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The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:01 P.M.

Present: Berman, Burt, Filseth, Holman, Kniss, Schmid, Wolbach arrived

at 6:10 P.M.

Absent: DuBois, Scharff

Closed Session

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

MOTION PASSED: 6-0 DuBois, Scharff, Wolbach absent

City Council went into Closed Session at 6:03 P.M.

1. CONFERENCE WITH CITY ATTORNEY/LEGAL COUNSEL ANTICIPATED LITIGATION (as defendant/plaintiff)

Subject: Turner Construction – Construction Management Services,

Mitchell Park Library and Community Center

Authority: California Government Code Sections 54956.9(d)(2) and

54956.9(d)(4)

Council reconvened from Closed Session at 6:49 P.M.

Mayor Holman advised no reportable action.

Special Orders of the Day

2. Acknowledgement of Recipients of Mayor's "Green Leader Business Award".

Mayor Holman advised that the Green Leader Business Award program was initiated in 2012 to support and reward business owners and managers who improved the energy efficiency of their buildings. Business owners tracked energy use and compared energy consumption through the Environmental Protection Agency's (EPA) Portfolio Manager Program. Owners of buildings scoring 90 or better in Portfolio Manager received the Gold Level Green Business Leader Award. Mayor Holman presented awards for buildings located at 435 Tasso Street, 3450 Hillview Avenue, 601 California Avenue, 650 Page Mill Road, 3210 Porter Drive, and 975 Page Mill Road.

3. Heart Across America Presentation.

Amy Brennan, Heart Across America Campaign Manager, introduced community supporters of Heart Across America. She played a video about Sean Maloney and his recovery from a debilitating stroke.

Sean Maloney reported Heart Across America was a cross-country bike ride to increase awareness of strokes and heart attacks. Normally, heart attacks and strokes were the result of thickening of arteries, which was detectable by an ultrasound. Heart attacks and strokes are the number one cause of deaths worldwide.

Ms. Brennan indicated Heart Across America would provide a number of events and activities for the community. Event sponsors included corporations, health and wellness organizations, bicycle clubs and shops. A beginner's ride would extend from City Hall to Hewlett-Packard. The ride would continue for 52 miles for experienced bicyclists.

Tana and Alexandria Maloney hoped the children of Palo Alto would bring their parents to the event.

Mayor Holman was pleased Heart Across America was being launched in Palo Alto.

Council Member Kniss noted the Council adopted Healthy City/Healthy Community as a Priority.

Ms. Malone inquired whether Heart Across America could fulfill a portion of the Council's Priority of Healthy City/Healthy Community.

James Keene, City Manager, responded yes.

Council Member Filseth read the Proclamation into the record.

Mayor Holman advised that the ride would begin at City Hall on March 22, 2015 at 10:00 A.M.

Wynn Grcich stated ammonia was added to drinking water, and ammonia caused strokes. Fluoridation could speed the aging process. Chlorine caused heart attacks.

City Manager Comments

James Keene, City Manager, announced approximately 800 customers had registered for the Palo Alto Green Gas Program in the first month. Participation in Palo Alto Green Gas would add approximately \$5 to each

customer's monthly utility bill. The Our Palo Alto app was available for download. He read an email from a customer who appreciated a City repairman's service. Palo Alto firefighters would read to students in honor of Read Across America Day on March 2, 2015. City Staff and Cubberley Community Center tenants would host Cubberley Community Day on March 28, 2015.

Oral Communications

David Carnahan, Deputy City Clerk, reported the City was searching for applicants to fill three terms on the Human Relations Commission, three terms on the Public Art Commission, and two terms on the Utilities Advisory Commission. He reviewed requirements for each Commission. Deadline for applications was March 3, 2015. Terms began May 1, 2015 and ended April 30, 2018.

Stephan Rosenblum presented a petition signed by 155 people asking the Council to divest City investment funds from utilities that consumed coal and from investment banks that financed fossil fuel extraction. The Council could accomplish this by directing Staff to do so.

Stephanie Munoz spoke about the sale of the Maybell property and the closing of Buena Vista Mobile Home Park. Tearing down the Palo Alto High School gymnasium was a waste when it could be utilized for many purposes.

Mila Zelkha, Palo Alto Forward Steering Committee, believed funds set aside for Buena Vista Mobile Home Park marked the beginning of a renewed community discussion of preserving the property for affordable housing. Palo Alto Forward had partnered with Friends of Buena Vista and looked forward to supporting the discussion.

Elaine Uang indicated many livability challenges could be managed through better mobility policies. Residents needed all types of transportation options. She requested the Council consider better incentives for buildings, new and old.

Wynn Greich spoke against fluoridation of drinking water. She provided studies indicating fluoridation caused genetic damage.

Minutes Approval

MOTION: Council Member Berman moved, seconded by Council Member Kniss to approve the Minutes of November 10 and 17, 2014.

