

ACTION MINUTES

Special Meeting
March 12, 2012

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:00 P.M.

Present: Burt, Espinosa, Holman, Klein, Price, Scharff, Schmid, Shepherd, Yeh

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, Pamela Antil, Dennis Burns, Lalo Perez, Joe Saccio, Sandra Blanch, Marcie Scott, Darrell Murray) Employee Organization: Palo Alto Police Manager's Association (PAPMA)
Authority: Government Code Section 54957.6(a)
2. CONFERENCE WITH CITY ATTORNEY -- EXISTING LITIGATION
Subject: Charlot v. City of Palo Alto, Santa Clara County Superior Court, Case No. 110-CV-178617
Subject Authority: Government Code section 54956.9(a)

The City Council reconvened from the Closed Session at 7:00 P.M. and Mayor Yeh advised no reportable action.

3. Community Presentation by Neighbors Abroad.

Joe Evans Co-President of Neighbors Abroad provided a brief demonstration of Neighbors Abroad's new website. He recapped some recent Neighbors Abroad events. Palo Alto has six Sister Cities; all speak languages taught by Palo Alto Schools. He explained that Neighbors Abroad was a volunteer organization and member of Sister Cities International. He reviewed the various activities of the organization such as student and adult exchanges, fundraisers, and various activities. Jim Newton the Treasurer for Neighbors Abroad gave a demonstration regarding the 2010-2011 expenditures.

4. Proclamation Welcoming the Tsuchiura Exchange Students.
5. Proclamation Honoring the 100th Anniversary of Girl Scouts USA.

Minutes Approval

MOTION: Council Member Shepherd moved, seconded by Council Member Price to approve the minutes of November 28, 2011.

MOTION PASSED: 9-0

Consent Calendar

Staff requested Consent Item No. 10 be pulled at the contractor's request.

MOTION: Council Member Shepherd moved, seconded by Vice Mayor Scharff to pull Agenda Item No. 10, to be heard at a later date.

MOTION PASSED: 9-0

MOTION: Council Member Espinosa moved, seconded by Council Member Klein to approve Agenda Item Nos. 6-9.

6. Approval of Amendment Number 2 to the OPOWER Contract with the City of Palo Alto to add Website Portal and Related Web-based Services at no Cost in Addition to the Home Energy Reports.
7. Request to Cancel City Council Meeting of April 2, 2012 and Call a Special Council Meeting on April 23, 2012.
8. Approval of a Three Year Wastewater Enterprise Fund Contract with Casey Construction, Inc., in an Amount Not to Exceed \$2,070,505 for Wastewater Collection System Maintenance Services.
9. Recommendation by the CAO Committee to the City Council to Approve the Contract with Sherry Lund Associates for the Amount Not To Exceed \$35,050 to Complete the Four CAO Evaluations for the 2011-2012 Performance Review Cycle.
- ~~10. Approval of Change Order Fifteen in the Amount of \$278,710 to Flintco Construction for the Mitchell Park Library and Community Center Project.~~

MOTION PASSED FOR AGENDA ITEM NOS. 6-9: 9-0

Agenda Changes, Additions and Deletions

MOTION: Vice Mayor Scharff moved, seconded Council Member Shepherd to move Agenda Item No. 12 to a future date.

~~12. Approval Of Final Park Design for El Camino Park And Approval Of The Use Of \$2,275,796 In Park Development Impact Fees To Fund The Design And Construction Of The Improvements.~~

MOTION PASSED: 9-0

Action Items

11. Public Hearing: Consideration of the Proposed Lytton Gateway Planned Community (PC), including: (1) Approval of a Mitigated Negative Declaration, (2) Adoption of a PC Ordinance Amending the Zoning Map of the City Of Palo Alto to Change the Zone Designations of 355 and 335 Alma, currently CDC-P and CDN-P to Allow a Mixed Use, Five-Story, 64-foot Tall Building (and an 84' Corner Tower Feature) on the former Shell Station Site, including Two Concessions under State Density Bonus Law (Building Height and Daylight Plane), and (3) Approval of a Resolution Amending the Comprehensive Plan Designation for a Portion of the Site (335 Alma) to Regional/Community Commercial (from Neighborhood Commercial), for the Project Located at 355 and 335 Alma Street. * Quasi-Judicial.

