



# CITY OF PALO ALTO CITY COUNCIL TRANSCRIPT

Special Meeting  
September 6, 2016

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:07 P.M.

Present: Berman, Burt, DuBois arrived at 5:30 P.M., Filseth, Holman, Kniss, Scharff, Schmid, Wolbach arrived at 5:26 P.M.

Absent:

## Study Session

1. Study Session on the Parks, Trails, Natural Open Space and Recreation Master Plan.

Mayor Burt: Our first item tonight is a Study Session on the Parks, Trails, Natural Open Space and Recreation Master Plan. Mr. de Geus.

Rob de Geus, Community Services Department Director: Good evening, Mayor Burt, Council Members. Pleased to be back here to discuss the progress we've made on the Parks, Trails, Natural Open Space and Recreation Facilities Master Plan. Quite a mouth full. Let me introduce members of our team here. We have members of the Parks and Rec Commission here. They've been terrific. I think a few of them are here. I see Ed Lauing and Anne Cribbs and Keith Reckdahl, maybe some others. We discussed the Master Plan at every meeting. They've just done an outstanding job in helping Staff through this process. From Community Services Department (CSD), we have Assistant Director Kristen O'Kane to my right. We have Division Manager of Parks, Open Space and Golf Daren Anderson on the far right. From Public Works, Peter Jensen has been outstanding in keeping us on track. We also have Senior Engineer Elizabeth Ames and Assistant Director Brad Eggleston, who deserve recognition. From our consultant, MIG, we have Lauren Schmitt in the center here, who's a principal of MIG and helping us with the presentation today. Just to get us started, a reminder of the purpose of the plan, to guide decision-making for the future development of parks, trails, open space and the recreation system. The elements of the Plan are broken down into three sections. Parks, trails, natural open space is one. Recreation facilities is two, and then recreation programs as the third element. In your packet, you received a

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Staff Report that shares the progress we've made since we were last with you in January. We had hoped to come to Council before the break, but just too many pressing items had us push off a little ways. We've continue on and are happy to be here today. We have a working draft of the Plan in the packet. It still needs a lot of work. I'm sure you saw that. I hope today we can focus mostly on Chapter 4 there, the goals, policies and programs which was really the focus of the discussion. There's a memo from the Parks and Rec Commission on dog parks and an outline of the final chapter yet to be written, which is titled "Implementation." The process of the plan was three phases. We're currently heading toward the end of Phase 2 and hope to have a draft plan for review to the Council by the end of the calendar year. At this time, I think I will pass it on to Lauren Schmitt to carry on with the presentation. Thank you.

Lauren Schmitt, MIG, Inc.: If you cast your mind back to the beginning of the year, that's when we were last here filling you in on what we had learned in the first phase. Just a quick refresher on that. The first phase had a very robust community engagement and technical analysis process that ran concurrently, a huge amount of really great data generated. We are at the cusp of looking at what do we do with all of that. That material really forms what will be in Chapters 1, 2 and 3 of the draft Master Plan. We're still refining what belongs in the Master Plan, what belongs in appendices, and what will live on in that three inch binder that we showed you a picture of back in January. A couple of key takeaways of what we learned out of all of that are some key opportunities we've been focusing the policies and programs on. One of those is the park search areas. You'll see that referenced, and that relates to the geographic analysis that we did. The blue highlighted areas show areas where we really want to focus attention on enhancing the park system for a variety of reasons. We've looked in detail at some of the characteristics in those areas. You'll see some particular programs focused on those areas. The other opportunity is connecting up the park systems. There's been a lot of great planning on bicycle and pedestrian routes. What this opportunity looks at is how to knit that together further into the park system and really connect up all of the parks. A third opportunity that we heard loud and clear from the public was the importance of natural systems and incorporating those further into the park system, incorporating them throughout Palo Alto. This map shows some ways of looking at opportunities to increase pollinators, to link up some of the preserves that you have and other methods that again you'll see policies and programs that relate to those. Really how that came together is we had the engagement process and the technical analysis and the needs and opportunities process. We brought those together. What we learned are, in addition to these opportunities, particular areas of focus for the Master Plan. Those areas of focus—we identified a dozen of those. We took

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those back out to the community. We were in the process of doing that when we met with you in January through the community prioritization challenge, to make sure we had gotten the right areas to focus on and to understand whether certain areas people wanted to see more or less attention on. We used all of that information to really help shape the framework of the Plan, the principles, the goals and so on.

Kristen O'Kane, Community Services Department Assistant Director: Good evening. Kristen O'Kane, Community Services. I'm going to talk about Phase 2 which, as Rob said, is where we are right now. We're at the end of Phase 2. In Phase 2, we took what we learned through the community engagement process and the data analysis process and, working closely with the Parks and Rec Commission, we developed the goals, policies and programs that are included in Chapter 4. To develop those goals, which guide the overall direction of the Master Plan, we refined the areas of focus and reflected back on these eight principles, which were developed early on in the process. The principles are really the vision for the overall system. Together the areas of focus and the principles helped define what our goals would be. We have six goals overall included in the Master Plan. The first goal focuses on ensuring that facilities are accessible, inclusive and equally distributed across the City. The second goal focuses on the existing system. How can we enhance the existing system that we already have, that we know is a great parks, recreation, open space and trails system in the City and how can we enhance that? The third goal is related to health and wellness. This is not just physical health but also mental and emotional health. Focusing on health but also social connections and how can we foster those social connections within our community. The fourth goal, which we heard a lot about from the community, is focused on nature and integrating nature and ecological principles throughout the City through our facilities as well as our programming. The fifth goal is related to expanding the system. When we talk about expanding the system, one thing that we are trying to address is how can we do that strategically by leveraging partnerships and other ways to collaborate with others to expand the system. An example would be the Stanford-Palo Alto soccer fields. That's a great example of how we worked with Stanford to provide something for the community. The last goal is really about how we're going to manage the system. We're going to do that efficiently, effectively and sustainably. This goal also recognizes the importance of measuring what we're doing. How do we know when we succeed? How do we report back to the Commission and Council on what we've accomplished through the Master Plan? The structure of the Master Plan, this chapter in particular, mirrors the Comprehensive Plan (Comp Plan). There's goals, policies and programs. There were several policies that we really needed some assistance from the Parks and Rec Commission with. We really went down into the details with the Parks and

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Rec Commission on defining what those policies are going to be. Examples of those are the policies related to dog parks and restrooms. At this time, I'm going to turn it over to Daren Anderson, who's going to provide a little bit more information on that.

Daren Anderson, Open Space and Parks Division Manager: Good evening. One of the gaps in our park system that we've known about for many years is dog parks. We only have three dog parks. They're all located in the south, and two of them are too small. Several years ago, the Parks and Recreation Commission adopted a policy directing Staff to look to add a dog park any time we did a park renovation Capital Improvement Program (CIP) project. Unfortunately, that policy didn't result in any new dog parks. The Commission and Staff continued to look at alternatives to provide these off-leash opportunities. One that we looked at very closely was this shared-use model. The idea being you could take a fenced-off baseball field and for certain, limited hours of the day it could serve as a dog park, and then back for the baseball users. When we reached out to the community and started discussing this, we found that it didn't satisfy the needs of the dog users nor did it meet the needs and desires of the athletic field users. During the Parks Master Plan, Staff and the Commission took a different approach, a far more comprehensive look at every single park in Palo Alto including our green spaces, non-parkland, to say could these serve as a viable dog park that would meet our needs. The goal was to identify multiple locations at least a quarter acre in size and equitably distributed in north and south Palo Alto. We came up with a list of 11 possible locations. It's important to note that these 11 sites aren't recommendations that we build dog parks at all of them. Rather, the policy calls for pursuing at least six dedicated dog parks. These are potential sites that could be used to address these gaps. There are still funding questions, and there's still quite a bit of community outreach that would be necessary before we proceeded with any of these projects. I should also note that the Parks and Recreation Commission, as referenced in your Commission memo in your Staff Report, is particularly interested in pursuing a dog park in the nearer term in advance of completing the Master Plan. The other policy I'd like to share with you is about the restrooms. Much like dog parks, park restrooms have been and continue to be a highly desired amenity. For several years, we had an ongoing capital improvement project to add a park restroom every other year. It was defunded when we started our work on the Parks Master Plan, with the thought being this is our time to do all this outreach and analysis on our system. We can really fine tune and learn exactly where these restrooms are desired and should be placed. The criteria we used in discerning which is the best locations for these restrooms included whether the size of the park was appropriate for a restroom—we went off the example of being approximately two acres or larger for the size—whether it had the amenities that encouraged people to

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stay in a park; whether it has a high level of use; and whether or not there are nearby public restrooms available. Palo Alto currently has 14 parks that have restrooms. There are seven parks without restrooms that meet the criteria I just mentioned in this policy. Much like dog parks, these restroom ideas are not shovel-ready. They would still need to go through funding analysis and conduct again that same necessary outreach to see if the neighborhoods supported these projects.

Ms. Schmitt: Another aspect of the Plan are the site concept plans. Early on, the idea was let's bring this down to the ground and show how some of these ideas would play out across the existing park system. What we did is we looked at each and every site and looked at how might we fit new amenities, new facilities into the existing sites and how would that lay out on the ground. Then, we took all of that out to the community, because that's what really makes it real to people. When you are doing a 20-year plan, it seems out there in the future, not really very related to your everyday life. Starting back in May through the summer, through a couple of in-person events as well as online, people were able to interact with these ideas for the parts they cared about the most and provide feedback. We heard a lot of really great feedback about some of the issues like restrooms and dog parks as well as some of the new ideas that we're still processing. A couple of examples of those. Eleanor Pardee Park, this one took a look at could we put a dog park here. How might we up the value of the sports field? How might we fit a few new amenities in there? We took that out to the public. Another example is Peers Park. You can see Peers Park, based on our existing analysis of that site, really had a lot of opportunity to bring new ideas into it, including some kind of active use, also potentially a dog park, another picnic area, looking at a different level of sports field. As I mentioned, we're still sorting out the feedback from the public. Over all, I looked at all of the comments, very positive and a lot of refinements, could you consider this. One of the things, though, that you'll see moving forward is we've looked more carefully at what does it mean to have a concept in the Master Plan. What we're going to do with those is make them be a companion piece for the Master Plan. The document that you adopt will contain the policy guidance. These ideas will become a companion reference that we'll use as we go forward with the capital improvement processes because of the timing. Some of these projects may be five years down the road. Some of the ideas may change about what constitutes an active use desired facility. The other thing that we're thinking very carefully about are what we've termed unique opportunity sites. These are some really unique opportunities—land that you already own—to expand the system. They are really once-in-a-lifetime opportunities. Every single one of them is a great opportunity and is also a really long-term project. We're thinking very

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carefully about how we discuss these sites in the plan and how we sequence and think about what happens in the long term for these big, big projects.

Mr. de Geus: As we conclude the Staff presentation, we could share a lot more, but we think we want to get into the Q&A with the Council. We are thinking about the last chapter of the Plan and the drafting of the final document. The final chapter we're titling "Implementation." The outline includes an action plan template; a discussion and a section on funding; sources of funding that exist today and potential new funding sources in the future; evaluating future projects—we know that interests are going to change over time, and we'll need to adapt and fold them into the Master Plan in some way—progress on reporting the methodology of how we're succeeding in achieving what's laid out in the Master Plan; and finally, a call of action, something that inspires action. Regarding the Action Plan specifically, we used the same criteria that we used to develop the goals, policies and programs. These are the criteria that developed over the process of the Plan and that the public and the Parks and Recreation Commission really helped refine and define. We shared these with you last time. They've been very helpful as we think about the tradeoffs of one set of policies and programs versus another. We'll continue to use those. Chapter 6 will also have a template action plan that we envision will be an annual plan that will align with the budget process, the Capital Budget process and the Operating Budget process. The idea is not to have a full action plan that lays out every action that we might take over 20 years in the Master Plan, but rather it lays out an approach and a process for how we will use the Master Plan to inform the preparing of our Capital Budget annually and the five year plan and the Operating Budget. We have an example of what that will likely look like for Capital. The next slide is an Operating example. The action plan will be aligned with the City's budget. The Master Plan goals and policies and programs will be used to guide and inform the preparation of the annual budget as Council considers the many interests and needs that the community has. A lot of choices and tradeoffs need to be made, not only within Parks and Recreation but of course across the City. Next steps for the Plan, have this discussion this evening and hear your feedback, refine the concept plans, draft the Master Plan and hopefully back to Council after Parks and Recreation Commission review before the end of the calendar year. The last thing I'll mention is regarding the environmental review. The Staff Report says that we initially thought this planning study would be exempt from California Environmental Quality Act (CEQA). In discussing further with Molly and Hillary from Planning, we think that it would be prudent to do an Initial Study and Mitigated Negative Declaration for the Plan. We're exploring moving forward on that. That's the end of the Staff presentation. I did want to give an opportunity to the

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Chair of the Parks and Rec Commission, Ed Lauing, if he would like to say something. Here he is.