Vice Mayor Schmid requested timely return of Minutes.

Beth Minor, Acting City Clerk, reported Minutes would be timely.

MOTION PASSED: 7-0 DuBois, Scharff absent

Consent Calendar

MOTION: Council Member Kniss moved, seconded by Vice Mayor Schmid to approve Agenda Item Numbers 4-12.

- 4. Resolution 9495 entitled "Resolution of the Council of the City of Palo Alto Amending Electric Rate Schedule E-1 TOU (Residential Time-of-Use Rate Adjustment) to Extend its Term Through December 31, 2017."
- 5. Approval of Utilities Enterprise Fund Contract with Daleo, Inc. In The Amount of \$4,409,031 for Water Main Replacement Capital Improvement Program WS-11000 Project 25 in University South and the Leland Manor/Garland Subdivisions.
- 6. Approval of a Contract with St Francis Electric in the Amount of \$274,290 for Traffic Signal Modifications at the Embarcadero Road Town and Country-Palo Alto High School Intersection.
- 7. Approval of Continuation of Valet-Assist Services at Lot R for the Remainder of FY2015 and Adoption of a <u>Budget Amendment Ordinance</u> 5305 entitled "Budget Amendment Ordinance of the Council of the City of Palo Alto in the University Avenue Parking Permit Fund in the Amount of \$30,000."
- 8. Approval of an Amendment to Contract C14153012 with Metropolitan Planning Group for Planning Support Services Needed Due to Unanticipated Staff Vacancies Adding \$98,000 for a Not to Exceed Amount of \$150,000.
- 9. Approval of Utilities Enterprise Fund Contract with Utility Tree Service, Inc. (UTS), Not To Exceed \$1,209,406 for the First Year and up to \$5,251,499 for Four Additional Years for the 2015 Power Line Clearing Project.
- 10. Appointment of 2015 Emergency Standby Council.
- 11. <u>Resolution 9496</u> entitled "Resolution of the Council of the City of Palo Alto Approving Interim Appointment of James Lightbody to Chief Transportation Official Position Pursuant to Government Code Section 21221(h)."

12. Approval to Cast Ballot for Council Member Liz Kniss for Vice President of the Peninsula Division Executive Committee of the League of California Cities.

MOTION PASSED: 7-0 DuBois, Scharff absent

Action Items

13. Appeal of Director of Planning and Community Environment's Individual Review Approval of a New Two-Story Home located at 3864 Corina Way (Continued from February 2, 2015).

Amy French, Chief Planning Official, reported the project was a two-story home in an R-1 (single-family residence) Zone and a flood zone. The site was currently a vacant lot. The street-side property line was located along the cul-de-sac. The front property line was located along Corina Way. The Municipal Code required notice for Individual Review (IR) projects to be provided to abutting properties only. Staff sent four courtesy notices to all properties within a 150-foot radius of the property. Building setbacks were determined in accordance with appropriate Palo Alto Municipal Code sections. The appellants owned a pie-shaped lot adjacent to the subject property. The Appellant's rear setback was measured from the rearmost point of the lot. Staff did not approve the original design submitted July 2013 given the scale, mass, and height of the proposed design. Applicant revised plans and met with neighbors prior to submitting revisions in August 2014 and again in October 2014. The project was a contemporary, two-story home. The design changed significantly over time, including reducing height and mass, adjusting the second floor toward the cul-de-sac, increasing setbacks, obscuring second-floor windows, and providing greater articulation and landscaping. The revised design met IR Guidelines. The Record of Land Use Action set forth the IR Guidelines and the determination that the project met those Guidelines.

Cara Silver, Senior Assistant City Attorney, mentioned that the Council needed to adopt a Record of Land Use Action. Five votes would be needed to grant the appeal and affirm the Director's decision or to deny the appeal and overturn the Director's decision.

Mayor Holman requested disclosures from Council Members.

Molly Stump, City Attorney, advised that traditionally Council Members had not disclosed visits to the project site; however, it would be a good idea to do so.

Mayor Holman asked if a visit to the site would include driving by it.

Ms. Stump clarified that Council Members should disclose any gathering of information outside of the formal material submitted by the parties or presented during the meeting.

Council Member Kniss had twice visited the site, walking around the property and along the cul-de-sac.

Council Member Berman visited the site.

Council Member Burt visited the site.

Vice Mayor Schmid had traveled along Corina Way many times.

Council Member Filseth visited the site and viewed adjacent properties.

Mayor Holman drove around the site several times.

