto schools were highly rated in terms of providing education specific to Latino students. When assessing compensation, the Council was required to assess the similarity of communities. The similarity of communities had to include the value of education in terms of the cost of housing and the specific benefit provided to families.

Camille Townsend, Palo Alto Unified School District Board of Education Member, recognized the importance of the testimony, experience, and advocacy of Gunn High School graduates on behalf of students living in Buena Vista. Board Policy 0100 stated the diversity of student population and staff enriched the learning experience for all students. The Board of Education affirmed its commitment to the education and future of Buena Vista students.

Terry Godfrey, Palo Alto Unified School District Board of Education Member, was grateful for the presence of Buena Vista students because of the voices they brought to education. In the future, those students would be Board Members and would support future generations.

Sue Eldridge, Palo Alto PTA Council Buena Vista Advocacy Committee, valued the students and families of Buena Vista and cared about their futures. The

Committee recognized the loss to all students who benefited from the economic, racial, and cultural diversity that enriched schools. Finding affordable housing options within district boundaries should be the means to ensure Buena Vista students remained a part of the community. Rent subsidies would not enable Buena Vista students to remain in the district.

Winter Dellenbach advised that many Palo Alto residents and organizations supported Buena Vista residents. The relocation plan had no connection to any resident of Buena Vista being able to relocate. That stopped the closing process.

Gail Price believed the discussion of Buena Vista Mobile Home Park was directly related to the Council's Priority of Healthy City, Healthy Community. The relocation plan was insufficient. Money could not compensate residents fully for services, opportunities, and schools available in Palo Alto. No amount of money could compensate residents for dislocation, loss of community, separation of families, job loss and searches, and extended duress and stress.

Michael Morganstern reported a comparable community meant comparable schools. For Buena Vista children to receive an education comparable to that provided in Palo Alto, they would need to attend private schools. Compensation for the education component alone would be close to \$25 million. The \$16 million set aside by the County of Santa Clara and the City of Palo Alto would be sufficient to provide the same net amount to the park owners, because there would be no relocation expenses.

Rick Toker believed the proposed relocation mitigation plan was inadequate. If the relocation was allowed, it would be the greatest forced relocation in the City's history, which would be mirch the City's excellent reputation.

Chuck Jagoda stated the community benefited from the presence of Buena Vista residents. The proposed plan did not satisfy the requirements of the law.

Amado Padilla advised that Buena Vista parents wanted their children to be healthy, to benefit from a good education, and to succeed. If the park closed, residents of Buena Vista would lose their homes, their employment, accessibility to public transportation, healthcare providers, and educational opportunities. The community had a moral obligation to ensure all residents of Buena Vista had access to quality education.

Cybele LoVuolo-Bhushan believed the community wanted the residents of Buena Vista to remain in the community.

Kristen Anderson indicated the park owner had not complied with the Municipal Code. The owner had not identified a similar community, because there was none. Proposed relocation costs would not cover the devastating costs to 400 Palo Alto citizens.

Lydia Kou attested to the fact that Palo Alto's excellent schools were a prime selling point. Buena Vista families knew that Palo Alto's excellent education was the pathway to a brighter future. Buena Vista families should be fairly compensated for the loss of quality education.

Mark Weiss believed the report of highest and best use ignored or undervalued the community's covenant with residents of Buena Vista and created an unrealistic valuation. The press had blurred the distinction between ownership entities. The community would not be the same if residents were forced from their homes.

Robert Moss urged the Council to reject the relocation plan as grossly inadequate. Comparisons of Palo Alto to Mountain View, Sunnyvale, and Santa Clara were not equal. Home values were based on data from 2011-2012. The City should utilize eminent domain to seize the property and save affordable housing.

Ellen Forbes, League of Women Voters of Palo Alto President, urged the Council to proceed with statesmanship and a vision of the community's future health. Negotiation was more likely to produce a solution that benefited all parties involved.

Jennifer Munoz-Tello wanted to continue attending Palo Alto schools and hoped her younger sister could do the same. Buena Vista parents wanted good educations for their children.

John Kelley was confident the Council would do the right thing in light of community unanimity on the issue. The proposed relocation package did not compensate residents for the value of lost educational benefits. The Council had the power to take equitable action and to keep Buena Vista open.

Jennifer Wells believed there were no equitable relocation packages and no comparable scenarios for Buena Vista residents. Stability, location, and ties of the community were extremely important.

Sea Reddy compared the closure of Buena Vista with the Holocaust of 1939-1944. Relocating residents was unfair. The community had an obligation to retain the residents.

Stephanie Munoz suggested the appraiser had ignored the taxpayers of Palo Alto in his calculations. Buena Vista was worth \$13 million to the taxpayers, because that amount would be needed to replace the affordable housing found in Buena Vista.