Ed Lauing, Parks and Recreation Commission Chair: Thank you, Rob. It's been quite a collaborative venture and adventure so far, and it will continue to be so. It's been very intense particularly on the chapter that you're going to study most tonight. There's a lot of content there that's gone through months and months and months and months. That's in pretty good shape. The other stuff, as stated, is still in draft format. I don't want to repeat things that Rob said. I just want to call out a couple of points. One is that we really want to have as much as possible a data-driven Plan. As you know, all data is not created equal, but it comes from different sources and you can make different conclusions from it. To do that overall, we think that to set the priorities correctly, we have to be able to make a distinction, as was put up there, between needs and opportunities. The needs are really the gaps that Rob referenced in services and facilities. Also, the growth trends are really important for us to consider. When we have good hard data like that and we see that, as in page 35 of your document that you got, population is going to grow by 27 percent in three years, that means 18,000 more people are coming to our parks in the next two decades. We need to respond to that. If we see that seniors are already 17 percent of our population and growing and they don't want to move, then that's good hard data that says we have to address that. Those are gaps and needs. The opportunities are—Staff did an amazing job of doing reach out to public using a lot of different input tools on what community preferences were and are. If you put it all together, we got up to about a percentage of people answering or giving input. Don't have a calculation if there's overlap there and it was really only ten people, but we don't think it was. Of course, that's a small sample size, but we got great, terrific input that is very usable, but it's a different kind of data. It's qualitative data from a number of people as it's detailed in your packet, that's just not the same as quantitative data but still actionable. The idea is we have to keep these differences in mind between what's really a need and an opportunity as you go forward, particularly anticipating the next phase of this and the prioritization. Very briefly, as you noticed we say we have enough data now on dog parks. It's an actual need. By doing surveys, we know that. It's a community preference, and there's population growth. We can move on that now; we don't have to wait another four months. Something else, like the 10 1/2 acres, as Vice Mayor Scharff said when the golf course was approved, we've just created 10 1/2 new acres of property in Palo Alto. We have, and it's fragile and it's limited. We want to proceed a little bit more cautiously on that to make sure we get it right. We don't want to just unload the backhoe out there and get going on something. Those are my two overall comments. The only other one is that there will be expensive things that you should still

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prioritize high, because they have to be done. One of those we think is parkland, and it's not cheap. Precisely because it's going to take some time to get a process in place and to get funding in place, then it has to start now in some sort of incarnation, so that over the years we can really address that need. Thanks much. Thanks to all of my colleagues, most of whom are here tonight. We're going to keep cranking. Our goal is to be here on New Year's Eve and get it approved, as it says right up there, December 16th.

Mayor Burt: Thank you, Ed. Thanks to all of the Commissioners and the Staff for continued great work on this very important project. Normally at Study Sessions we have discussion with Council before hearing from members of the public, but I think I'd like to invite the members of the public to speak first. At this time, we have two cards. If anyone else wishes to speak, they need to bring a card forward at this time. Our first speaker is Howard Hoffman, to be followed by Shani Kleinhaus. Welcome. You have up to three minutes to speak.

Howard Hoffman: Members of the Council, thank you. My name is Howard Hoffman. I'm the founder and president of Palo Alto Dog Owners. We represent nearly 400 dog owners in Palo Alto and their supporters. First of all, I'd like to thank the City Staff, the Master Plan consultant and the members of the Commission for the fine job they did on the overall Master Plan. As a longtime resident of Palo Alto, my interests go beyond dogs. Like many other members of our group, I was a coach for AYSO soccer, so I appreciate the playing fields here. I've been a member of the Sierra Club for 45 years, so I appreciate the open space and all of those values. The thing that has really been lacking in Palo Alto has been dog parks. Dog parks are not just for dogs. They're for people, and they're not just for people that have dogs. We have a rule in Palo Alto, a law, that says you can't have your dog off leash. In order for people to exercise their dogs adequately, they need to have some off-leash time. We can only do that either in our own yards, which tend to be pretty small in Palo Alto, or otherwise in a dog park. Again, we'd like to thank the members of the Commission and the Staff and hope that we can look forward to coming before you in the future as you approve a number of dog park improvements. Thank you very much.

Mayor Burt: Thank you. Our final speaker is Shani Kleinhaus. Welcome.

Shani Kleinhaus: Thank you, Mayor Burt and Council. Thank you, Staff, for all the outreach and everything you've been doing. It's been quite an experience and very good outreach. I sent you two letters for the Sierra Club and Audubon. I hope you had a chance to look at them. There are several overall, general recommendations and some specific ones. One of the issues is dog parks. I'm totally supportive; I have two dogs myself. I



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think I'm a member of the organization. Dog park is not compatible with native oaks, and Canopy's working on Eleanor Pardee Park to preserve and even plant more oaks. That oak grove is not a good place for a dog park. I'm not saying don't put it anywhere else, but in the oak grove is not compatible. One of the letters I sent you—I'm trying to go fast—is about the 10 acres of the golf course. We hope to have a birding and nature park there. I don't think there needs to be a lot more done at this point, a fence from the golf course and a trail and maybe a sign. It doesn't even have to be paved. I took all the information that was provided by the different surveys that were done and summarized them in a table for you. There were a lot of other things, but the two leading things that people voted for was—one was nature hiking and bird watching together, and the other was sports fields. There was about equal support for both, and hopefully you can start at least, if there's no money yet for the sports fields, a nature and hiking and bird park. The infrastructure, meaning the trees, is already there. There's the pond; maybe put a little bit of water back in there. Enid Pearson provided an amazing list of things to look into in her letter. I hope Staff looks into those. There's a lot of really interesting things there. The ITT property—that's just coming online—is really ecologically sensitive. We've got to be very, very careful what happens there. I'm sure you guys will be looking into that, the Staff, and coming up with some ideas. Going through my list. I think comprehensive resource plans are needed for Foothill Park and Pearson-Arastradero. That way instead of saying, "We need a trail. Let's see how we mitigate that," the comprehensive resource plan says how we're going to put trails, where do they belong, so we don't even need to mitigate it. It all falls naturally into one big picture. It's a much better way to deal with natural areas. That is why I included that in my letter. I think that's what I have to say. Thank you all, and thank you for all this good work.

Mayor Burt: Thank you. We'll now return to the Council for questions and discussion. It's a Study Session, so no formal action tonight. Who would like to go first? Council Member Kniss.

Council Member Kniss: I remember in the past there has always been a lot of discussion about restrooms in particular. Maybe you could share a little more about—you've presented it as this is the number of restrooms and what parks they would go in. I haven't heard total enthusiasm for some of the parks from people who live close by for a variety of reasons. You might go into that a little further. I see that you have laid that out. I'm going to presume that you must have had a fair amount of support for it, but it's one of the areas where I've heard "We'd just as soon not have one."

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Ms. Schmitt: Yes, that's an area that the Staff was really interested in hearing about. Through many of the different outreach opportunities, there were actually questions that asked specifically about restrooms and then also generally about things that would enhance the use of the site. There's a pretty overwhelming pattern when you look across the City and the topic of restrooms in general. There's overall support for them on the site-by-site basis. That's what Daren is getting at with the policies that there needs to be more work. We now know that overall you can pull data points from the survey that was done through your Vovici system, through actually the recent concept plan feedback. Very few negative comments at specific sites. A lot of very positive comments and even on some of the sites that didn't meet the criteria of being two acres. There were requests like, "Can you please add a restroom here?" There are a lot of data points from the Citywide audience that, I think, would support the policy that Daren has. I don't know if you want to add anything else to that, Daren.

Mr. Anderson: The only additional item I'd bring up is in several public meetings, whether it was dog parks or park restrooms, residents would say, "There's 35 people here, and we really are telling you how bad we want," let's say, a park restroom. What happens when just a few people come out and say, "We don't want it. Are you guys going to kill it to stop this?" We say that's a very good question. We realize that's a nuance that happens during the public process. It's important to hear all voices. At the same time, we want to represent the enormity of some of this outreach, where we maybe have 700 people responding to a survey, and a very large majority say, "We want restrooms," that that voice gets heard in the context relative to maybe a very small vocal minority. That's we intend to do when it comes time to do one of these. Let's say it's a park restroom at Eleanor Pardee. There once had been a park restroom CIP, and it was shot down by the local residents just before it was supposed to start. What I talked to the group about at those public meetings was we're coming to the table with a greater degree of outreach than we'd ever done before. Prior to that, it was one public meeting where 15 people showed up. Now we have 700 people who have weighed in on this concept to say, "We support the idea of having a restroom in this park." It's necessary for people of all ages and abilities to fully enjoy and utilize this space. Maybe a vocal minority shouldn't necessarily outweigh that. That's a decision for the Commission and Council, of course. We're going to come to you fully weighted with that information.

Council Member Kniss: I think some of the people who are of the small majority happened to find me. I did hear a different story from time to time. I will share some of what they said, because that's our job, to let you know what we've heard. I think, especially at some of the smaller parks

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which are heavily used, people are concerned that a restroom brings more people and allows them to stay longer. Maybe that's un-neighborly, but I'm just sharing the kinds of things that I've heard. I won't call out particular parks tonight, but I will let you know later of the four parks in particular who said that while they knew it wasn't neighborly, it wasn't something that they were looking forward to. I think I wouldn't be giving you feedback at a Study Session if I didn't share that. I know it makes—as I said, it sounds un-neighborly, but several people sought me out to tell me that. A couple of people wrote us notes. I see Rob nodding, which means that he might remember the times that we've run into this before. Those are my comments for the moment. Thanks.

Mayor Burt: Council Member Schmid.

Council Member Schmid: Let me keep my comments strategic in nature. What are the goals of our parks? How should they be used and what issues might flow from that? The first is really a preface comment that comes before we get to the policies and programs. The demographics, a clear statement upfront that population is growing 1.1 percent per year. We need parks for this population and the kids that come along. School District comes and says their population is going to grow 0.2 percent per year. That's a 5:1 difference. It's a critical assumption as we look at parklands. Is it for kids or is kids going to be a shrinking share of our population? It's in your preface. You should be clear on what you mean and what you expect. As we get to the issues like Cubberley, do we need schools that are not—do we need places for kids to play, more spaces? Those are critical issues, and we should be talking to the School District one-on-one about realistic assumptions. Brings me to Point Number 2. What are parks? On, I think, Page 60 of your report, you give the one general map. In your presentation tonight, you gave four or five different ones that give a different perspective. On this map, clearly anyone reading it looks and says, "There are areas that have parks within walking and distance, and others that do not." Raises the issue of what about school grounds. My understanding of Palo Alto history is that in 1988, '89, there was an accord made between the School District and the City that the City would help the School District out financially. In exchange, one of the things the City would do was care for the grounds of the park. In exchange, those grounds that used to be locked up after school would be open to the community. I read through this and kept saying, "Where's that accord?" Why isn't it clearly stated somewhere how the community—what rights the community has to the school grounds? You think of the endless rounds of activities, I know I'm closer to a school yard than to a park. I know my kids and my grandkids tend to use the school grounds to shoot a basket, throw a ball, kick a ball, do the swings. After 3:30 P.M., they're open on the weekends. After

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evening walks, people are walking there. I don't think I've ever gone on a weekend day where there weren't 20 people in a given school parkland. I'd like to see a clear statement, are these part of our open space park system. I know there are constraints on it, but do we have some legal right, are we paying for the upkeep of those grounds and, therefore, does a community member at 6:00 P.M. at night have the right to walk through and enjoy the quiet and the comfort that exists? Your map on Page 60, I know when you get to the park search areas, you then identify schools. Are we searching for something we already have and what are the legal rights of people to wonder through, throw a ball, play basketball, whatever it be?

Mayor Burt: I'm sorry. Is that a question?

Council Member Schmid: No. It's a statement. If you want to answer it, that's fine. That's what I would look for, reading through this. A second sort of strategic issue. I've been in the City a long time, and I can remember back in the '60s and '70s how parks and activities took place. My feeling has been a profound change in the use of outdoors, especially among kids. You no longer hear at a steady stream after 3:00 P.M. on an afternoon kids playing in the street. When you go by a park, you see organized sports, but very seldom are kids wandering out into a field to play a pick-up game. What has happened is we have organized youth activities. There might be a profound reason behind that. We have a lot of kids with both parents working. Parents want to know where they are. Organized activities give them a place for that. It seems to me there are still kids who are inside. There was an incentive to go outside, maybe a different use. I'm surprised sometimes driving by our parks and fields at 3:00 P.M. on a Sunday afternoon, even a Saturday afternoon, they're empty. There used to be kids playing ball out there with themselves, with small groups. Now, unless there's an organized team on the field, these fields are empty. It raises the question—we need those fields for the organized activities, but we need them at given times. Is there a way of thinking about them—I think you have on Page 93 and Page 82 described we need to think multiple uses of some of these fields, how can we use them differently. One notion I think of is what would get a young kid of 10 or 11 to go on his own to a school yard or to a field if there's not necessarily an organized team, but rather a high school kid who's on a basketball court. Anyone who comes, they say, "I'll help you out. Let's play." If two people come, "Here's a game we can play." Four people came, "We can set up a little two-on-two, and others can join in." Maybe there's some informal way of getting disorganized activities started. I think we need a little push from the Staff to have someone there to help out, to not step in say, "Here's what we're going to do," but "What would you like to do? Let's set it up so everyone can join." A 10-year-old kid can walk out of the house and say, "I'm going to the school yard."