Helen Koo, Applicant, reported the project site was bordered by two streets, approximately 133 feet along one street and 62 feet along the other. Three sides of the property shared property lines. According to Zoning Guidelines, the short side of the property facing the street was designated the front property line. The opposite side was the rear property line. The long side of the property facing Corina Way was the side yard. The lot was surrounded on three sides by mature, 30-40 foot evergreen trees. The rear of the lot contained the most dense and tallest trees. Those trees screened the back from surrounding properties. Deciduous street trees would screen homes opposite the project and at the end of the cul-de-sac. She proposed planting six evergreen trees along the fence. At planting those six trees would be 10 feet in height. At maturity, those trees would be approximately 20 feet in height. Front and rear setbacks were 20 feet; the street-facing side setback was 16 feet, and the interior side setback was 8 feet. The proposed footprint was located within all setbacks. Although the setback requirement for the interior side was 8 feet, the Applicant increased the setback for the ground floor of the proposed home to 10 feet and 24 feet for the second story. The allowed height for the proposed home was 31 feet 3 inches; however, the maximum height of the proposed two-story section The façade would be an earthy tone and would be 23 feet 7 inches. comprised of natural materials to blend with the site and the neighborhood. All bathrooms were located within the home to face the street. On the side of the proposed home facing the neighbor, three windows were obscured and located above eye-level.

Jeanie Tooker Stephens, Appellant, remarked that the proposed house did not meet single-family IR Guidelines, which resulted in adverse impacts to adjacent neighbors. The lot was configured for a smaller home. Setbacks

did not meet zoning goals and intensified the impacts to neighbors. The City's failure to follow Code and post the second design denied neighbors the right to comment and significantly damaged the appeal. Corina Way was comprised largely of single-story, 1,200-1,800 square foot homes containing three bedrooms, two baths, and a shared living, dining, kitchen and family room space with extensive use of outdoor areas. Some homes had been remodeled with ground-floor extensions or second-story additions, which respected the context and style of the neighborhood. In the context of the neighborhood, the proposed home was equivalent to two traditional homes. The proposed home contained five bedrooms, four baths, and separate living, dining, family and kitchen rooms. The proposed house was sited to be an object building, rather than a part of the broad horizontal landscape. The wide second-floor volume defined the scale, which was not mitigated by the tacked on one-story mass. Features not in compliance with IR Guidelines included inappropriate height and mass, ridge lines extending above neighbors' ridge lines, tall wall planes, and monumentally scaled forms. The broad upper floor was almost twice the height of neighboring rooflines and called attention to height compatibility. Reducing visual mass was key to reducing the impact to neighbors. Every view from her home would be dominated by the proposed home. The rear of the house would be located on 8-foot setbacks, while other homes had a minimum 20-foot rear setback. The proposed house placement and size supported repositioning the house on the lot to lessen impacts to neighbors. The first design was posted in July 2013 and generated significant neighborhood opposition. The second design was never posted on the property. A Planning Department email to eight nearby neighbors did not constitute adequate notice to the neighborhood. She asked the Council to include residents in the review of IR Guidelines.

Frank Ingle supported the Appellant. IR goals were routinely ignored. Applications did not appear to be examined for compliance unless neighbors protested. He requested the Council instruct the Planning Department regarding interpretation of Guidelines and appoint an ombudsman to adjudicate disagreements about Guideline interpretations.

Cheryl Lilienstein supported the Appellant. The Council should appoint someone to represent residents in the Planning Department. The proposed design was not compatible with the neighborhood. The Applicant should reposition the home.

Ken Allen, President of the Adobe Meadow Neighborhood Association, advised that the Association took no stand on the issue. He requested the Council provide guidance for future modifications to the neighborhood. The lot begged for a variance in order to make the proposed home more

compatible with the neighborhood. The proposed home was jarringly out of place in the neighborhood.

Arthur Keller referenced Policy L-12 of the Comprehensive Plan regarding compatibility. The Applicant and Staff had not rebutted the Appellant's claim that the proposed structure was not compatible with the neighborhood. The proposed home should be redesigned to be more compatible with the neighborhood in structure, style, and form.

Dagmar Becker supported the Appellant. City trees would not screen the proposed home. The structure was massive and did not resemble the style of adjacent homes. The review of Guidelines should ensure homes were compatible with neighborhoods.

Shani Kleinhaus advised that the vacant lot was utilized by children as a playground. She had seen various wildlife on the lot. The house was too large and did not blend with the neighborhood.

Mike Murnane supported the Appellant and redesign of the proposed home.

David Hammond supported the Appellant. The house was awfully large.

Rita Vrhel supported the Appellant. The building of large houses incompatible with neighborhoods was endemic to Palo Alto. The Planning Department assisted the Applicant rather than residents.

Ms. Koo stated she had posted the second notice at the site; although, it was removed twice and she reposted it. At the beginning of the process, she personally visited 11 adjacent neighbors to share plans for the site. Nine of those 11 neighbors supported plans for the site. The previous weekend, six of seven neighbors supported plans for the site. Because of the flood plain, the house had to be built 2 1/2 feet above ground. She voluntarily increased the interior setback to 24 feet.

Council Member Burt requested the list of neighbors supporting her plans for the site.

Ms. Koo had emailed the list to the Council.

Council Member Wolbach inquired about reasons for placement of windows on the second floor of the home facing the Appellant.

