

Special Meeting
January 31, 2011

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:03 p.m.

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

Absent:

ORAL COMMUNICATIONS

Art Kraemer spoke regarding adding a guiding principle for public safety. He asked to include riding bicycles on sidewalks in business districts.

Mark Petersen-Perez spoke regarding his First Amendment Rights and having been denied equal media access by the City Attorney's Office.

SPECIAL ORDERS OF THE DAY

1. Proclamation Expressing Appreciation to Jay Thorwaldson for Outstanding Public Service.

Mayor Espinosa read the Proclamation into the record.

Jay Thorwaldson expressed his appreciation for the opportunity of working with so many great people and that his work had been a labor of love and joy. He said he was proud of the people he was leaving behind as they continued to make the Palo Alto Weekly what it is today. He thanked everyone and wished the Council the best.

Council Member Klein spoke regarding Jay's editorial in 1970 which was instrumental in creating the Midpeninsula Regional Open Space District (MROSD). He said Jay was not only a journalist and a critic but was an

advocate in finding ways for a better society and in promoting a better place to live. He spoke of Jay's role in the creation and engaging citizens into an emergency response program. He acknowledged and thanked Jay for being a fine journalist and an outstanding member of the community.

Council Member Price read a quote by Joseph Pulitzer in honor of Jay. "Put it before them briefly so they can read it, clearly so they will appreciate it, picturesquely so they will remember it and above all accurately so they will be guided by its light."

Council Member Holman spoke regarding Jay's remarkable memory of Palo Alto's historical facts and expressed her appreciation for his knowledge and retention of the community's history.

Jeff Blum said Jay took his historical knowledge of Palo Alto and applied it in insightful and intelligent ways. He thanked Jay for being his mentor and all he had done for the City.

Daryl Savage spoke regarding the impact Jay had made in the community.

Bert Rose spoke of his relationship with Jay dating back to the 1960's and 70's. He thanked Jay for his mentoring abilities and expressed his respect and appreciation for his honesty, as a fine journalist, and as an outstanding individual.

Betty Gerzrd spoke of Jay's editing and evocative writing skills and spoke of his accomplishments. She said in 1991 Jay worked on the First Conference on Computers, Freedom, and Privacy and was well ahead of where we are today regarding broader implications on communication.

Mark Petersen-Perez spoke of Jay's writings and asked for equal access to the media.

Carroll Harrington spoke of Jay's many accomplishments and how he was leaving the community in a better place than when he found it.

Becky Beacom thanked the Council for recognizing Jay and thanked Jay for his accomplishments and the love he had for the community.

Larry Horton thanked Jay for his many contributions to the community. He spoke of Jay's integrity, his hard work in finding the facts and calling the shots as he saw them. He spoke of his efforts in saving Stanford Theater, a jewel in the community.

Robert Moss spoke of Jay's work as exemplary and through his writings made the world a better place. He was quick to identify problems and solutions such as in the Open Space District and getting High Speed Internet access in Palo Alto.

Lisa Van Dusen spoke regarding the years she worked with Jay. She spoke of his grasp on history and ways that needed to be paved for the future. She said he was a print journalist and spoke of her indebtedness for his commitment and willingness to plunge into an electronic future.

Mayor Espinosa thanked Jay for his leadership, honesty, and humor and in making Palo Alto a better place to live.

COUNCIL MEMBER QUESTIONS, COMMENTS AND ANNOUNCEMENTS

Council Member Klein reported on the Bay Area Water Supply and Conservation Agency (BAWSCA) Board of Directors meeting. He said the Hetch Hetchy Watershed had received 90 percent of its yearly average and had the most precipitation ever received by December 31st. There would be no water supply problems this year. Usage of water in the Bay Area had declined and had the same average usage level in 1993-1994. The water usage in 1986 was 185 million gallons per day. That comparable number in 2011 was 144 million gallons per day, a drop of 25-30 percent in a 25-year period. The drop had been precipitous in the last few years from 151 million gallons per day in 2010 down to 144 million gallons in 2011. It was good and bad news. Bad news translated as an increase in water rates due to lower water usage. San Francisco Water had advised they would be raising water rates by 30-40 percent this year and the final figures would be provided by spring. The increase did not translate as 30-40 percent increase to Palo Alto customers because the price of water was approximately a third, but the City should expect a significant increase in the rates. San Francisco had been charging their retail customers a 15 percent increase per year. The East Bay water system had a similar decline. Palo Alto was playing a major role with BAWSCA in San Francisco to determine the decline. Palo Alto was being used for its data because Palo Alto has all the utilities and could compare water usage to electric and gas. He said he was named Chairman of the BAWSCA Policy Committee equivalent to BAWSCA's Steering Committee.

STUDY SESSION

2. Stanford University Medical Center (SUMC) Mitigations Measures and Development Agreement Update.

Council Member Klein advised he would not be participating in this agenda item due to his wife being on faculty at Stanford University. He left the meeting at 6:45 p.m.

Staff provided an overview of the SUMC Project (Project) timeline since 2006, an overview and status of the Environmental Impact Report (EIR), including analysis of a Tree Preservation Alternative, an overview of the street intersections that were studied and affected by the Project, and a summary of the proposed Transportation Demand Management (TDM) program. Staff then provided an update of the Development Agreement negotiating process, including a comparison of the SUMC's original June 15, 2009 offer, the City's March 29, 2010 counter offer, and SUMC's January 18, 2011 revised offer. Staff highlighted those portions of the offer that could be categorized as environmental mitigations vs. community benefits. Staff described the differences between the fiscals studies performed by Stanford and the City's consultants and outlined the schedule of payments included in SUMC's latest offer. Staff presented a tentative 2011 review timeline that outlined the public process that would take place up through the City Council's final decision, which is expected to occur in April 2011. Michael Peterson, V.P of Special Projects at SUMC and Bill Phillips, Senior Associate Vice President with the Stanford Land Management Company, provided an overview of the purpose and goals of the Project and the Development Agreement. Staff requested that Council comment on the adequacy of the January 18, 2011 offer, the issue of mitigations vs. community benefits, revenue guarantees, and flexibility with regard to how community benefit monies should be used. Members of the public were then invited to address the Council. The Council expressed general support for the Project and its purpose. Individual Council Members asked questions and commented upon elements of the Development Agreement offer, including the costs & benefits to the City, revenue guarantees, the review schedule, the need for flexibility in the use of funds, and transportation demand management programs.

The City Council took a break from 8:04 p.m. and returned at 8:23 p.m.

Council Member Price left the meeting at 9:13 p.m.

ADJOURNMENT: The meeting adjourned at 9:55 p.m.