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There's something going on over there." The third strategic issue I think about is places. Let me just make comments on certain places. I've said before we have a big decision about Foothill Park. I think you make the point on Page 95 that it's a big, important decision and you'd like to get some input. We're waiting for a hydrology study. For the public, that is an absolute and complete mystery. What is it? How can anyone think about how do you use it and what activities might be appropriate, natural uses versus more engaged activity, if they don't see it. I think as part of this Master Plan there should be a way of getting community engaged in this gift of 7.7 acres out there, of at least seeing and knowing and starting to think about it. Cubberley is mentioned on Packet Page 84. That is a critical part of our community field activity. Unfortunately, it's not part of Cubberley that the City owns. It's the school's part. If the school needs something out there, those fields make up about half of what's left. The fields and gym might make up two-thirds of the space they have. We have to work with them closely. How do we make sure that those fields remain in the Parks Master Plan? The Baylands 10 acres is nice. If you've ever tried to cross the freeway, especially from south Palo Alto, between 4:00 P.M. and 6:30 P.M., you need to add on a good 15 or 20 extra minutes onto your trip. That's a constraint. Is there a mitigation we can take to get those fields used in some appropriate way that can deal with the traffic? There's "a preserve called Esther Clark." I don't know why it isn't a park; it's a preserve. It's listed up there with Arastradero and the Baylands and Foothill. There's just one problem, how do you get to it? There are zero parking places available. It's a park off the mainstream. If you want people to use it, you've got to have access of some kind to it or let's take it off the list. Let's use it for something else. It's a beautiful Foothill spot. It's closer than Arastradero, but it's virtually unused. Finally, I'd put in a word for the Matadero Creek. On Packet Page 102, there's a statement that there's a lot of different uses that could be made of that creek. I think that is very appropriate to get the whole community on the creek side there. Those are my thoughts. Thank you very much for what you've done and what you're doing. I'm a heavy user of the park on weekends and weekdays and hope they are maintained into the future.

Mayor Burt: Council Member Berman.

Council Member Berman: Thank you, guys, very much for all the work you've done so far and the work that you all do before—what was it? Midnight on New Year's Eve—to get this back to us and for the presentation today. From a macro level, I love the creation of both dog park and park restroom policies, that use quantitative metrics to determine where it could possibly make sense to have a dog park or a public restroom. In my time on Council, I feel like our quest for a dog park has just been kind of

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opportunistic and maybe we can do it here or maybe we can do it there. This creates a metric that we evaluate our parks through and say here are the finalists. Then, let's go out into the community and have those conversations and see what we haven't thought of and what's impossible, what negative consequences could be. I guess my first question is along those lines. To what extent will there be outreach to groups like Audubon Society or Canopy or others as we kind of pursue different facilities at different parks that might impact our trees or our bird life or whatever the case may be? Is there a plan to kind of keep them plugged in and get them to weigh in as we go along?

Mr. de Geus: Absolutely. This is just a starting point and the start of a conversation in some ways, what's listed here. It gets us further along, I think, than not having feedback from the public and the kind of outreach we've done. I think you're exactly right about the policy question about dog parks and which parks seem more suitable than others to maybe have a dog park and why and what we've heard from the public. When we talk to the local community, we at least have that information. That doesn't mean that it's going to happen there, but at least it gets us further along to have the conversation, and maybe the local neighborhood can understand a little more why we're taking a look at that site in particular. We may be able to get to a decision of putting a restroom or a dog park at a few places.

Council Member Berman: That's great. Council Member Kniss and I run in different circles, but I get a lot of emails from friends who are apoplectic about the fact that we don't have restrooms in some of these parks. These are friends who have kids. If folks in the neighborhood don't think that a little boy is going to find a place to use the bathroom, even if there's a restroom or not, they're kidding themselves. We might as well just put a bathroom there and make it as family-friendly as we possibly can for people to really be able to use the park in a relaxed way, where they don't have to worry about having to rush off if their son or daughter needs to use the restroom. Undoubtedly, there will be opposition to it because it's a change, and there's opposition to all change. I'd be surprised if the vast majority of people, as your feedback has shown, think that's a good idea.

Mr. de Geus: It's interesting with bathrooms in particular. Almost everybody that you ask, if you're not talking specifically about a park near their house, they say, "Yes, bathrooms are a good idea. Put them in parks." It changes when they start thinking about it in their neighborhood park.

Council Member Berman: We have bathrooms in parks already, and we know that it doesn't lead to the total degradation of the park or their experience there or their quality of life in their neighborhood. We're not

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reinventing the wheel. I think we're really just kind of making our parks that much more user-friendly and family-friendly. To Council Member Schmid's point of there aren't enough kids in the parks, the clear solution is putting up a Pokémon Go stop at a playground, and they'll flood there. Sorry to steal your joke, Council Member DuBois. I think this is great. There will be difficult decisions as we kind of narrow it down to exactly which park to put them in and then where in the park to put them. People have been clamoring for dog parks in Palo Alto for a long time. I know we have a lot of dog owners that'll come out in support as soon as we find a suitable site. We have to make sure that we do it delicately, but let's do it.

Mayor Burt: Council Member Filseth.

Council Member Filseth: Thanks. I actually had a couple of questions. The first thing I wanted to say is I think you guys did a really good job of generally having the policies at the right level. This is going to be a long-term document and programs. We may get to all of them or not. We may add new ones. I thought that was good. We might have a program in here for Pokémon Go stops, but 10 years from now we might decide we don't want to do it, but we still want to keep the Master Plan. I thought that was good. I'm assuming that to the extent you want feedback from us, it's more centric to the policies rather than going through individual programs. Is that an accurate statement?

Mr. de Geus: Yeah, that's correct, Council Member.

Council Member Filseth: I had two questions actually. One was I was a little confused about the schedule. When do you anticipate the public feedback period to be for the draft Master Plan?

Mr. de Geus: The public feedback never ends. As soon as we began, we started with the public, and we've kept them informed all the way through. It's been great. It's taken some time because of that. At the same time as the Parks and Recreation Commission is reviewing in the fall, we'll also have some community meetings to allow the stakeholder group and the community generally to come forward and have a look at the draft before we get to Council for a request to approve.

Council Member Filseth: That's like October?

Mr. de Geus: October, November, right.

Council Member Filseth: A second one is I saw a reference on the 10 1/2 acres out by the golf course that given X many feet of sea level rise, then it might be under water at high tide. You guys have thought about this. How

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should we think about this? Is that something we really ought to worry about or it's not going to be a big deal? What do you think? How should we think about that?

Mr. de Geus: We have a great new levee system. We're getting (inaudible) I understand, so that should protect the golf course and the athletic center for most of the potential flooding.

Council Member Filseth: You think it's a non-issue.

Mr. de Geus: I don't think it's an issue.

Council Member Filseth: Good. Thank you.

Mayor Burt: Council Member Holman.

Council Member Holman: Thank you and good work. I've stated before that—I'll just state it again—I don't think 20 years is a long-range plan. I don't think it's likely that we're going to update this again in 20 years. We're going to have development outliving, out-persisting our Parks Master Plan. I still suggest that whatever we determine in terms of policies here, that it's a 50-year plan. We can always amend it. We can always update and revise it, but this needs to be a 50-year plan. I couldn't be more serious about that. Thank you, Council Member Filseth, for nodding in acknowledgement of that. As to how to get more kids in parks, I say plant trees, add donkeys, add kids and mix thoroughly. It works very well at Bol Park. Everybody seems to benefit and is happy about that. I absolutely support keeping our current ratio of parks to residents. I think it's critical that we do that. If we lower that ratio, we're just lowering our standards. I really appreciate Council Member Schmid's comments about structured play versus pick-up time. I grew up in a small town, and it was also a different time. A lot of the recreation was pick-up time. You know what? It was creative time. It was healthy, creative, stimulating. It's when kids learned how to solve problems. It's how kids learned how to get along with each other. It wasn't so structured. It was hit the ball, go chase it. It was whatever it was. Whatever it was, I could go on and on, and I don't need to do that. I think it's really important that we just have space where people, including and maybe especially kids, can just be kids, learn, experience, grow, nurture each other and be the creative beings that they are. I've heard a lot of people say this, and it's my thinking too. I think five years old is probably my favorite age for kids. I love five years old and younger. Five is kind of the crest, and then kids start getting beat into shape. I don't mean literally beat. They get formed and kind of conforming. If we don't have space where kids can just be kids without structured play, we're going to as a culture and a society be much less and a lesser community and



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culture for it. That's my advocacy for that. I mention and raise the question about park funding. When the item for moving GreenWaste from the current location over to the Los Altos Treatment Plant (LATP) site came up, I didn't get a dollar amount, and I don't know if you happen to have a dollar amount off the top of your head. I should have asked this earlier. I'm really interested and hope there would be some Council Member support of taking this space that's rented out to non-GreenWaste contractors and such, taking that money that's rental income there, transferring it from going into the General Fund to—that is right at the edge of the Baylands. It could be parkland. Transfer that money into the parks fund and not into the General Fund, where it goes for non-specific purposes. I know fees are coming to us. I'm not sure if our parks fees are up to date. I look forward to learning about that. Dog park you've heard a lot about. One comment in addition to what Audubon or Sierra Club or Canopy—I think we've maybe heard from all three of those groups about appropriate locations for dog parks. I mentioned two to Rob also. I have a dog that's like Velcro. If you put him on a dog park or a run where there's a lot of dropping from trees, I'm going to have a dog that weighs five more pounds when I take him home because of everything he's carrying with him. From the ecological standpoint but also from the practical standpoint, I think dog runs more out in the open are more appropriate. I don't remember seeing anything about—some people will know that I've almost harped on this at points in time. Sterling Canal, what's the status of Sterling Canal? That's actually a question. How could we put that into some kind of open space, maybe not community gardens? That seemed to have not worked out. How could we put that into some kind of community garden space? I think we ought to increase our requirements for public open space for mixed use and multifamily projects. That space should be maintained by the developer. It's going to be used maybe the most by the people how live there, and that's fine. It's going to be used by others as well. It should be the developer who pays for that. The reason I mention this is because of a project that I don't need to name. There was some open space there, planted and deeded to the City, but no maintenance funds. It just became a burden on the City to try to pay for and maintain. You probably know where I'm talking about, Rob, from nodding your head. It just became a burden on the City to maintain that once they got it. Why not have the developer pay for that, because it benefits the people living there too? Data driven, absolutely, I agree with Ed. Thank you to the Parks and Rec Commissioners. I hope everyone of you reapplies because you're a fantastic Commission. You're just really fantastic, dedicated, smart, intelligent, you name it. Please, all of you reapply. Agree with the listing of the sites that Enid Pearson sent along. I think a lot of those are vulnerable to being taken over by something else over time. Again, this is why it needs to be a 50-year Plan. Somebody might say nothing's going to happen to those in the next 10 years, but what about 50 years? I think a referral back

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to Parks and Rec to initiate dedicating these is appropriate. I guess that's the last thing, except I do think—just for general purposes, whether it's part of the 10.5 acres or the 7.7 acres or wherever we do that—we do need to have space that is certainly just put into natural use for people to be able to chill. The community garden where I have a place, people have planted butterfly gardens. To see the delight that people express when they see monarchs that have come there is just great. I need to hush here. Thank you all.

Mayor Burt: Council Member DuBois.

Council Member DuBois: It feels like we're getting really close to wrapping up the Master Plan. Thank you, guys, for all the hard work. I was also pleased to see reference to the National Rec and Park Association standard of four acres per resident. A lot of cities meet that requirement. San Francisco is at four acres per resident. We really haven't identified a strategy for catching up. I'd really like to see that maybe emphasized a little more. We have a lot of spaces that are basically being effective parks. There's a park at the Ventura Community Center, which we don't really consider a park because it's owned by the School District and subject to a lease. It's actually the best park in Ventura. The Boulware Park there we get a lot of emails about, that it needs some help. I'm really interested in seeing some concept plans for that park. I did see the program about dedicating a lot of facilities as parks. I really hope you can come back with some of those very quickly. Winter Lodge, Gamble Garden, all those facilities would be great to dedicate as parks. Just to echo Council Member Holman. I don't know if you guys have this letter from Enid Pearson. I'd really love you guys to go through this and just look at a lot of these places as potentially dedicated parks. I think one that was mentioned in an email we got as well was Strawberry Hill, which is this little triangle of land trapped behind Gunn High School and Bol Park. There's no way to reach it by road. It would be great to just turn that into a park. The other one that I didn't see on any of the lists was the switching station that we briefly considered for the police station on Bayshore. I believe it's not being used as a switching station anymore, and it's a fairly big chunk of land, I believe, right next to the creek. On the Baylands, again that seems like a really big opportunity, the Baylands Athletic Center. I'd love to see a detailed plan for that and potentially including some creative fundraising. We do have a lot of adult sports leagues. That seems like a place where concentrated adult activities might free up some of the ones that are easier to get to for kids. I understand we've had different definitions over time of what a neighborhood park is versus a regional park. It seemed like you were kind of blurring that distinction in the Plan, which I think was okay. When it comes to public feedback, I think we should be sensitive to which parks have been used

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primarily as neighborhood parks versus regional parks. In those cases, weigh the neighborhood feedback probably more. I'm thinking about parks that really aren't on main roads; there's really no parking; most of the users are actually people who live nearby. There did seem to be a lot of text dedicated to transportation, particularly bike paths. Is there anything in here—we have a separate Bike and Pedestrian Plan. Is there anything in here that's different from that Plan?