Ms. Koo reported the height of the windows addressed privacy concerns. Three windows facing the Appellant's property would be obscured and would be placed above eye-level.

Ms. Tooker Stephens noted the IR Guidelines did not contain exceptions for flood plains. The setback did not mitigate the height and mass of the house. The large, square corners of the house blocked the entire area. She requested the Council utilize an ombudsman to change the process and to allow compromise.

Vice Mayor Schmid noted South Palo Alto was developed with modest-sized lots resulting in modest-sized homes. Homes were designed to blend indoor and outdoor spaces. The question was whether new construction that was out-of-scale with a neighborhood reduced the value of the neighborhood. During the Comprehensive Plan Update, the City and residents should consider whether interpretation of IR Guidelines was adequate to fulfill the goal of the Comprehensive Plan.

Council Member Burt requested the Appellant clarify minimally acceptable changes to the proposed home.

Ms. Tooker Stephens wanted the home repositioned on the lot and the height reduced. The proposed home dominated her backyard.

Council Member Burt explained that the IR Guidelines were created in order to add details to Policy L-12 of the Comprehensive Plan. Perhaps the IR Guidelines should be changed; however, the Council had to review the proposed project according to existing Guidelines. The Council should review interpretation of Guidelines and the Guidelines themselves. A flat roof was more compatible with the neighborhood than a pitched roof, and a flat roof reduced height. The proposed project was below the height limit set by the Zoning Code. The use of the vacant lot as a park was irrelevant. The average lot size in south Palo Alto was larger than many lots in north Designating the narrow side of the lot as the front yard was mandated by the Code. The Council should consider a change to the appeal process. In some ways the proposed home was not compatible with the surrounding homes; however, the proposed home was not massive or monumental. The Applicant made several efforts to address Guidelines, and addressed Guidelines better than other projects that had been approved. He asked if the Council could identify specific changes without directing the Applicant to begin anew.

Ms. Silver suggested the Council could identify changes and impose them as Conditions of Approval. If changes were extensive, the Applicant would have to redesign the project.

Council Member Filseth believed the Code was clear with respect to setbacks and selection of front and back yards. The proposed home was larger than the home next door; however, other two-story homes were located in the

neighborhood. The presence of a Mediterranean-style home in the neighborhood weakened the argument that the proposed home conflicted with the prevailing style of the neighborhood. The City did not review style per se. The proposed home met the requirements of the Code.

Council Member Berman noted a second house across the street from the proposed home was a different style from the neighborhood. The proposed home met the Code requirements.

Council Member Wolbach felt the key issue was livability; whether neighbors would have diminished enjoyment and use of their property. The additional setback for the second-story was an effort to address privacy concerns. The design and placement of windows on the second story precluded the owners from viewing their own backyard. Yet, neighbors criticized that wall for not containing design elements. The Applicant had seemingly attempted to respect the neighborhood and neighbors. Compatible did not mean identical; respecting the context did not mean homogenous. A home was a personal expression of the owner. Whether the proposed home met the Guidelines was a gray area. Within a gray area, he would support personal property rights and personal expression with respect to a home.

Council Member Kniss explained that style was difficult to assess and was a personal opinion. She sympathized with the Appellant's feelings.

Mayor Holman agreed the revised design was better. The issue was not style, but compatibility and neighborhood pattern. She inquired whether Staff worked with the Applicant to reduce height by moving square footage to the ground floor. If square footage was moved from the second story to the first, setbacks would be less.

Ms. French indicated the Applicant submitted a new design after talking with neighbors. Moving square footage to the ground floor was a means of mitigating second-floor mass, but not one chosen by the Applicant in this project.

Mayor Holman questioned whether the Appellant was requesting that revision.

Ms. French did not notice that request in reviewing emails between the parties.

Mayor Holman noted homes located in the flood plain were difficult to design. She inquired whether materials changed a short distance above the ground. A feature was needed to break up the taller wall of houses located in the flood plain.

Ms. French asked if Mayor Holman was referring to the east elevation facing the Appellant's home.

Mayor Holman referred to the cul-de-sac and street side, the west and south elevations.

Hillary Gitelman, Planning and Community Environment Director, reported in general the IR Guidelines had served the City well. Staff granted approximately 70 IR approvals in a calendar year. Out of those, a handful became controversial. Staff would like to consider some adjustments to the IR Guidelines for construction within the flood plain.

Ms. Koo did not believe different materials were used on the outside walls. The proposed home would consist primarily of smooth stucco and wood siding. Horizontal lines would be featured above windows to create interest and to break up the mass.

Mayor Holman advised that windows were located at the height of the roof eave of the single-story house next door because of flood plain requirements. She asked if it would be feasible to lower those windows and to break up the fairly large wall.

Ms. French commented that those windows appeared to be located in the family room. The dining area contained the small, square window. Staff did not view lowering the windows as necessary because it was not a privacy concern. It would be a choice for the Applicant.