Marcelino Zevellos reported residents were not considered in three prior hearings. There were not sufficient legal arguments to support the closure of the park. He requested the resolution closing the park be vacated and the conversion of the park to low-income housing. If residents could not find justice, they would have to seek justice from the Governor, Senators, and courts.

Dich Tran moved to the park because his and his wife's jobs were nearby, the rent was affordable, and importantly Palo Alto schools offered excellent educations for his daughters. Buena Vista residents needed access to the education offered in Palo Alto.

Aram James asked the Council to put themselves in the economic and experiential shoes of Buena Vista residents. In that manner, the Council could make a decision based on the law and on justice.

Council took a break at 8:34 P.M. and returned at 8:49 P.M.

Kyra Kazantzis, The Law Foundation of Silicon Valley for Buena Vista Mobile Home Park Residents Association, reported 400 Palo Alto residents lived in Buena Vista Mobile Home Park. Its closure would mean the loss of residents' homes, the loss of an important, diverse community, and the loss of affordable housing opportunities for low-income individuals. The relocation package did not adequately mitigate adverse negative consequences. The Hearing Officer made the wrong decision. After weighing evidence, the Council must reject the closure application. She introduced Elizabeth Seifel as an expert witness.

Elizabeth Seifel, Seifel Consulting, advised that it would be difficult to find comparable housing that Buena Vista residents could afford in the Bay area based on the owner's current proposed relocation assistance. Comparable housing should be located within a 35-mile radius; affordable; and similar in size, function and location, specifically located in a community with similar access to shopping, medical services, recreational facilities, transportation, and amenities. Buena Vista offered a unique homeownership opportunity in Palo Alto for very-low-income households. Palo Alto schools were superior to schools near comparable mobile home parks, evaluated in the analysis prepared by attorneys. Palo Alto transit options were superior to those near other mobile home parks. Two-thirds of Buena Vista residents commuted less than 30 minutes to work. Other mobile home parks did not offer the

same access. The unique attributes of Buena Vista that needed to be found for comparable housing were affordable home ownership, premier highachieving schools, great medical facilities, local parks and recreational facilities, and access to jobs and regional transit service. If displaced, Buena Vista residents would face an affordable housing crisis. Using the City's recent Housing Element, she analyzed the typical affordable housing cost for residents, in terms of both ownership and rental. She reviewed the income characteristics of Buena Vista residents based on relocation data. Typically Buena Vista residents' annual income was \$35,000. Approximately 50 percent of residents earned less than \$30,000 annually. household size was about four persons. The affordable housing price for a condominium would be approximately \$95,000. The current condominium price in Palo Alto was \$1.2 million. Comparable condominiums in San Mateo and Santa Clara Counties were priced at approximately \$600,000. Similarly, rents were \$633 for affordable housing and \$3,000-\$4,000 for a twobedroom apartment in comparable communities. Currently, space rental at Buena Vista was in the \$700 range. According to the website Trulia, the cost of purchasing a mobile home or manufactured home in a comparable community in the Bay area was in the range of \$45,000 to more than \$300,000. The Palo Alto area had the most rapidly increasing costs in the Silicon Valley market. Price escalation was rapid in Santa Clara County. The cost of mobile homes had increased more than 100 percent in the past 2 1/2 years. Buena Vista residents had limited options for relocation. The current relocation assistance was approximately \$53,000, consisting of current market values of mobile homes plus a rent subsidy for one year plus moving expenses and start-up costs. In Mountain View, Sunnyvale, and Redwood City, relocation costs would be approximately \$100,000. In addition space rent at nearby parks was \$800-\$1,000 per month. The current relocation assistance was not sufficient to enable households to afford mobile homes near Palo Alto. Buena Vista residents likely would have to move beyond a 35-mile radius to find affordable homes to purchase. Those homes would not be comparable to homes in Palo Alto, because of the identified unique characteristics of Buena Vista Mobile Home Park. In addition, residents would have long commutes to current jobs or would have to find new jobs. Affordable housing was not an option as wait lists extended eight to ten years. Condominiums were prohibitively expensive for residents of Buena Vista. If displaced, Buena Vista residents would face challenging difficulties and could not afford comparable housing with the proposed relocation assistance.