Ms. Schmitt: This is intended to layer on top of that and to maybe provide reasons for prioritizing certain routes or improvements because they also benefit the park system. There's been quite a bit of coordination between that. Also, a lot of interest from the community in being able to get around by bike and by foot.

Council Member DuBois: We have a separate Plan, and I just wanted to make sure they were aligned. There were a few on the map—I think it was in your presentation on Page 10—that was calling out a path on Cowper, on Clara, and then this segment on El Camino, which I actually had seen on our major bike plan before, particularly the one on El Camino. We have a pretty major bike path along Park Boulevard, along the tracks. My perspective would be to emphasize that one to go into Menlo Park by El Palo Alto rather than diverting people onto El Camino.

Mr. de Geus: Council Member DuBois, I think that's a really good point. We'll sit down again with Josh and Hillary just to make sure that the Plans are in sync and that we're building upon what's in the Bike/Ped Plan. We've tried to be very careful about that, because there are lots of different planning documents. We don't want them to be all independent, and we don't want them to repeat one another either, but really complement one another from the Public Art Master Plan to the Urban Forest Master Plan to even the Comprehensive Plan. I'm not sure we've got it quite right just yet, but that's a good point on the transportation. I think there's maybe a little more we can do on that one to sync up the two.

Council Member DuBois: I understand the emphasis was different. If you're just highlighting the ones that would connect to parks ...

Mr. de Geus: A safe routes to parks theme is what we're trying to have in here, but we're getting transportation.

Council Member DuBois: Just real quickly on some of the programs and policies. There was a policy about community gardens, but no programs underneath it. I think we do have some private community gardens that we should maybe see what we could do to convert those to public or protect them. Again, Ventura is a good example. There's a community garden on

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that site as well. There was a program about signage in the parks. I just hope that will be done tastefully. Program 2A1 about Cubberley, I think that's a huge one. There's a lot of playing fields, a lot of heavy use at Cubberley. It's there. I just wanted to emphasize it. The last thing is this is also our recreation plan. I've been hearing recently from parents and from Parent-Teacher Association (PTA) people about an interest in a team rec league for sports. I don't know if that's something we've ever explored. I think it could be a good place to cooperate with the School District and see if we could have somewhere between pick-up sports and organized sports, almost like an intramural high school league, where we mix students from both high schools. It could be more casual. If you're busy, you don't have to show up. I've heard a lot of interest from parents in some kind of program like that. Particularly when they get to high school, they have to cut sports like soccer.

Mr. de Geus: Is that at the high school level?

Council Member DuBois: Yeah. Soccer and basketball in particular where the kids get cut and they just stop playing. That's it. Thank you.

Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: Thank you. First of all, I'd like to say I thought this was really well done when I went through and looked at the programs and how it was put together. Kudos to the Parks Commission for working on this, and Staff. On Packet Page 54, we talk about the community engagement results. I wanted to say I agreed with all of those. I would implement basically what we have in there. I thought they were all basically right. I particularly like the idea of more fun in the parks. I thought that was sort of captured with having movies in the park, and Council's strong support for Pokémon Go in the parks. I liked all of that. I wanted to basically comment one thing. It talks about current policies that prioritize facility availability for Palo Alto residents are widely supported and stakeholders generally agree that Palo Alto (inaudible) should be focused on providing services to local residents rather than providing regional attractions. I totally agree with that. If you turn to Packet Page 98, I wanted to point out that 6C2 in my view is overly restrictive. I would caution people against being so restrictive that we say use of parks for locally focused events where more than 50 percent of participants—this is Packet Page 98, 6C2—are expected to be Palo Alto residents, basically indicating that if you don't have an event of which more than 50 percent are Palo Alto residents, we wouldn't support doing this. I think the answer is there might be lots of reasons why you would, and you wouldn't want to limit it like this. What would happen, for instance, if we found out that 52 percent of people who run the Moonlight Run are not

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Palo Alto residents? Are we going to cancel it? Are we going to decide we don't do that anymore? I really caution against things that don't give Staff discretion where I think most people in Palo Alto would say—I don't know what the thing in the Moonlight Run is; I'm just using it as an example—we should go ahead and do that anyway. What happens if we decided we wanted to have a marathon that ran from Mountain View through Palo Alto through East Palo Alto as a demonstration of friendship between our cities? That would be a regional event. I think there's a lot of possibility of why you might want to do a regional event in our parks. I think the idea that we would be so prescriptive is a real negative. Moving on to Packet Page 54, I did that. Packet Page 66. I want to talk a little bit about the unique opportunity sites. I am actually troubled a little bit by the Cubberley Community Center being a unique opportunity site. I don't understand how that relates to ...

Mayor Burt: You said Packet Page 66?

Vice Mayor Scharff: Sixty-six, yes, Packet Page 66, under unique opportunity sites. I don't understand how the Cubberley Community Center is an opportunity site while at the same time—and how that relates to the notion of doing a Master Plan in context with the School District on that. There may be buildings there that would not be park uses. There could all be a bunch of stuff. I don't really see this as the purview of the Parks and Rec Commission. I see this as the purview of the master planning of the Cubberley site. There may be park aspects to it, but it's not the Parks Commission that should be driving that. It should be the master planning process that we're working with the School District. On the Baylands Athletic Center, I just think that might be a typo. Is it 10.25 or 10.5? I just noticed it.

Mr. de Geus: (inaudible)

Vice Mayor Scharff: That's what I thought. I just thought someone should note that and fix it when they get a chance. When we talked about creating that 10 1/2 acres, we talked about playing fields. That's always been what we've talked about. I strongly think there is a shortage of playing fields in Palo Alto, and we need to build playing fields over there. I worry that we're getting distracted on this notion of possibly not doing playing fields, keeping it as open space, that kind of stuff. I think we need to focus on getting playing fields out there and getting them built. Now Packet Page 80. On Packet Page 80, there are two things I noticed. One is this notion of two acre minimum parks. I was really unclear how that relates to—if we see a half acre that could be a great park, we should buy the half acre and turn it

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into a park. I'm not sure why two acres is (inaudible). Rob, maybe you could answer that for me.

Mr. de Geus: Can you—we didn't get the Packet Pages.

Vice Mayor Scharff: On Packet Page—I don't think the two acres—I just wrote two acres on Packet Page 80. When I read through this, it talked about a minimum of two acres.

James Keene, City Manager: They don't get the packet numbers. Can you see the ...

Vice Mayor Scharff: I'll use something else besides the Packet Pages. In general, in this book, in our thing, it talks about two acres as a minimum where we're looking for parks, size of parks. Did I misunderstand that somewhere?

Mr. de Geus: We'll take a look at that. It's certainly not the intent. You can have a small quarter acre actually. It can be a great little park for respite if it's in the right location, that can (crosstalk).

Vice Mayor Scharff: That's what I thought. If you're in agreement, it's not an issue. The problem I have—on Page 59 then—if you don't have Packet Page 80, do you have Page 59 of your Staff Report? Where it says 1B12, identify and dedicate as parkland City-controlled spaces, services capable of serving park-like or recreational facility uses, where you say Winter Lodge, Gamble Gardens, Rinconada Community Center, GreenWaste facility, etc. First of all, I think we should say identify and dedicate as parkland City-controlled spaces that are appropriate for dedication and leave it at that. I don't think we should go through these unless we are actually interested in dedicating those. I don't see that. Some Council Members have spoken that we should look at dedicating Winter Lodge or Gamble Gardens. I don't want to dedicate things unless I understand why we're dedicating them and what that achieves. I'm going to pick on Gamble House because I understand it better, because it's right near my house. I like the fact that we do weddings there. I like the fact that when I drive by, there are often people having weddings, or when I bike or walk or whatever, there's stuff going on there. I like all the community events that occur there. I'm glad that it's a polling place. I wonder what we would lose there if we dedicate it as parkland, because there are different rules for parkland. I don't remember what all those rules are; I just know there's a bunch of rules around parkland. I think before we decide to go out and dedicate a bunch of stuff, we need to understand what that means for that particular location. There's nothing broken about Gamble House. I don't think there's anything broken about the Winter Lodge. I don't think anyone's planning on developing the Winter

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Lodge or the Gamble House Gardens. In fact, do you know, Rob—there was that deal that was cut on the Winter Lodge. What was the deal?

Mr. de Geus: This goes many years back, so I'm not sure I have it all straight. At one point, it was potentially going to be sold, I believe. The City stepped in and bought the property. I don't think they dedicated it as parkland.

Mayor Burt: We traded.

Mr. de Geus: They traded the property—that's right—for ...

Mayor Burt: By a vote of the people.

Mr. de Geus: That's right. Now it's tennis courts and a Winter Lodge now. How safe is it to be that for all time I don't know. I think that's what we hear from members of the public, dedicating land as parkland if it's being used as parkland essentially. That creates a security that it's going to remain parkland and it's not going to be developed sometime in the future.

Vice Mayor Scharff: I think that might be a way—what we need to do is address that underlying concern without necessarily having these facilities like Gamble Garden or the Winter Lodge be under the same park rules. I think that's an important point we should make. Are you allowed to do commercial—I thought we weren't allowed to do commercial activities like sell stuff in parks. I think we have a rule against that. If we dedicate the Winter Lodge, does that mean I can no longer buy hot chocolate there? Those are the kinds of things that I worry about if we just decide—let's not think this through and just start dedicating stuff. I think we need to understand how you maintain it the way it is. If people are concerned about maintaining it in perpetuity, maybe we come up with a regulatory structure that does that where these unique facilities don't have the same rules as parks. Let's see. If I went to Page 98—I'll go to Packet Page 98 and then tell you what it is. On Packet Page 98, that's your Page 77, Rob. It says no exclusive use of parks by private parties is permitted. There's a lot of exclusive use of the Winter Lodge that's private parties. You can rent them out for your kid's birthday party. You can rent out the Winter Lodge, for instance. You can rent out Gamble Garden for wedding after wedding. That's what I'm talking about when I say if we dedicated that and you had these programs in here, you would then be saying you couldn't do that stuff. I think we need to think really carefully, as we do that, how that works and what we do. That's why I was thinking we probably need a separate category of in perpetuity that is not dedicated parkland. The other thing I noticed is we talked about somewhere in here—I'll probably run into it when I look at the rest of these packet pages—creating parks on rooftops or on

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garages. I think that's a really great idea; however, I don't think you should then dedicate that as parkland because you may need to tear that building down, you may need to change it. There are all these restrictions on how you change dedicated parkland. Frankly, I've got to say we looked at that issue when we did the library expansion. There was the road issue, and there's the gardens right behind it, the connection. If that was dedicated parkland, we would have had a lot less flexibility on how you do that. Council at the time thought that was a better way to go. Some could people could agree or disagree, but you wouldn't have had the flexibility to make those decision if that had have been dedicated parkland. There's the perpetuity issue which I think is really important. On some of these, the community may decide, for instance, they do want to actually expand in the next 50 years, if this was a 50-year Plan, the Arts Center or the library or those kind of things. To foreclose those opportunities, I think we do the disservice to the community if we do it without thought. I also wanted you to look at Packet Page 90, which is your Page 69. This is maybe just a little nitpicky. On 4A.1 under programs, it says prioritize development of Comprehensive Conservation Plans for the Baylands Preserve, Foothills Park, Esther Clark Park and Pearson-Arastradero to identify strategies. My only question here was—to me prioritize means that you choose which is the priority. It seems to me that what we said here was we want to do it for all of them. That's fine, but then I don't think it's prioritized, because what are we prioritizing it against. If we're saying let's develop comprehensive plans for all of them, that's fine, but we're not prioritizing anything unless we're saying this is over and important of all the other things we're doing in this Plan, which I don't read it that read. If we are reading it that way, that may not be the highest priority of stuff we do in the Plan.

Mayor Burt: (inaudible)

Vice Mayor Scharff: I think it is, and I think it's open to interpretation, and I think we should be careful about how we use the word prioritize.

Mr. de Geus: I think what we meant there is make it a priority, that we develop these Comprehensive Conservation Plans for our open space preserves.

Vice Mayor Scharff: I'm just saying we should change it so it's better that way. I don't understand on 3C on the same page, where it says require that proposed privately owned public space that are provided through the parkland dedication ordinance must meet Palo Alto design guidelines and standards for publicly owned parks, allow public access and design to support recreation. I can read the words obviously, but I'm not sure I understand what the effect of that is and what that looks like in a



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development. Is it a big change? Do we not require that? What effect does that have? Is that even possible? Maybe you want to comment on that. I wasn't sure what it meant. Can you find it? It's 3C.

Ms. Schmitt: This is starting to get at the multifamily issue that Council Member Holman brought up. These spaces kind of look like a public park. They might even be credited in some ways, but they're not necessarily built to the same standards as your parks. This is trying to get at that issue.

Vice Mayor Scharff: I think that needs more thought and more understanding as to what that actually means. What are the practical implications of doing that? What does it mean—what standards would be applied? I think that's a fairly broad statement without a lot of meat there. I think you could have a lot of unintended consequences that people don't understand. Maybe it's great, but maybe it's not. I'm not sure what exactly that requires.

Mr. Anderson: I can just chime in and say one example of what they don't currently have to do is come to the Parks and Recreation Commission and say, "This is what we'd like to do," and have the community weigh in on it. That's something we're beholden to do on every other project. We've got this effort we've put into this Master Plan that guides, but right now this is totally separate from that. It doesn't have to go through any of that filtering. It doesn't have to be guided by all the research we just did and all the community input. That's a piece of this. Can it be beholden to the City process a little more closely and go through our Parks and Recreation Commission and be guided?