Mayor Holman viewed it as a compatibility issue.

Ms. Gitelman explained that the floor height of the proposed home was 2 1/2 feet taller than the floor height of the adjacent structure. If windows were lowered, then they would reach floor level. That could make the situation more jarring.

Ms. French felt the design as proposed would be better with respect to proportions.

Mayor Holman inquired whether the ceiling height and windows could be lowered to increase compatibility.

Ms. Gitelman reported many new two-story homes contained large floor-to-ceiling heights. When a project fell within height limits, it was difficult to pressure an Applicant to do more than a modest adjustment. Staff did not have tools in the IR process to do more than work with Applicants to lower the floor-to-ceiling height.

Mr. Koo indicated the majority of the proposed home contained 9-foot ceilings. A nine-foot ceiling was the minimum standard for an average house.

Mayor Holman understood the standard was 10 feet.

Mr. Koo clarified that the living room matched the single-story height.

Mayor Holman was unaware of a means to deal with the tradeoff between design and privacy issues. Condition Number 6: Six 24" box sized "Tristania Laurina" screen trees shall be planted along the easterly property line (reflected in Sheet A-060 of revised plans date-stamped 10/2/14) prior to final planning inspection of the project. An alternate evergreen tree species may be proposed for Director review and approval (these trees shall reach a minimum of 20 feet in height at maturity. A combination of trees and climbing vines on the building wall shall be used to soften the building, of the Record of Land Use Action did not reference maintenance of trees. She inquired whether the Council could include maintaining a tree line in the language of Number 6.

Ms. Gitelman would be happy to incorporate a change to that condition if Mayor Holman would suggest language.

Mayor Holman noted Condition Number 8: The trees in the rear yard are to remain, or if they are to be removed, comparable replacement screening vegetation shall be planted subject to approval of the Director, did not require long-term maintenance of vines on the building. She asked if Staff considered planting some of the trees proposed for the east property line closer to the house to soften the image and to provide a screen.

Ms. Koo planned to plant tall trees against the wall of the house facing the Appellant's side yard.

Mayor Holman referred to Number 8, and asked if the neighbor to the rear had raised concerns about daylight. She inquired about the location and long-term maintenance of trees at the rear of the property.

Ms. Gitelman noted the condition stated that the trees were to remain. That implied a requirement for them to be present into the future. If Mayor Holman would suggest some language, Staff would be happy to incorporate it.

Mayor Holman felt the condition should address long-term retention. The ombudsman suggestion had been noted. A Colleague's Memo regarding an ombudsman program would be presented in March 2015.

Council Member Wolbach respected the Applicant's wish for 9-foot ceilings. He inquired about the process for the Council to make subtle modifications to the project with respect to Mayor Holman's concerns about Condition Numbers 6 and 8.

Ms. Gitelman advised that the Council could either specify the language for changes or adopt a Motion directing Staff to incorporate those concepts into the conditions where appropriate.

Council Member Burt asked if Staff considered accommodating square footage from the second floor on the ground floor.

Ms. Gitelman explained that typically the second floor accommodated bedrooms and bathrooms. Applicants usually rebuffed Staff's attempts to move square footage to the ground floor.

Council Member Burt would be surprised if all five bedrooms were located on the second floor.

Ms. Gitelman noted one bedroom was located on the ground floor. The second floor was comprised of bedrooms and bathrooms.

Council Member Burt wanted to know if Staff had discussed with the Applicant moving any space from the second floor to the ground floor.

Ms. French was not present for all discussions with the Applicant, but believed such discussions likely occurred. With respect to lot coverage, Applicants were allowed 2,681 square feet. The proposed home covered 2,006 square feet.

Council Member Burt asked if Staff had evaluated the possibility of moving some second-story square footage to the ground floor.

Ms. Koo did consider that. She preferred all family members sleep together on the second floor. She proposed utilizing the ground-floor bedroom as an office/guest bedroom initially. When her parents could no longer access the second floor, they would move to the first-floor bedroom.

Council Member Burt asked if the Applicant would choose denial of the project or moving square footage.

Ms. Koo remarked that she had made many compromises in the design over the three years the project had been pending.

Council Member Burt asked if she would move one bedroom to the ground floor in order to obtain approval of the project.

Ms. Koo clarified that moving one bedroom would be complicated and would require a significant redesign over several months.

MOTION: Council Member Wolbach moved, seconded by Council Member Kniss to uphold the Director of Planning and Community Environment approval by adopting the Record of Land Use Action approving an Individual Review (IR) application for a new two-story home at 3864 Corina Way, adding to Section 6 – Conditions of Approval, Condition Number 6 – "The trees and climbing vines shall be maintained in perpetuity."

Council Member Wolbach initiated the effort to remove the item from the Consent Calendar. Both the Applicant and the Appellant made strong arguments. The issue was whether the Applicant or the Appellant would be more negatively impacted. The Applicant had done an admirable job in providing a project that fulfilled her needs, respected the Appellant's privacy, and was compatible with the neighborhood.