Nadia Aziz, The Law Foundation of Silicon Valley for Buena Vista Mobile Home Park Residents Association, indicated the relocation impact report of the park owner did not comply with Palo Alto's Ordinance. Her comments would not focus on residents whose mobile homes could be moved and

studio tenants. Because the vast majority of residents owned mobile homes that could be moved, her comments would focus on those residents. The park owner was required to provide sufficient relocation assistance to allow residents to move to comparable housing in a comparable community; a comparable mobile home in a comparable mobile home park. owner was also required to reimburse residents for any loss of investment in their mobile homes and reimburse residents for any remaining loan payments on their mobile homes. The park owner proposed relocation benefits based on an unknown appraised value, which did not consider the value of the park being located in Palo Alto. The park owner also had to provide a lump-sum relocation payment to all residents, regardless of whether or not their mobile homes would be moved. The lump-sum payment included moving costs, first and last month rent, a security deposit, a one-year rent differential for low-income families, and additional assistance for disabled and senior families. Comparable housing meant sufficient relocation assistance so that a Buena Vista resident could purchase a mobile home or condominium in a comparable community. The Ordinance specifically defined comparable mobile home, comparable mobile home park, and comparable housing. The Ordinance listed amenities a comparable community should have. Buena Vista Mobile Home Park was located near public transportation, shopping, medical facilities, community amenities, and recreational facilities. The list of amenities was meant to include schools. People wanted to move to Palo Alto because of its schools. Palo Alto schools were among the best in the nation. Buena Vista residents had a 0 percent school drop-out rate, in comparison to the drop-out rate of 28 percent for Latinos in Silicon Valley. Utilizing appraised value for comparable housing was not an adequate measure and was not contemplated by the Ordinance. Appraised value was not used in the definition of comparable housing or in the list of payments the park owner was required to make. The projected average appraised value of mobile homes located in Buena Vista was The current range of prices to purchase a mobile home in Mountain View and Sunnyvale was \$120,000 to \$380,000. problematic was the unknown amount of relocation assistance to be provided to residents. The Council would make a decision on the adequacy of the relocation package when no numbers were provided. The Hearing Officer provided no recourse for individual residents to appeal relocation assistance once the amount was made known. The Ordinance contemplated a third-party review of relocation assistance. The park owner was circumventing that by not providing numbers for relocation assistance. The final appraised values would likely not be sufficient to allow residents to move to comparable housing, because the park owner proposed use of the same methodology used for the relocation impact report. The appraisal methodology did not consider the value of being located in Palo Alto and used low comparables to assess value. Lump-sum start-up costs would not

be sufficient as they were based on a one-bedroom home. A one-bedroom home would be insufficient for Buena Vista families and did not comply with the Ordinance. Limiting the rent differential payment to one year would allow Buena Vista residents to move to temporary housing only. relocation plan did not identify a single location within 35 miles to which residents could move based upon the proposed relocation assistance. The park owner did not propose a plan to move residents to comparable housing. The proposed average relocation assistance was \$53,000. The relocation impact plan needed information and analysis that would help individual families plan to move to comparable housing. The park owner's relocation specialist previously testified that it would be difficult to find housing within 35 miles of the park, that residents would need \$20,000-\$50,000 more than the proposed amount, that residents would need some type of outside financing, and that residents would be unlikely to find apartments with similar rents. The proposed relocation assistance would not allow Buena Vista residents to move to comparable housing; was based on an unknown value; and limited start-up costs to a one-bedroom home. The park owner did not propose a plan to relocate residents. The City must reject the current plan, because mitigations were inadequate and the park owner did not comply with the Ordinance.

Margaret Nanda, Attorney for the Jisser Family, stated three items formed the legal basis for a park closure: the Mobile Home Park Conversion Ordinance, State law, and the United States Constitution. assistance in a mobile home park closure was not unlimited. A mobile home park owner in the State of California could exit the rental business. Jisser family could close the park provided they followed the Ordinance and State law. The proposed mitigation assistance was contained in Exhibit A to the Hearing Officer's decision. The Hearing Officer found the proposed mitigation assistance reasonable. The Government Code set limits on mitigation assistance, and the Ordinance was subject to the appropriate Government Code sections. The steps required to mitigate should not exceed the reasonable costs of relocation. The Hearing Officer concluded that the park owner had met its burden of proof and that the package of mitigation assistance, as a whole and with certain supplemental conditions, met the criteria set forth in the City's Ordinance. The appraised onsite fair market values of the homes were prepared by an appraiser approved by the City. The Ordinance required an appraisal be performed prior to submission of the first Resident Impact Report (RIR). Appraisals were completed in April 2013 prior to submission of the report in May 2013. The Ordinance required the park owner to pay 100 percent of onsite fair market value. The park owner was offering that amount. The Ordinance set forth items to be offered as mitigation assistance. On the third night of the public hearings, the park owner amended the RIR to provide for an appraisal within six