Vice Mayor Scharff: That might be a really good process to go through. I would be supportive of that in concept. That reminds more of when you have to give money for art, you're a developer and 1 percent goes for art. I believe that now goes to the Public Art Commission; they make decisions like that. I could see the same thing. Moving on, I'm almost done. On Packet Page 97, I guess I can skip that. Page 98. Just on Policy 6C on Packet Page 97, which is Page 76. Again, if we were going to dedicate other facilities, I think we have to think about how Policy 6C would relate to those. I'm thinking of the Winter Lodge and the Gamble House and Gardens. There may be other places where we currently do that. I think in concept it's a good idea. You don't want to take over the parks for other uses, but there may be times when you do. That's why it says limit. Thanks a lot.

Mayor Burt: Council Member Wolbach.

Council Member Wolbach: Thank you very much for bringing this to us. A very good discussion. Several things I just want to add my two cents on

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during this Study Session. First on bathrooms, as Council Member Berman pointed out, of course we each have different circles that we run into. That's why it's great to have so many people on Council. Certainly for most of the feedback I get, we could use more bathrooms rather than fewer not just in general but specifically. I'll just speak to my neighborhood. I'm not too far from Seale Park and not too far from Ramos Park. One of the reasons why it's a lot easier, whether I'm by myself or I have friends visiting, friends visiting with their kids, whatever, it's a lot more attractive to go to Seale than to Ramos because Seale has a bathroom. It's a more pleasant place for us to go as residents or with friends who are visiting, rather than say, "We're going to walk over there or bike over there, and then we're going to get stuck there without a bathroom so we're going to have to come home pretty soon." It just makes for a more pleasant day at the park or afternoon at the park if you have facilities to do whatever needs to do. I'm fully supportive of continuing to move forward on dog parks and to increasing opportunities there. I'll ask the question that Council Member Schmid alluded to. It seemed like Staff might be prepared to offer a response to the question of can you clarify for us what public access rules are for the school recreation space after hours. Is there anything you can weigh in about that or come back to us at a future date after checking on that?

Mr. de Geus: Thank you, Council Member Wolbach. It's a good question. We may have to come back with the legality of this issue. What I can tell you is we have an agreement with the School District where we do share in the cost of maintenance of the fields for all of the elementary schools and the three middle schools. The City brokers that use for the community and allows community members and organized sports to be on there after school hours and on weekends. What is unclear to me—I've looked into this before and was not able to get a specific answer—is as a public school, are they required anyway to open up their open space, their fields to the public as part of being a public school. I've heard that maybe that is the case, but I've not found the legal answer on that. Molly, I look at you to maybe help me find out if that's the case. In other words, can the School District choose to lock up their gates and not allow the public on their fields after school hours when the school is not in use. I'd be very curious what that legal opinion is.

Council Member Wolbach: Speaking just as one member of the Council, I would be very interested. I think it would be very useful to clarify the rules and our relationship with the School District about that. I do appreciate Council Member Schmid raising that point. Thank you, Staff, for telling us where we're at in trying to get clarity about that question. On this question of parkland acquisition strategy and how we look for opportunities to expand parkland, expand recreational facilities, I do appreciate that there is a call

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here—is it 1B6 on Page 59 of the Report? I think Vice Mayor Scharff had referred to it, looking for usable park space. I would say usable park space or other recreational opportunities essentially in mixed-use developments. I think that's an important thing to move forward with. I'm really excited to see the partnership between Community Services and Planning Department on things like safe routes and continuing to develop that partnership with Planning, with the Planning and Transportation Commission, with the Architectural Review Board (ARB) in looking for park and recreational opportunities as part of development that happens in the town. I think it's important. I'll also point that, I guess, it was only a week ago or eight days ago on the 29th when we said we want to make the use—we're exploring making use of specific or coordinated area plans or precise plans a more regular part of the planning process in Palo Alto. Looking back at what we did that was so great with South of Forest Area (SOFA) and SOFA II and having Heritage Park as a real opportunity and a real wonderful addition to the University South area, because we were thinking we have an opportunity to do a redesign. Let's make sure park space is a big part of that. As we look to the future of making specific or precise plans a more regular tool, as those are used, I'll look to see the park and recreation opportunities to be a big part of that, whether it's at potentially Fry's or any other location where we might do one of those in coming years. Having the policy in place to say we're going to make it a point to look for those opportunities and to push for them will be important so when they arise we're ready to jump on them. I actually really agree with Vice Mayor Scharff on a couple of the points he raised. I do think we want to be careful when looking at, for instance, Policy 6C2 not to regulate ourselves out of the opportunity to do fun things and to do things we're proud of as a community. I can think of a lot of things that we're proud of, that we do in Palo Alto, that are a lot of fun, that Palo Alto residents love doing, that also attract people from around the region. Whether it's art festivals and (inaudible) festivals and World Music Day, we don't check people's papers for where they're from when they come to those events. We're happy to open up our City for those things. I want to make sure we don't lose those opportunities. On the point about whether we dedicate a recreational facility or recreational service as parkland, I think it's a separate question. I just want to continue what Vice Mayor Scharff was saying, that we want to silo what the question is at play. I think it's very important that we make very clear and solidify in some way that we want to maintain having an ice rink in Palo Alto. There are some quite contentious battles around preserving ice rinks in a number of other cities quite close to us, including in San Mateo and Belmont. The community members and Council Members I've spoken to over the last couple of years and especially the last few months in those communities can tell you it's not a fun position to be in, to have the risk or reality of losing an important recreational facility like an ice rink. Making sure that we secure for decades to come an ice rink

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in Palo Alto is the priority, whether it's always going to be at that site, whether it's always going to be only that use at that site. Those are separate questions. We may move forward with confirming those as well, but they are separate questions. Something that I have heard discussion of in the recent and more distant past—I just want to make sure it's on the table, speaking to something that is not a community consensus at this point. It's my view but it's certainly not a consensus view at this point, but I think it's worth discussing. The future of access by non-Palo Alto residents to Foothills Park for, I would suggest, a fee. I think the future of Foothills Park as a place that non-Palo Alto residents can visit through the main entrance for which we would collect a fee is an appropriate future for Foothills Park. I would be very open to having that discussion and also looking at, whether on weekends or holidays, the fee for non-Palo Alto residents—especially if they're driving, coming through the main entrance at Foothills Park—would be a higher fee. We currently do allow non-Palo Alto residents to enter Foothills Park as long as they go in through one of the back entrances. I think we may as well start having that conversation about what would be an appropriate fee structure. We as Palo Alto residents and those who contribute to the Palo Alto tax base contribute the funds necessary to maintain that treasure for our community just like our Baylands, which is open to non-Palo Alto residents, and just like Arastradero, which is open to non-Palo Alto residents. I think even if there is a fee structure associated with it, having essentially a private club that is exclusive only to Palo Alto residents or their accompanied guests sends the wrong message and doesn't really speak to the inclusive values of our community. I look forward to continuing that conversation.

Mayor Burt: I'd like to just hit a few topics that some of my colleagues have already touched upon. One is on the restrooms. We really haven't spoken very much about where those tensions have historically been focused between the desire for additional restrooms and the pushback. I think if we look at those and try to reduce them, then we move forward a lot more readily. One has been after-hours security. We don't want restrooms in neighborhood parks to basically become homeless camps. That's been the intention. I haven't heard anything about whether we simply today can use remote electronic security systems and largely address that. Is that the case? Is that the thinking?

Mr. de Geus: Mayor Burt, that's exactly right. We have automatic locking doors that we can program at any time. Also design of the restroom and where it's located and lighting can alleviate a lot of those concerns.

Mayor Burt: Even maybe some opportunities for some automation in the cleaning and things like that. Has that been shared with the neighborhoods

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and some of the neighbors who have apprehensions, that these days we can address some of those issues in ways that we couldn't a decade or so ago when this was last discussed?

Mr. de Geus: We haven't added restrooms for a while, because they've been taken out of the Capital Budget. That would be the intent. As we go forward and discuss the possibility of adding a restroom, we would share all of that data.

Mayor Burt: Frankly, some of the restrooms we have are full-scale restrooms. Maybe we have more limited size to address that. Frankly, there's also a consideration of little Johnny may pee in the bushes, but elderly folks who also have a real need for restrooms cannot. In the absence of restrooms, is it arguably discrimination against elderly access to our parks? I'm not saying that's necessarily a legal threshold, but it certainly is something for us to be thinking about when we weigh these issues. On the school ground policy, I do think that whatever we determine, whether it is our negotiated policy with the School District or legal opportunities that we have public access to those grounds depending on what you determine, that should be in the Parks Master Plan. Within that context, we should really look at—we have a gradually growing number of private schools. Are there opportunities to make private school playgrounds also open to the public as part of a conditional use that we have when we grant those schools? Is this a way to essentially expand our park grounds? Not all locations are going to be equally appropriate for that. It certainly would be a consideration that we could look at. There was a question about Strawberry Hill. It's my understanding that's on Palo Alto Unified School District (PAUSD) land. Is that correct?

Mr. de Geus: That's my understanding as well. We'll take a look at that.

Mayor Burt: We don't have authority over that, but it may be something that we can once again negotiate with the District. Gunn's been there for 50 years, and they've never done anything with that land. They have moved out into what was previously undeveloped land at that end of Gunn. This is kind of a remote wedge. Maybe there's some way we can negotiate some kind of shared use there. I don't see it as necessarily part of the Parks Plan, but I do want to say that I like Council Member DuBois' concept of less structured intramural sports. I heard several of my colleagues bemoan that we don't have less structured playing, but I didn't hear any solutions until that concept. That was an interesting one. Under the category of the unique opportunities or some of the new lands, I think we should be having a deliberate process that identifies underutilized public or private lands that are candidates for future expansion or inclusion in park systems in the City.

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Time and again over the years, I have heard there just isn't any land. When we really look either at people's anecdotes and say, "What about that plot land?" Everybody says, "That's sitting there, and the public owns it." We actually have two pocket parks that we've done over the last 15 years or so on land that was already public land for neighborhoods that didn't even have a pocket park without kids crossing a major thoroughfare. I think we need to step back and look at Google maps and identify spaces that are candidates for dedicated parkland or park-like functions. That brings up this other question of do we need another category of park-like functions. I'm using that as a placeholder descriptor. There are certain things that fall within our dedicated parklands, that are prescriptive, and others that are similar to parks in nature. We face this dilemma that we only have two choices. I mention this available public land or private. It can be private schools. It can be areas where—you think about the donkey care area at Bol Park. That's on private land. I don't know whether the property owner would be open to the City acquiring some of that land and incorporating it within Bol Park. That kind of thing to look at opportunities especially where it's low-intensity land that is lower cost per acre and that we have within our park mitigation fees. When we've had the feedback on how we'll use them, it's usually by Staff saying we're going to use them for park improvements, because there is no land. I just think again that are some opportunities that we need to look at again. I also wanted to mention some degree in which we can have some reconciliation between what might be active sports uses on parklands and more pastoral types of uses. Where we have playing fields, we tend to think they're playing fields. They're turf fence to fence line or they're artificial turf fence to fence. We really segregate those functions. If you take, for instance, the 10-1/2 acres down by the Baylands, I don't see any reason why we can't look to incorporate peripheral paths that might even go around the existing baseball fields there. That's a whole potential path system that could be landscaped with native vegetation, and it could be opportunities for people to have really extensive walking space that would expand the Bayland area. When I was hearing Council Member Schmid talk about the 20 minute to get to the Baylands at rush hour, I was going, "I don't understand that." I realized he was talking about driving a car. It doesn't take that long by bike, especially when we have our overpass over 101 and future access. It does beg the question—you alluded to it—about the integration of our Bike Master Plan. For instance. In those areas, I seem to remember that we have some upgrades intended for connectivity on that Baylands trail system to get out to the Geng area. This just kind of emphasizes it that much more as well as completing those loops. I really encourage us to integrate those different elements. I think that covers my main points. I want to echo what others have said, that this Plan is really looking at things comprehensively and on a horizon greater than what we've looked at in the past. Whether it should be a longer horizon yet is a good

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question. I want to say thank you very much to the work of the Commission and Staff and the members of the community who have participated in this. It's really something that's going to accrue to the benefit of everyone. Thank you.

Mr. de Geus: Thank you very much.

Mayor Burt: That concludes our Study Session. Our next item is ...

Council Member Kniss: (inaudible)

Mayor Burt: Rob, can you just remind us when this would return?

Mr. de Geus: We hope to be back with a draft Plan by the end of the calendar year, likely in December.

Mayor Burt: Thanks.

## Agenda Changes, Additions and Deletions

Mayor Burt: We have Agenda Changes, Additions and Deletions. One thing is that we now have Item Number 5 will precede Item 4. Just so everybody knows, that's the animal shelter discussion will precede the Residential Permit Parking. The animal shelter discussion was tentatively scheduled shortly, and then the Residential Preferential Parking District (RPP) at around 8:30 P.M. or so, depending on how long the animal shelter item takes.

## City Manager Comments

Mayor Burt: Our next item is City Manager Comments. Mr. Keene.