Council Member Kniss inquired whether Condition Number 8 addressed Mayor Holman's concerns regarding maintaining trees.

Mayor Holman answered no, it did not address the issue of retention.

Council Member Kniss indicated the Council's decision would not please everyone. In visiting the site that afternoon, she noted seven two-story houses in the neighborhood that were completely different in style.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to Section 6 – Conditions of Approval, Condition Number 8 – "In either event screening trees are to be maintained."

Ms. Gitelman concurred with using the term "maintained" in Condition Numbers 6 and 8.

Council Member Wolbach was open to language indicating the length of retention or maintenance of the greenery.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to modify addition to Section 6 – Conditions of Approval, Condition Number 8 – "in either event screening trees are to be maintained for the natural life of the home."

Council Member Burt commented that the Council's discussion highlighted issues that should be included in a potential revision of IR Guidelines. The

discussion was worthwhile even though the Council made only minor modifications.

Vice Mayor Schmid referenced the final sentences of the Staff Report and suggested the Council discuss whether the Guidelines were achieving City goals.

Mayor Holman understood the Applicant stated she would plant trees closer to the house, but did not find that in the landscape plan.

Ms. Gitelman advised that Condition Number 6 referred to trees and climbing vines on the building wall to soften the building. The intention of the condition was to memorialize the screening trees along the property line as well as vegetation along the wall of the home.

Mayor Holman expressed concern that the screening trees would deprive the Appellant of daylight plane. If the trees were not planted along the property line, the Appellant would receive more daylight.

Ms. French reported six trees would be planted between the outdoor patio and the property line abutting the Appellant's property. Seven shrubs would be planted adjacent to the garage.

Mayor Holman stated shrubs did not mitigate the height of the building and the blank wall.

Ms. Gitelman explained that those trees were intended to screen at the property line. If those trees were planted closer to the house, they would impact the patio and yard area of the home.

Mayor Holman suggested Staff work with the Applicant and the Appellant to resolve that. Staff should follow up regarding placement of those trees in an attempt to satisfy both parties.

Ms. French added that those trees were added as part of the Director's hearing. The closer those trees were to the property line, the more they would screen the home for the Appellant.

Mayor Holman reiterated that Staff should attempt to resolve that with the Applicant and Appellant.

Ms. Gitelman clarified that the screening at the property line resulted from Staff's conversations with the Appellant and others regarding the desire to screen the two-story portion of the house. Those trees were the product of conversations among Staff, the Applicant, and the Appellant.

AMENDMENT: Mayor Holman moved, seconded by Vice Mayor Schmid to direct Staff to look at locating an additional bedroom on the first floor to reduce the second-floor mass.

AMENDMENT FAILED: 2-5 Holman, Schmid yes

Council Member Wolbach felt the Amendment for Condition Numbers 6 and 8 should incorporate a more specific time period, such as life of the home.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to modify Section 6 – Conditions of Approval, Condition Number 6 – "Trees and vines will be maintained for the natural life of the home."

Ms. Gitelman indicated "natural life of the home" was unusual language but comprehensible.

Council Member Wolbach suggested 20 years, 50 years.

Ms. Gitelman recommended retaining the language of "life of the home."

MOTION AS AMENDED PASSED: 6-1 Schmid no, DuBois, Scharff absent

14. Policy and Services Committee Recommends the City Council Amend Policy and Procedure 1-48/ASD (Procedure for Sale/Transfer of Surplus City-Owned Real Property) to Address Unsolicited Offers and Provide for Broad Marketing of City Lands Through Use of Electronic Media.

Lalo Perez, Chief Financial Officer, recalled the Council reviewed and discussed the Santa Clara County Grand Jury Report in September 2014. At that time, the Council referred to the Policy and Services Committee (Committee) Policy and Procedure 1-48 relating to the sale and transfer of surplus City-owned property. In November 2014, the Committee heard the item and made two recommendations. The first recommendation was to specify that unsolicited offers would be referred to the Council as recommended by the City Manager. The second recommendation was to market City property broadly using appropriate modes of advertising including electronic media.

Vice Mayor Schmid reported the Committee voted unanimously in favor of the two recommendations. He dissented with respect to Section A.3 in that it should be more explicit as to whether the City Manager could present an unsolicited bid in an Open or Closed Session.

MOTION: Vice Mayor Schmid moved, seconded by Mayor Holman to approve the Policy and Services Committee recommendation to amend

"Policy and Procedures 1-48/ASD (Procedure for Sale/Transfer of Surplus City – Owned Real Property"); adding to the last sentence of Procedure Section A.3, "and shall provide public notice of any deed restrictions on the property."