months of the purchase and to increase the rent subsidy to 100 percent. Residents were entitled to start-up costs for the first and last month rent and security deposit. Wherever Buena Vista residents chose to relocate, they would pay the same rent as they paid at Buena Vista for 15 months. The Ordinance required rent subsidies for 12 months. The Hearing Officer found the park owner should pay actual, reasonable moving costs. The park owner accepted that. The Hearing Officer determined additional assistance should be provided to handicapped residents. The Ordinance required the park owner to pay fees of the housing relocation specialist; however, the specialist did not work for the park owner and was not an agent of the park owner. The Hearing Officer stated that he would not retain jurisdiction, but the housing relocation specialist was capable of making decisions and binding those upon the park owner. The Council should recognize that the payment was a lump-sum payment. The residents would be paid in a single check without regard to where the residents chose to move. The payment was based on average rents in Palo Alto and surrounding cities. Total startup costs represented 15 months of rent. The appraiser estimated a 31 percent increase in the median mobile home price between 2013 and 2014. The original average appraised value of a Buena Vista mobile home was \$18,816. If the park closed today, the average appraised value would be \$24,649. The 12-month rent subsidy would total \$22,441. Start-up costs would total \$7,860. Estimated moving costs were \$1,100. Assistance for disabled residents would be determined. The assistance package totaled \$56,050. The current appraised value of a two-bedroom home with a 31 percent increase was \$24,649; the 12-month subsidy would be more than \$27,000; start-up costs would be more than \$9,000; estimated moving costs would be \$1,100; for a total package amount of \$62,103. A 1955 travel trailer with addition was valued at \$17,000, for which the appraiser stated there was no offsite value noted. If that mobile home was not located at Buena Vista, it would have zero intrinsic value. The home was valued at \$17,000 only because the home was located in Palo Alto on property he owned and which he rented. There were serious problems when the home value was based solely on the home being located on property the homeowner already owned. Buena Vista was not a traditional mobile home park. Only 30 Buena Vista homes were mobile homes within the definition of either the Health and Safety Code or the California Administrative Code. The remaining homes were either RVs, travel trailers, or trailers, some as old as the early 1950s. The park did not contain proper infrastructure to support a modern mobile home. The average square footage and average age of existing homes did not compare to modern mobile homes. provided pictures of Buena Vista homes and the additions made to them. Trulia listings submitted by the Residents Association did not look like and were not comparable to units in Buena Vista. Being located in Palo Alto did not transform the physical characteristics of Buena Vista homes. At the

public hearing, the park owner submitted actual sale prices of mobile homes obtained from the Department of Housing and Community Development (HCD). She did not provide current data, because counsel was not allowed to introduce new evidence. She represented that homes did sell for \$50,000 and less. In order for Buena Vista homeowners to remain in Palo Alto as homeowners, the park owner would have to purchase condominiums in Palo Alto for residents. The current average price for a condominium in Palo Alto was \$1,247,500, which exceeded the reasonable cost of relocation. The lack of affordable housing options in Palo Alto was neither the fault nor the responsibility of the park owner. The record of the case contained records of Council meetings when the Ordinance was enacted. At that time, the Assistant City Attorney reviewed a number of Ordinances, and residents were represented by an attorney. The Ordinance did not name schools as a factor. The Hearing Officer found that schools did not directly factor into the criteria listed in the Conversion Ordinance. Based on the plain language of the Ordinance, there was no basis for implying a legislative intent to require analysis of available schools when determining comparable replacement The City Council must follow the Ordinance, State law, and Constitutional principles.

Mayor Holman noted the time of 10:00 P.M. and suggested the Council resume the meeting the following evening.

Council Member Filseth inquired about the amount of time allocated for the expert witness for the park owner.

Mayor Holman answered 10 minutes. Fifteen minutes was allocated for rebuttals.

Council Member Filseth suggested hearing the expert witness for the park owner, so that the Residents Association could have the expert testimony to prepare its rebuttal.

Mayor Holman advised that the expert witness was not available.

Ms. Nanda reported the expert witness was available for only one evening. The expert would speak for 10 minutes. The park owner's expert submitted a report in rebuttal to the Residents Association's expert report.

Mayor Holman indicated the Residents Association had agreed to hear the expert's testimony the following evening.

Adjournment: The meeting was adjourned at 10:00 P.M., with this item continued to Tuesday, April 14, 2015.

ATTEST:	APPROVED:	
City Clerk	Mayor	

NOTE: Sense minutes (synopsis) are prepared in accordance with Palo Alto Municipal Code Sections 2.04.180(a) and (b). The City Council and Standing Committee meeting tapes are made solely for the purpose of facilitating the preparation of the minutes of the meetings. City Council and Standing Committee meeting tapes are recycled 90 days from the date of the meeting. The tapes are available for members of the public to listen to during regular office hours.