James Keene, City Manager: Thank you, Mayor Burt, Council Members. Last Friday night marked not only the kickoff of the Stanford football season, but it was also the debut of the City's brand new post-football traffic signal timing plan along Embarcadero Road. The new signal timing ran between 8:00 P.M. and 10:00 P.M. and is aimed at increasing the through-put of driving fans to U.S. 101 more efficiently when the game is over. The post-game timing appeared to work well. We will know a little more when Stanford students are back in session and the football crowd may be a little bit larger. The timing plan will be used again at the next home game on Saturday, September 17 and is part of the overall traffic signal coordination that started earlier this summer, aimed at alleviating some weekday peak traffic and school-specific time periods. Again, this is all part of the now completely connected and integrated traffic timing system that the City has and that marks us as one of the first, if not the first, cities in the United States to have 100 percent of its traffic monitoring system both in the cloud

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and accessible to custom changes directly by our transportation officials with potentially as much as a laptop. More to come on that, a larger discussion. The Net Energy Metering successor program. On August 22nd, the City Council approved the Solar Net Energy Metering successor program, often called NEM, and directed Staff to develop alternatives for the NEM transition policy. Council also voted to change the method used to calculate the NEM cap. Using the new method, the new NEM cap will increase from 9.5 megawatts to 10.8 megawatts, a 13 percent increase. The increase will allow more people to install solar under the existing NEM program and will allow our Staff more time to inform the community about the successive program. We're developing communication materials to inform customer and industry affiliates about the new cap and transition to the NEM successor program. Some good news there, as a result of your session a couple of weeks ago. In the same general area, I wanted to share with Council and the community that Palo Alto is participating in the Bay Area SunShares Program, which is a limited time program that aims to make it simpler and more affordable to go solar or purchase a zero emission vehicle. SunShares pools the buying power of homeowners and vehicle buyers, provides vetted contractors and offers free third-party technical advice that helps inform customer decision-making. The cities and companies involved in SunShares see it as a way to provide a benefit to our residents and employees while moving towards regional climate goals. Please join us on September 17th at the Mitchell Park Community Center for a workshop to learn more about the program. Details are provided at [bayareasunshares.org](http://bayareasunshares.org), their website. Workshop registration is available at the City's website, [cityofpaloalto.org/workshops](http://cityofpaloalto.org/workshops). In another example of the City's strong financial management, Moody's Investor Services has upgraded to AA1 from AA2 the \$30.7 million in outstanding 2009 Series A water revenue bonds for the City's water enterprise. The rating upgrade reflects the system's very broad, wealthy and economically diverse service area which provides a strong and reliable customer base. The AA1 rating also incorporates the system's sound financial position characterized by strong and stable debt service coverage that is projected to continue at similar levels, a very robust liquidity position, and a strong management team that is committed to implementing annual rate increases when necessary and below average debt burden. Again, congratulations and thanks to our staffing in Administrative Services Department (ASD) and the support folks in utilities and obviously the Council's overall guidance. Another reminder from the Clerk's Office, the City is looking for engaged members of the community to serve on the Historic Resources Board, the Parks and Recreation Commission, the Planning and Transportation Commission, and the Storm Drain Oversight Committee. Applications are available on the City Clerk's webpage at [cityofpaloalto.org/clerk](http://cityofpaloalto.org/clerk). The application deadline is next week, September 14th at 5:30 P.M. Lastly, once again just a reminder that



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this Saturday, September 10th, from 10:00 A.M. to 2:00 P.M. at Mitchell Park the City will be partnering with the Palo Alto YMCA to co-host the second annual health fair as part of the Council's Healthy City/Healthy Community initiative. It is again an entirely free event sponsored by the City of Palo Alto, the Y, Kaiser Permanent, Palo Alto Medical Foundation, Sutter Health, Stanford Children's Health, and Stanford Medicine. For more information, go to the City's webpage, [cityofpaloalto.org](http://cityofpaloalto.org), or [ymcasv.org](http://ymcasv.org). That's all I have to report.

Mayor Burt: Thank you.

## Oral Communications

Mayor Burt: Our next item is Oral Communications. This is a chance for members of the public to speak on items that are not otherwise agendaized. We have two speakers. If anyone else wishes to speak, they need to come forward to submit a card at this time. Our first speaker is Sea Reddy, to be followed by Joseph Duran. Each speaker has up to three minutes to speak. Welcome.

Sea Reddy: Good evening, City Council and Palo Alto citizens. I just returned from my six day trip to Singapore and India. I have to say Palo Alto is truly heaven on earth. There's no doubt. There couldn't be any better place in my view. Taking that for all the goodness, I ran into an article on Sunday in the *San Francisco Chronicle* about Palo Alto's prosperity. It says "pangs," and I'm not familiar with the word. I read it line by line about six times. There are some things I think we want to think through more carefully. We don't want to make some decision or let the world think that we are anti-business in the Downtown area. I want to share some of my experience. Boeing looked for a corporate office all over the country, and they went to Chicago. They wanted to get away from Washington, liberal and all that. They wanted to be next to their customer, so they put in 400 people in downtown Chicago on Riverside Drive. We don't want to come across here like we don't like corporations and we only want startups. It's a changing world. We've done well in the last 70 years. I don't think we want to set back. I'm not saying we want more cars, more this, more that. Please reconsider, say the right things so we come across the right way. Innovation changes every five years as we know. We have new leadership with Stanford. A lot more high tech, a lot more biotech. We want to take advantage of that. I think it's a (inaudible) type joke when they say we cannot have people coding Downtown. That is not enforceable. Thank you.

Mayor Burt: Thank you. Our next speaker is Joseph Duran.

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Joseph Duran: Hello. My name is Joseph Duran. I'm a facilities technician with the City. I've been here for about five years. I wanted to take a little time here to thank you, guys, for approving the contract. I was part of the negotiation team. I believe this to be a fair contract, and I really appreciate you guys approving that for us. That's something that I wanted to make sure you guys knew. Some of us feel that it is a pretty good contract. I was given an opportunity to become vice chair of our chapter. During my time as vice chair, I've learned that not only am I steward for my members, but I'm a steward for the City. I feel, as a steward, I want to help preserve what I think is unique about Palo Alto. Some of what I believe is unique about Palo Alto is that all of our services here are in-house. We keep everything in-house, from our utilities, arts and theatre to our animals. Everything here is done, and the employees here do an exceptional job of this. Palo Alto has been committed to these services and giving the best of these services to the community. City employees have been dedicated to providing these exceptional services to the residents and guests of Palo Alto. I believe the employees are genuinely concerned about the well-being of our City. I hope that the City sees this, and the Council sees that we definitely have some shining paws throughout the City. Thank you.

Mayor Burt: Thank you. That concludes our Oral Communications.

## Minutes Approval

2. Approval of Action Minutes for the August 22, 2016 Council Meeting.

Mayor Burt: Our next item is Approval of Minutes. We have Minutes from the meeting of August 22, 2016. Do we have a Motion to approve?

Council Member Berman: So moved.

Mayor Burt: Second.

**MOTION:** Council Member Berman moved, seconded by Mayor Burt to approve the Action Minutes for the August 22, 2016 Council Meeting.

Mayor Burt: Motion by Council Member Berman, second by myself. Please vote. That passes unanimously.

**MOTION PASSED:** 9-0

## Consent Calendar

Mayor Burt: We will now move on to the Consent Calendar, one item. Do we have a Motion to approve?

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Council Member DuBois: So moved.

Vice Mayor Scharff: Second that.

**MOTION:** Council Member DuBois moved, seconded by Vice Mayor Scharff to approve Agenda Item Number 3.

3. Vote to Endorse the Slate of Candidates for the Division's Executive Committee for 2016-17 and Direct the City Clerk to Forward to Seth Miller, the Regional Public Affairs Manager for the Peninsula Division, League of California Cities the Completed Ballot for the City of Palo Alto.

Mayor Burt: Motion by Council Member DuBois, second by Vice Mayor Scharff. I see no lights. Please vote. That passes unanimously, and we have just made up lost time. A rare occurrence here.

**MOTION PASSED:** 9-0

## Action Items

5. Direct Staff to Proceed With Discussions With Pets In Need Regarding Animal Care Services and the Construction or Rehabilitation of the Animal Shelter Facility.

Mayor Burt: We are now ready to continue to what was formerly Item 5, which is a direction to Staff to proceed with discussions with Pets in Need regarding animal care services and the construction or rehabilitation of the animal shelter facility. Mr. Shikada.

Ed Shikada, Assistant City Manager: Thank you, Mr. Mayor, members of the City Council. Ed Shikada, Assistant City Manager. I'll just introduce the topic this evening and ask Cash Alae to do the primary report for Staff. I joined the City midway in the evolution of the work that Cash will describe. I'll just note that a little more than a year ago, in the spring of last year, I was here where Staff received direction from the City Council to proceed with the Request for Proposals (RFP) for a new service model for animal care services. I would just note that, as someone who's been involved with a number of public-private partnership endeavors in different contexts, the approach Staff has taken here in working with both the market generally as well as prospective partners is really representative of best practices. What we have undertaken over the course of the last year was to test the market. We did an RFP, worked with stakeholders in order to identify the scope of services that was being sought, tested the market, found there was not a very strong market, at the same time found that we had a very strong

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prospective partner. That said, we then proceeded with a series of due diligence reviews, both evaluating the proposals that had been received as well as working with Pets in Need. Cash will describe the financial due diligence that was done as well as the operational review. In both cases, coming back with strong recommendation for our Staff and our pro bono consultant to proceed. Recognizing that this is a prospective public-private partnership with our nonprofit partner, we engaged in a dialog recognizing that what we are embarking on is attempting to achieve a number of goals for the City. Recognizing that our nonprofit partner also has its own mission and its own series of priorities to ensure are in alignment with the proposed agreement could meet both of our needs. The direction that we're seeking tonight really also reflects best practices as a key step in the decision-making process. We've brought forward a term sheet that reflects the basic outlines of a transaction that we believe will serve the City's interests and also Pets in Need. We will have the opportunity to discuss that in more detail. In addition, what we are recommending is direction to proceed with the exclusive negotiation that allows us to proceed with the consultation that we'd like to do in parallel with our employee bargaining unit, that will allow those issues to be addressed as well. With that, let me ask Cash to walk through the particulars.

Khashayar Alaee, Senior Management Analyst: Thank you very much, Ed. Good evening, Mr. Mayor and Council Members. My name is Cash; I'm a Senior Management Analyst in the City Manager's Office. Just a brief background. In Fiscal Year 2012 due to the withdrawal of a partner agency, the City of Mountain View, the City Council's Policy and Services Committee on May 10, 2012 and the Finance Committee on May 15th, 2012 discussed this item and sought to retain the animal shelter services in Palo Alto and directed Staff to take immediate steps to reduce the cost and increase revenue in an effort to become more self-sufficient, to reduce the reliance on the General Fund. On July 23rd of 2012, the City Council approved changes to the Municipal Fee Schedule as well as expenditure reductions to reduce costs for Fiscal Year 2013. As Fiscal Year 2013 ended, Animal Services remained dependent on the General Fund even though donations were received and operating hours and clinic services were expanded. Even by the end of Fiscal Year 2014, the goal of decreasing reliance on the General Fund was not achieved. On June 16, 2014, the City Council referred a Colleagues Memo regarding the Palo Alto Humane Society's interest in partnering with the City to the Finance Committee. On December 2nd, 2014, the Finance Committee reviewed the Colleagues Memo and postponed substantive discussion of the item until the City Auditor completed an audit of the services. On April 22, 2015, the City Auditor presented the audit of Animal Services to the Finance Committee. On June 8th, 2015, the City Council approved the Fiscal Year 2016 budget and directed Staff to conduct

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a review of alternate service models and allocated \$250,000 to assist with the assessment or possible transition costs. As we began Fiscal Year 2016, the City Manager's Office continued outreach and engagement with the community and various department stakeholders. We conducted two Requests for Proposals to assess the market for alternative service providers. The first RFP was issued on October 15th. The second RFP was issued on January 27th. On March 22nd, 2016 the Policy and Services Committee received an update on the audit and RFP proposals. The Staff informed the Committee that the City had received one proposal from Pets in Need, a letter from the County of Santa Clara and a letter from the Humane Society of Silicon Valley, all of which are in your packet. Staff concluded that the most advantageous proposal was the one received by Pets in Need. That's presented to you tonight through the term sheet. Our recommendation tonight is to direct Staff to proceed with exclusive negotiations with Pets in need to provide animal care services in Palo Alto and develop a plan for the animal shelter construction or rehabilitation and to return to the City Council by the end of this calendar year with a recommended agreement. In a moment what I'd like to do is introduce Al Mollica, who's the Executive Director of Pets in Need. Al will provide you with a brief introduction of Pets in Need and verify their financial solvency. Before Al speaks, I'd like to give you a brief overview of our financial review. During the RFP process, the City requested the following documents: a 2-year financial plan with quarterly financial targets which includes earned income, fundraising and other revenue; direct labor rates for proposed staff; overhead rate and a breakdown of overhead elements; sub-consultant billing rates; any markup percentage for other direct costs; all reimbursable expenses; any other cost and price information and a not-to-exceed amount; and finally bank and audit statements. Pets in Need was the only responsible bidder that provided the requested data. In addition to City Staff reviewing all the financial documents, the City hired an outside consultant. His name is Vince Forte. Unfortunately he couldn't be here tonight; he got sick over the weekend. He would have loved to be here to verify Pets in Need's financial solvency. Vince was recommended to the City through the Stanford Business School's alumni consulting program. He's a former bank executive who retired from banking and went on to work in the nonprofit community and worked with the Oakland Zoo. We do take his recommendations seriously. With that, what I'll do is turn it over to Al.