MOTION: Council Member Burt moved, seconded by Vice Mayor Scharff to 1) request that Staff meet with Applicant to discuss means to reduce the amount of onsite affordable housing and potentially the overall housing element, to redirect the public benefits and the dollars that would result from that toward the housing fund and downtown parking in lieu fund and on other measures that would reduce the impact of parking on adjacent neighborhoods, 2) to discuss replacing subsidized retail with subsidized office to be provided to downtown serving non profits.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND THE SECONDER to approve the Initial Study and Mitigated Negative Declaration for the proposed mixed use development at 335 and 355 Alma Street; and adopt a Resolution amending the Comprehensive Plan designation for a portion of the site (335 Alma) from neighborhood commercial to regional/community commercial.

SUBSTITUTE MOTION: Council Member Klein moved, seconded by Council Member Schmid to request Staff meet with the Applicant to 1) discuss the

elimination of onsite affordable housing and potentially redirect public benefit dollars toward the Housing Fund, the Downtown Parking In Lieu Fund, and towards other measures to reduce parking in adjacent downtown neighborhoods, and 2) reduce the size of the building by one floor. Additionally to approve the Initial Study and Mitigated Negative Declaration for the proposed mixed use development at 335 and 355 Alma Street; and Adopt a Resolution amending the Comprehensive Plan designation for a portion of the site (335 Alma) from neighborhood commercial to regional/community commercial. Furthermore, to continue this item to another Council meeting.

AMENDMENT TO SUBSTITUTE MOTION: Council Member Burt moved, seconded by Vice Mayor Scharff to direct Staff to explore with the Applicant shifting the former subsidized retail area to be designated as subsidized downtown serving non-profit on the ground floor.

AMENDMENT PASSED: 5-4 Espinosa, Holman, Klein, Schmid, no

AMENDMENT: Council Member Shepherd moved, seconded by Vice Mayor Scharff to have the applicant explore the development of the fifth floor as office space and explain what community benefits they could provide in exchange for the fifth floor office space.

AMENDMENT FAILED: 4-5 Burt, Holman, Klein, Schmid, Yeh no

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND THE SECONDER to maintain the tower element in the project design, but in proportion with the four story building.

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND THE SECONDER to explore other public benefits beyond parking and housing.

SUBSTITUTE MOTION AS AMENDED PASSED: 6-3 Holman, Price, Shepherd no

13. Consideration of a Recommendation by the CAO Committee to the City Council to Approve a Contract with Sherry Lund Associates for the Amount of Not to Exceed \$6,000 to Secure Additional Input from the Direct Reports to the Four CAO's Performance Reviews.

MOTION: Council Member Price moved, seconded by Council Member Holman to: 1) conduct a modified 360 evaluation for the CAO's, 2) that the direct input model be added to the original performance evaluation cycle for an amount not to exceed \$6,000

MOTION PASSED: 8-1 Klein no

Council Member Questions, Comments and Announcements

Council Member Shepherd reported that the Bus Rapid Transit Policy Advisory Committee met the previous week. She suggested an informational meeting with Staff to determine if Palo Alto could accommodate a dedicated bus lane to enable her to properly represent Palo Alto on the committee.

Vice Mayor Scharff said he attended the Housing Methodology Committee Meeting for Association of Bay Area Governments in the previous week. Palo Alto received a low housing allocation for the year. The jobs-housing imbalance was only a minimal factor in determining the allocation.

Council Member Burt announced on March 13, 2012 the High Speed Rail State Senate Committee would hold a hearing at the Mountain View Performing Arts Center at 7:00 pm. He encouraged the Council Members and the public to attend.

Mayor Yeh stated the City of Tsuchiura gave Palo Alto a wooden replica of a sailboat that would be delivered for display in City Hall shortly.

ADJOURNMENT: The meeting was adjourned at 12:50 A.M.