Vice Mayor Schmid indicated the additional language applied specifically to the Grand Jury Report regarding the 7.7 acres. The Council directed Staff to prepare a list of all City property and land donated to the City. The Council adopted a policy to hold public votes before moving into a Closed Session.

James Keene, City Manager, inquired about the distinction between deed restrictions and other kinds of special restrictions that could exist on various property. An easement on property could have some environmental significance. He preferred the language be more general in order to identify any conditions.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to Procedure Section A.3 "and shall provide public notice of any deed restrictions, easements, or any other encumbrances on the property."

Molly Stump, City Attorney, clarified that for real estate Closed Sessions the property must be identified on the Agenda. The 7.7 acres did not have a street address; therefore, it was identified on the Agenda by the Tax Assessor's parcel number. A description of adjacent properties would be provided for future parcels without street addresses. The Council procedure to vote to convene a Closed Session could be an opportunity for Council Members to inquire about the real property. That discussion could accomplish Vice Mayor Schmid's purpose.

Council Member Berman asked if there was any reason for not stating any special conditions pertaining to a parcel of real property.

Ms. Stump answered no. The City Manager wished to broaden the language to include more situations. The Council would want Staff to disclose any additional relevant items.

Council Member Berman would support the Motion if it did not create a hardship for Staff.

Vice Mayor Schmid concurred with the language inclusion of easements.

MOTION AS AMENDED PASSED: 7-0 DuBois, Scharff absent

Inter-Governmental Legislative Affairs

15. Review and Approval of the Draft Legislative Program Manual and Draft Semi-Annual Legislative Strategic Initiatives.

Richard Hackmann, Management Analyst, reported the draft Legislative Program Manual and Semi-Annual Legislative Strategic Initiatives represented a comprehensive legislative program framework. The draft Legislative Program Manual was intended to serve as the City's ongoing guide to legislative policy and procedures to be reviewed every 2 to 3 years. The draft Semi-Annual Legislative Strategic Initiatives was intended to be revised in the fall and spring of each year. The fall meeting would be a proactive planning session focused on legislation advocacy. The spring meeting would be a planning session focused on reacting to and taking positions on proposed legislation. The Semi-Annual Legislative Strategic Initiatives allowed the Council to provide a clear framework within which Staff and legislative advocates could work.

James Keene, City Manager, added that the City mostly reacted to emergent legislation. The Manual, containing the City's basic policies and philosophy, would inform Staff with respect to stating the City's position or drafting a response letter. Should legislation fall outside policy areas, Staff would present an item for Council discussion. Planning legislative strategy would allow the City to be proactive in responding to legislation. He recommended the Council adopt some initiatives and guidelines for Staff. Having recently discussed changes to the Density Bonus Law, the Council should note the proposed initiative regarding reform of housing allocations.

Vice Mayor Schmid advised that the Policy and Services Committee (Committee) was meeting with State and Federal lobbyists in the fall and spring of each year. The draft Manual and the presentation were contradictory as to whether the Council or the Committee would review legislative planning in the spring and fall. The Council should prioritize initiatives.

Mr. Keene indicated the full list of issues was the result of brainstorming by the Committee.

Vice Mayor Schmid clarified that the Executive Leadership Team (ELT) presented a series of topics for the Committee to consider.

Mr. Keene remarked that the Council could identify other topics as important issues.

Council Member Wolbach suggested strengthening language of the climate change and renewable resources initiative to advocate for very strong climate change initiatives to protect against sea level rise. The initiative regarding funding for public safety, housing, etc., should include rainwater capture and other efficient water use initiatives at the local level. Additional initiatives should be to seek grants for single-occupancy vehicle trip reduction and to clarify or change the State Density Bonus Law to ensure it did not encourage worsening of jobs/housing imbalances in areas with a surplus of jobs. With respect to Regulatory initiatives, he wanted to include anything about California Environmental Quality Act (CEQA) reform. questioned whether the California High Speed Rail (HSR) Project remained a top priority. Initiatives should advocate for Caltrain electrification, for grade separation of Caltrain, and for State and Federal policies promoting regional, subregional, and municipal initiatives to improve public transportation and reduce single-occupancy vehicle trips. The initiative about housing mandates needed clarity regarding the how and why of a revised formula.

Council Member Burt requested the Utilities Staff and Sustainability Officer identify existing barriers to fuel switching and methods to support removal of barriers. The Density Bonus Law initiative should include rectification of counterproductive aspects that exacerbated jobs/housing imbalances. The City's support for local commuter rail and HSR remained important topics. When considering possible funding sources for Caltrain grade separation and modernization, the City should recommend that funding be applied to environmentally beneficial enhancements to commuter rail and perhaps feeder systems. He suggested initiatives include continued seismic retrofits and identification of supplemental funding sources for retrofits and modification of the permit approval process of Regional Water Quality Control Boards in the State. He questioned whether legislative change was needed for water conveyance fees. He requested a process for the Council to move the list of initiatives forward while revising it. The list should be a two-year agenda.