James Keene, City Manager: There was a lot of detail in that. If I just might hit it again at a higher level. I don't have all the numbers in front of me, but I have a pretty good memory about the journey we've been on as a community ever since Mountain View's departure as a major partner in 2012 or whenever, driven by their sense that the cost/benefit wasn't in their best interest. They left the partnership to have the services delivered elsewhere.

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As you recall, there was some discussion by the Staff of looking at maybe doing the same thing. There was a lot of understandable outcry from the community about the potential for losing a shelter operation in Palo Alto and the need to keep that. We kept it here. The first year, we did as Cash mentioned, had a lot of good community support and donation and fundraising and support to keep the costs down. The Council had essentially said you wanted us to drive towards cost neutrality for the operation. At that time, we were losing \$300,000 or \$400,000 a year. Unfortunately, in the subsequent years for a whole host of reasons, that deficit has continued to grow to where it's almost doubled as far as a loss, with the potential to see us continue to be in a deficit situation. Quite some time ago, we made the decision that clearly we would keep the animal control functions in-house in the Police Department to pick up and patrol in the City. A lot of the ability to make the shelter not only financially healthy but really provide high quality, sustainable services was linked to the condition of the shelter itself and the need to enter into a partnership that could potentially yield the ability to do additional fundraising that could lead to either a new shelter or significant improvements in the shelter to make the shelter higher functioning, more attractive and more cost-effective. There's a lot of necessity both on the service quality we want to achieve and doing so at a reasonable subsidy from the City, obviously moving back in the direction of the Council's original action that has brought us to this point. Ed kept talking about best practices. This idea of just bringing a term sheet long before we have an actual contract to the Council is just indicative of the very careful, engaged process that the City has been following all along on this item. With that, I'll turn it back over to your team.

Al Mollica, Pets in Need Executive Director: Thank you. Thank you, Cash and Ed. Thank you, Mr. Mayor and Council Members, for inviting us to speak with you tonight. I want to comment on what Jim said. I agree and wholeheartedly endorse what he said about the terrific job that Ed and Cash in particular has done with this process. They've done something that's very important throughout the process, and that is they've listened as much as they've talked and spoken to us. That has meant a lot to me personally and our Board. What I'd like to do is extol the virtues of Pets in Need for a few minutes. I could take an hour, but I'll only take a couple of minutes. Then, I'd like to turn the podium over to our Treasurer and Finance Committee Chair, Mr. Frank Espina. He'll talk to you about the financial aspects of Pets in Need. Pets in Need was established in 1965 as Northern California's first no-kill animal shelter; that's before no-kill was even a term. We are a 501(c)(3) nonprofit organization, and we generate our resources through private gifts, adoption fees and fees from things like our humane education program. We receive no money from any government entities. We have a beautiful facility in Redwood City that was refurbished in 2008 at a cost of

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about \$6 million. We know something about taking a warehouse, which this building was, and turning it into a silver-level Leadership in Energy and Environmental Design (LEED) certified building that houses about 160 animals and is operated with a staff of about 20 people. We are governed by a Board of Directors that takes their fiduciary responsibilities very seriously, 13 Board Members and volunteer community leaders and animal lovers. We're very proud of the fact that we offer free spaying and neutering services. We believe that the most effective way to address the pet homelessness issue is to spay and neuter. We take that responsibility seriously. The organization has committed hundreds of thousands of dollars over the years toward this effort. In Fiscal Year 2016, we did 1,687 free spaying and neutering procedures at our Redwood City facility and through our mobile van in communities far and wide, Modesto, Vallejo, Martinez, Los Banos, Hollister. We travel all over the Northern California area to do free spaying and neutering. We've rescued animals from Los Banos, Vallejo, Hollister, Milpitas, San Jose. Our medical operation is certified or accredited by the American Animal Hospital Association. Only 15 percent of animal shelters in the United States have achieved this distinction. We're very proud of that achievement. We have a vibrant volunteer program and what I would consider to be a growing, developing humane education program. We have a very cost-effective fundraising program that has grown from about \$600,000 in 2013 to just under \$1 million this past Fiscal Year. We are a member of the We Care Alliance, and we already have relationships with our friends from Friends of Palo Alto Animal Shelter and Palo Alto Humane Society. That's my part. I'm going to ask Frank Espina, our Treasurer, to come up and talk a little bit about our financial situation.

Frank Espina, Pets in Need Treasurer: Mr. Mayor, Councilmen, thank you for letting us speak today about Pets in Need. A little background. I'm a Certified Public Accountant (CPA), have been a CPA for over 40 years. I've been associated with this organization for approximately 20 years, five years as its auditor. I decided that I'd rather be on the Board than audit them, so I joined the Board. I've been on the Board about 15 years. I've watched this organization grow from a situation where we were in a little warehouse in Redwood City to where we built, as Al has already said, a \$6 million facility, which we literally own right now. Our footings on our balance sheet are approximately \$12 million. We carry over a \$2 million endowment, and our unrestricted fund balance is over \$8 million. We've done this through hard work, through providing good services for individuals in the community, taking care of animals, making sure that they don't kill. We've kept animals for as long as seven years in the facility, where we couldn't adopt them out. We also from the standpoint of a 501(c)(3) received the highest rating in Charity Navigator because we spend very little on overhead and administration compared to what we raise and what we do, our services. I

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could just tell you that we are looking forward to trying to help and work with the City of Palo Alto in a partnership, and we feel that not only do we have the experience to do it from the standpoint of building a shelter, taking care of animals, seeing that they get adopted, but also the financial wherewithal to hang in there and do the job. Thank you.

Mayor Burt: Thank you. Cash.

Mr. Alae: That concludes the Staff's presentation.

Mayor Burt: Thank you. We can now go to the Council for any technical questions before hearing from members of the public. Does anyone have any questions they wish to ask? Council Member DuBois.

Council Member DuBois: We didn't get any of the operational or the budget and the proposal. I guess it wasn't included in the packet. What would the relationship be between the Redwood City facility of Pets in Need and the Palo Alto facility and how would those be operated financially?

Mr. Alae: They would be operated as two separate facilities and two separate operations.

Council Member DuBois: Separate financial controls and budgets and fundraising?

Mr. Shikada: To my knowledge—Cash and Al perhaps can weigh in—it's essentially a fee for service model. The proposal did not require the establishment of a separate organizational structure. Given that, we would expect Pets in Need would operate this as a second facility.

Council Member DuBois: Do you care to respond for Pets in Need? If you could maybe explain how you see running the two facilities.

Mr. Mollica: We see, as was indicated, two separate facilities but operating under the same structure that we currently operate Pets in Need. Essentially Pets in Need Redwood City, Pets in Need Palo Alto. The same systems, protocols, procedures that we have, ranging from intake of animals all the way to how we do our marketing, would be done essentially the same.

Council Member DuBois: If there was a fundraising effort for a new building, as an example, would people be able to donate money for the Palo Alto facility?

Mr. Mollica: Yes. The donations would come in, and they would be earmarked for a Palo Alto facility as a designated gift.



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Council Member DuBois: Thank you.

Mayor Burt: Council Member Schmid.

Council Member Schmid: I've heard there was a detailed financial statement. As Tom pointed out, we didn't get that. The one number that shows up is \$520,000 per year, an estimate of how high we might find the bill. Is that correct?

Mr. Alae: Yes, that is correct. Tonight's purpose is to get direction from Council to proceed with detailed discussions with Pets in Need around the remaining elements of the finances, the services and the facility. We intentionally did not provide those financial details, because there are still conversations to be had. The three elements I just mentioned, services, finances and the facility—there's a spectrum. There are different views on each side of the spectrum. We still need to have conversations about each of those elements and find the commonalities and ultimately put that in a final contract that will come before the City Council before the end of the year. Our intention is at that meeting the detailed financial plans will be brought to you so you can look at the financial details.

Council Member Schmid: I just wondered if in those details there was any notion of revenue streams that might be generated, that are not current activities.

Mr. Alae: There are revenue streams that are identified as the existing standard revenue streams for an Animal Services operation. We're discussing which ones the City retains and which ones Pets in Need would retain. Keep in mind that we're going to continue to operate animal control. There are certain revenues associated with the animal control function the City would like to retain. There are no necessarily new revenue streams that have been identified.

Council Member Schmid: There's nothing to induce householders to go there for services, whether it be spay and neuter or a sick animal or care or hoteling.

Mr. Alae: Correct. The services conversation is continuing. All the services you have mentioned have been discussed. As far as the specific rate structure that Pets in Need would charge for services provided in Palo Alto, we haven't dove into those specific details. Those are the conversations we'll continue to have.

Council Member Schmid: Thank you.

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Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: Thank you. Following up on that a little bit. What are we currently spending from the General Fund?

Mr. Alae: That's a very timely question, because the City Manager was asking that to me. Why don't I defer to my colleague, Ian Hagerman, who has joined us all the way from Tennessee.

Ian Hagerman, Management Analyst: Good evening, Mr. Mayor, members of the Council. Ian Hagerman with the Police Department. Our current expenses in the Fiscal Year that just closed were about \$1.5 million, \$1.6 million. The net on that after revenue was a little over \$1 million, just shy of \$1.1 million last year.

Mr. Keene: (inaudible)

Mr. Hagerman: That's correct.

Vice Mayor Scharff: At five and 20, we're saving \$600,000 roughly, right?

Mr. Hagerman: That number includes animal control costs, which are roughly \$400,000 or \$500,000 a year for those Staff. We would retain that cost but the associated revenue from things that they provide.

Vice Mayor Scharff: Just to be clear, if we went with the \$520,000 roughly, the average cost, we're saving roughly \$100,000 less and anything we save off that \$520,000. Is that fair?

Mr. Alae: Repeat the question for me one more time.

Vice Mayor Scharff: What I heard is that—in the Staff Report it says the threeyear average cost was \$520,000, and the City's subsidy will stay below \$520,000. That's what I heard from that. The numbers I just heard from you guys was it's \$1.1 million, but \$400,000, I think you said—\$500,000 or \$400,000 was for the current animal control which will not go there. I was just trying to do the math as you spoke. The numbers look like a savings of about \$100,000.

Mr. Alae: For Fiscal Year '16, the animal shelter cost \$515,997. For Fiscal Year '15, it cost \$523,702. For Fiscal Year '14, it cost \$515,404. Those are the exact costs for just the animal shelter services for the last three Fiscal Years. Again, we're in discussions and negotiations with Pets in Need. We're not there yet on a final amount. What we wanted to do tonight was provide Council with the target which we're aiming for. Really trying to stay under is our goal. There are other elements to the annual subsidy or the fee

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for services alongside these negotiations. We have an interest in a new facility. We have an interest in potentially expanded services. As we continue our conversations with Pets in Need around these three elements, our aim and our target is to stay underneath that three year average cost.

Vice Mayor Scharff: Thanks. One other question I had on this. I guess this is supposed to be the Motion, direct Staff to proceed with exclusive negotiations with Pets in Need, etc. Are what you're really saying is that you want us to agree that you move in negotiations based on this term sheet? That's what we'd assume. Is that what we're approving, what's in this term sheet, and that's what you'd move forward on?

Mr. Alae: Correct. The term sheet would set the parameters for the negotiations.

Mr. Keene: Can I just add—let me just interrupt. The term sheet—this is really just in the spirit of reporting to the Council the results of an RFP process that clearly indicated only one really competitive vendor and service provider. While this is representative, this is like any negotiation. We're not going to be completely bound by these parameters also. If Pets in Need presents an alternative or some pricing or whatever it is that we haven't quite heard and it's in the City's interests, we'd certainly be bringing those back to the Council.

Vice Mayor Scharff: That's why the Motion shouldn't refer to the term sheet. I was going to ask has Pets in Need agreed to this term sheet already? Is it a framework for negotiations or not?

Mr. Mollica: Yes.

Vice Mayor Scharff: I just wanted to understand the no-kill concept just a little bit, the way it works. If I'm getting it wrong—animals are brought into the shelter. The basic concept in the Staff Report was they would stay up to 30 days. Palo Alto would pay a per animal fee up to that point. After 30 days, Pets in Need would be responsible for that with the notion they would be able to find homes for these animals. I guess I wanted to know what happens to the animal. I'm assuming not every animal can be found a home, but maybe it can. I was curious in Redwood City how this works. Maybe someone could address that.

Mr. Alae: I'll defer that to Al.

Mr. Mollica: Our definition of no-kill is we will not euthanize an animal unless it's suffering. Euthanasia means ending suffering. We probably euthanize four animals per year. As Frank mentioned, we've had animals at

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the Redwood City facility for six, seven, eight years. Once we rescue an animal, the animal becomes our responsibility. Whether it's through fostering or adoption promotions, marketing, we do everything we can to make sure that animal finds a forever home. We will not ever euthanize for space. Some shelters will do that; that's how they get around a very small facility and a lot of intake. We will not do that, and we propose to obviously not do that at Palo Alto as well.

Vice Mayor Scharff: Mr. Mayor, may I just ask a couple of follow-up questions of the speaker? In Redwood City, you mentioned there might be some animals that have been there six or seven years. I think you have 160 animals roughly?