Mr. Keene recommended the Council adopt the Manual which did not include the Semi-Annual Legislative Strategic Initiatives. The Council was discussing the building of a formal strategic process to focus on proactively advocating for legislation. The City could advocate for a limited number of bills. The Council could identify important topics, but should also understand when goals could not be achieved in a specified timeframe.

Council Member Burt noted a distinction between emerging legislation that the City could support versus topics for which the Council wanted to take a leadership role. Taking a leadership role was more important.

Mr. Keene reiterated that the purpose of the Manual and initiatives was for the City to become active with legislation. If the Council wanted to make changes, it could adopt the Manual and instruct Staff to add detail.

Mayor Holman suggested Council Members propose a Motion to approve the draft Legislative Program Manual and draft Semi-Annual Legislative Strategic Initiatives, and then propose changes.

Mr. Keene indicated the Council could reframe some topics or make them more specific.

MOTION: Council Member Wolbach moved, seconded by Vice Mayor Schmid to approve the Draft Legislative Program Manual and the Draft Spring 2015 Semi-Annual Legislative Strategic Initiatives documents.

Vice Mayor Schmid felt approving the documents was a way for the Council to proceed. Staff could gather ideas for elements from Council Member comments and at a later time discuss an update of strategic initiatives.

Mr. Keene requested the Council clarify the process for Staff returning.

Council Member Kniss felt the Council should not refine the list of initiatives in the current discussion. The State lobbyist would interact with Staff, the Council or the Committee.

Mr. Hackmann reported the State and Federal lobbyists would attend fall and spring Committee meetings.

Council Member Kniss added that the Committee could hold conference calls with the State lobbyist.

Mr. Keene advised that Staff received a weekly or biweekly update from State lobbyist.

Council Member Kniss suggested the State lobbyist attend a Council meeting soon.

Mayor Holman noted the deadline for legislators to submit proposed legislation was Friday, February 27, 2015.

Council Member Filseth stated the Council should focus on legislation that directly affected Palo Alto as taxpayer dollars were paying for lobbyists.

Council Member Berman believed the list of initiatives was a way for the City to inform representatives of the City's priorities. The Council could also identify three to five tangible initiatives to target in 2016.

Council Member Wolbach explained that the Council could not propose legislation and have it introduced in the next four days. Knowing the City's priorities would allow legislators to consider those priorities in determining whether to support or amend legislation. The Council should begin a discussion of legislation for 2016 soon. He supported a brief Council discussion of initiatives to include and delete at the current time.

Mayor Holman believed the Committee should vet initiatives and report to the Council. The Council should set points in time for the Committee and the Council to discuss initiatives to prevent delays. She suggested referring the Manual to the Committee to review those two issues.

Mr. Keene clarified that if the Council passed the Motion, Staff would understand the Council's interest and be able to confer with lobbyists regarding the City's positions. Staff would return to the Council if bills of particular interest to the City were proposed.

Mayor Holman believed the Council was also attempting to establish a framework to influence proposed legislation. A two-year strategy for legislation was appropriate. She asked when the item could be returned to the Committee. Each initiative on the list should include any action taken or proposed for the topic. She and the City Manager had discussed renewing Mayor/City Manager conversations with neighboring communities to determine support for issues.

Mr. Keene would work with the Committee Chair to determine a date. The Committee could recommend initiatives to the Council.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to refer the adopted Legislative Program Manual and Spring 2015 Semi-Annual Legislative Strategic Initiatives document to Policy and Services Committee for review and refinement.

Mr. Keene explained that the Council could adopt both documents and refer only the strategic initiatives to the Committee for review.

Mayor Holman wanted to refer both documents to clarify procedural issues.

Council Member Wolbach suggested the Committee review initiatives annually. He did not want to return initiatives to the Committee without reviewing proposed initiatives. The Council should discuss initiatives before referring them to the Committee.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add under Top Six 2015 Semi-Annual

Legislative Strategic Initiatives: Advocate for policies at the state and federal level to provide protection against sea level rise for local communities.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add under Transportation: Advocate for federal and state policies that support local rail and other local transportation programs that reduce single occupancy vehicle trips.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add under Top Six 2015 Semi-Annual Legislative Strategic Initiatives: Initiative 5 add "and reforms to the State Density Bonus Law to correct elements that are counterproductive to the jobs/housing imbalance."

Council Member Burt indicated revision was needed to remove superfluous items and to regroup items.

Mayor Holman asked when the item would be presented to the Committee.

Mr. Keene would work with the Chair to schedule it.

MOTION AS AMENDED PASSED: 7-0 DuBois, Scharff absent

Mr. Keene reported in the next few weeks Staff would present Utilities legislative policies which could include items discussed in the current meeting. The Council could adopt some of those policies and refer them to the Committee for review.

Adjournment: The meeting was adjourned at 11:13 P.M.

ATTEST:	APPROVED:
City Clerk	 Mavor

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.