Mr. Mollica: Give or take.

Vice Mayor Scharff: What percentage of the animals have been there over a year at any one time?

Mr. Mollica: I'd say 25, 30 percent of our animals are there over a year or so. The majority of the animals get adopted within, I'll say, six months. Then, there are those more challenging or they have physical problems, and it takes a while to find a home for them.

Vice Mayor Scharff: You've been in business a long time in Redwood City. I can't remember. Like from the '60s.

Mr. Mollica: Fifty-one years.

Vice Mayor Scharff: Fifty-one years. Has that number been increasing or has it just basically leveled out at that 20 or 30 percent?

Mr. Mollica: That's hard to say. I'm not sure what they—the facilities they had in 1970, it's a little hard to. I would say in the last 10 years that percentage has stayed about the same. My hope is that through some additional, more aggressive and creative, innovative marketing efforts to try to make the more challenging animals we have more appealing to people the percentage will decrease.

Vice Mayor Scharff: Thank you very much.

Mr. Mollica: You're welcome.

Mayor Burt: Council Member Holman.

Council Member Holman: Thank you. I appreciate your interest and your no-kill policies. Good for you and potentially good for us. A couple or three

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things that caught my eye. One is on Packet Page 372. It talks about Staff expects that a contract with Pets in Need can be finalized before beginning discussions with partner agencies about service changes. What kind of service changes would you anticipate? That's in the Staff Report, not the term sheet. I don't know what that means.

Mr. Alae: This is in relation to our contracts with the City of Los Altos and City of Los Altos Hills. At this stage, we don't anticipate any changes to those contracts. What we'd like to do is provide Pets in Need an opportunity once they've begun as well as our partner agencies to have conversations about potential changes that either party would like to see. We wouldn't want to prohibit any changes. We have been keeping them informed, and they've been part of the process.

Council Member Holman: I got that. When you're talking about potential service changes or level of service changes, you mean those other entities might enjoy or entreat upon Pets in Need to provide, not that we would be diminishing services or anything of that nature.

Mr. Alae: Yes, yes.

Council Member Holman: This has to do with the site itself. As programming is being developed, there's land there that is on the site, but it isn't being afforded to the animal shelter. I'm wondering where we are the parking that another department uses along the side. Is that going to be afforded to Pets in Need? There's some parking of another vehicle behind. Is that going to be afforded the animal shelter and Pets in Need? The reason I ask is because those are locations and opportunities for more income-producing activities. For no other reason, I would say that's why the question is coming forward.

Mr. Alae: Everything's on the table. The facility is such a key part of the service model and delivering the needs that the community expects. It's so important that we've been working with Pets in Need. They've even had architects already come and look at the site and evaluate the site. It's one of the three remaining discussion points that we need to have. The parking lot in front and potentially other space around that site is all on the table, depending on the service model and the size of the facility.

Council Member Holman: I think my only other question is—there's nothing referenced in the term sheet. I appreciate the term sheet. Help me out with why a term sheet as opposed to a letter of intent.

Mr. Alae: What is not referenced in the term sheet?

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Council Member Holman: I understand what a term sheet is. Why is it a term sheet as opposed to a letter of intention that might include some of these? I'm just curious. I don't have a criticism one way or the other.

Mr. Keene: Number 1, these could effectively be the same thing. The real point of this coming to the Council is to inform the Council and the community about the status of where we are. We wouldn't come to the Council to enter into a letter of intent with the Council. We're coming here to get the Council's midstream direction to continue on the path where we are. We're laying out the sort of things that will ultimately be in the contract. This a little bit of a departure for us. Given the intense interest in the project, we thought it would be good to come and share where we were with the Council.

Council Member Holman: Don't disagree with that. I was thinking a letter of intention with Pets in Need, of course not the City with the City.

Mr. Keene: I know that, yeah.

Council Member Holman: Last question. There's nothing mentioned in the term sheet about the expectation of what hours and days. I don't mean to get into the weeds on this, but that's been such a huge issue with the community, with access, that the shelter hasn't been open on weekends. What's been discussed about that or is there anything you can offer on that? Maybe the Pets in Need spokesperson would like to respond to that. Through the Mayor, if that's okay?

Mr. Alae: Would you like to respond, Al?

Mr. Mollica: Sure. We're open seven days a week for adoptions. We would envision having the same kind of structure eventually, maybe not right away. We did envision having the same kind of structure in Palo Alto. Right now we're open 12:00 P.M.-5:00 P.M., 12:00 P.M.-6:00 P.M., seven days a week. That's the kind of structure we would have in Palo Alto as well.

Council Member Holman: Thank you.

Mayor Burt: I just have two follow-up questions, really probably for Al. In this case, whoever can answer it best. Are the rates that are currently charged at the Redwood City facility roughly similar to what we have been charging at our animal shelter?

Mr. Mollica: In terms of adoption fees or ...

Mayor Burt: Just for services, various services that are provided.

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Mr. Mollica: I believe so. We offer free spaying and neutering. You offer low cost. That's a little bit of a difference. I think there's a slight difference on the adoption fees for cats and dogs and such, but we're in the ballpark.

Mayor Burt: Thank you. Finally, on your capital program for the Redwood Facility, can you share with us a little bit about how that occurred? Was that a public-private partnership or all private or all public?

Mr. Mollica: All private fundraising. I wasn't around when the fundraising was done, but the Board made the commitment to refurbish the facility and to do it through private-sector fundraising. For the most part, we did. There was a small amount that had to be taken out as a bank loan. The majority of the \$6 million was private-sector fundraising.

Mayor Burt: Approximately how long did it take to raise those funds?

Mr. Mollica: About three years.

Mayor Burt: Thank you very much. Council Member Kniss.

Council Member Kniss: Sorry to get you back to the mike, if you don't mind. I'm intrigued by your no-kill philosophy. Obviously it's your policy. You did indicate some of the animals stayed with you for up to a year.

Mr. Mollica: Many years, yes.

Council Member Kniss: Many years?

Mr. Mollica: Yes.

Council Member Kniss: Could you give us sort of a picture of where they are during that period of time?

Mr. Mollica: Have you been to our facility?

Council Member Kniss: No. I wish I had.

Mr. Mollica: You're all invited to visit our facility in Redwood City. I came from an open-access facility in Delaware that was very similar to the facility you have in Palo Alto. The facility we have in Redwood City is on the opposite end of the spectrum. I don't mean to be critical of Palo Alto. We have a beautiful facility, and the animals are—I will say if you're going to be in a shelter, we're the kind of shelter you want to be in. We have lots of TLC in addition to the basic care through our volunteer force. The dogs are walked twice, sometimes three or four times a day. They're taken out on field trips.

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Council Member Kniss: That was just what I wanted to hear.

Mr. Keene: They have proposed bringing them to City Council meetings actually as part of (crosstalk).

Mayor Burt: We have a rough crowd here.

Council Member Kniss: You probably know in Los Angeles, they have now indicated that one should only adopt a rescue dog. That's an Ordinance of their City Council. My daughter has recently done that. There are some challenges with adopting a dog who has been in a situation for a couple of years. I am delighted to hear—it sounds as though yours have plenty of, as you said, outdoor time and TLC and so forth. I find that very reassuring.

Mr. Mollica: I think we do a fantastic job of rehabilitating. We go around to public shelters and rescue dogs that have been neglected, abused. Your daughter probably realizes this by now. Sometimes they come with some baggage. We're very upfront with people that adopt from us. These are not purebred animals. We also state as part of our policy if an animal has a physical problem, if an animal is over seven years old, we have what we call a Save our Seniors program. We'll provide basic medical care for the life of the animal. We do whatever we can to make sure there's a nice match and these animals end up finding forever homes. As nice as our facility is, we still recognize that they're better off in somebody's home.

Council Member Kniss: I'd certainly agree with what Karen said. We're glad you found us or vice versa. It is something we have been very concerned about for some period of time. I will look forward to visiting your facility.

Mr. Mollica: Please do.

Council Member Kniss: thank you.

Mr. Mollica: You're welcome. Thank you.

Mayor Burt: I will say that we've had a rescue dog for eight years. She's great, but we haven't known how to break it to her that she's not purebred. Our first speaker is William Warrior, to be followed by Joseph Duran. Welcome. Each speaker has up to three minutes to speak.

William Warrior: Thank you, Honorable Members of Council, gentlemen from Pets in Need. I've been your Animal Control Officer for 37 years now, counting my volunteer time 42. I first arrived at the animal shelter at 15 years old in 1974, when the only way I could get in was hopping over the redwood fence. I think that was a test to see how much I wanted to work



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there, and I'm still there. I'm a little bit emotionally compromised on this issue, a little bit biased. I'm coming in support of my unionized office workers who are at risk of losing their livelihoods on their five-figure incomes, doing work that they love. They've been told they can relocate to other jobs in the City, but I don't think that's the motivation for their paychecks. If this is all about money, I think you're probably going to need to vote the way you want to vote for Pets in Need. I want to remind you that when I was this 15-year-old kid climbing the fence to get in there, the site was state of the art. It was and is still operating under a no-kill policy, the same of which has been illustrated to you by the Pets in Need gentleman. The one big difference I remember from now to then is those open fields that had burrowing owls and pheasants and killdeer flying around them and was dedicated land for expansion of the shelter, and was created into a parking lot for City vehicles behind us. In front of us, a site that slated for a dog exercise area is being leased out to a private automobile dealership. I'd just ask if you're going to take this further and get this funding, however it comes, either by continuing to fund us—we're somewhat of a cash cow, I understand. We're kind of, as I understand from the manager's office, bleeding you white, something like we're Captain Ahab to the budget's Moby Dick, continually harpooning you for funds. I hope we're giving you something back in return of value. The department issues coins to all of us. They're called (inaudible) coins. I've been flipping this as this evening progresses. On the coin, it talks about accountability, team work and integrity and community. The only thing I'd ask in all of this is when you make your vote think about the history, think of what we've given you over 122 years of service. Before you vote, where is the venerable spirit of (inaudible) and where is the intrinsic value? Thank you.

Mayor Burt: Thank you. Joseph Duran to be followed by Joanne Dixon. Welcome.

Joseph Duran: Council, Mayor, long time no see. My name is Joe. It has come to the attention of many Palo Alto City employees that the Animal Services Division proposed transition is unwise and unlikely to be executed in an effective manner. While honorable and well-intentioned, the proposal from the local nonprofit Pets in Need falls short of the necessary operating capacity currently in place at the animal shelter services. Pets in Need runs a fine shelter, but they are not prepared to take over the Animal Services shelter. Through the proposed transition, the City plans to budget for its four Animal Control Officers while the remaining Animal Services employees have been encouraged to look for employment elsewhere. I'll just leave that right there. This proposal presents obvious execution issues, but the less obvious effects pose an even greater issue. On the behalf of all employees

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of the City of Palo Alto, I request that you apply your best judgment and you give this transition the full attention and care that it deserves. Thank you.

Mayor Burt: Thank you. Our next speaker is Joanne Dixon, to be followed by Sachi Hwangbo.

Joanne Dixon: Good evening, Mayor and Council Members. Thank you for hearing us out. My name's Joanne Dixon. I am the registered veterinary technician at Palo Alto Animal Services Division. The proposal to transfer control of our Animal Service Division has been poorly planned and will be poorly executed. I can tell you firsthand the local nonprofit Pets in Need organization does not possess the expertise to offer the same services that the Animal Services employees currently provide. Palo Alto Animal Services handles all types of animals beyond cats and dogs, such as pocket pets like guinea pigs, rats, exotic animals which include reptiles and amphibians, livestock on occasion such as horses, cows, goats, avian species of all varieties. We cannot forget the bunny rabbits. Pets in Need lacks the experience to handle and control unsocialized, fractious animals which we handle on a regular basis. They also do not maintain accurate and legal recordkeeping for rabies vaccines, microchipping and medical records, which our facility has tried to obtain on several occasions. In addition, Pets in Need has the luxury to pick and choose their animals. They choose the most adoptable animals, and they also do not take back animals who were previously adopted from their shelter. At Palo Alto, we have an open door. We take in any animal regardless of age, temperament or medical problems and whether they've been previously adopted or not from us and no longer have a home. They come back to us. On the financial aspect, we feel if Palo Alto can afford and maintain five beautiful, state of the art libraries, we're asking the City to find a way to maintain and run one City-run animal shelter that would prove to be profitable. Palo Alto is a creative and resourceful community, and many community members plan to fundraise, volunteer and suggest unique and interesting ways to make the shelter sustainable. I just ask that when you make your vote, you think about all the other animals besides cats and dogs, all the old animals and feral animals that aren't adoptable. Please take that into consideration for your decision. Thank you.

Mayor Burt: Thank you. Sachi Hwangbo to be followed by Townsend Brady.

Sachi Hwangbo: Hello Council Members and Mayor. I'm a proud resident of Palo Alto of 19 years and worked for City of Palo Alto's Animal Services for the past five years, part-time. Three years now, I'm the volunteer coordinator and witnessed firsthand the dedication and determination of our powerful team of volunteers standing behind me. As the volunteer coordinator, I recruit, train, supervise, coordinate and evaluate all active

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volunteers. Our volunteers serve the shelter as animal socializers, assisting potential adopters, and they serve as the face of the shelter as they help the public at the front desk. With the help of our dog volunteers, our shelter dogs take special training classes where they learn the concepts of good behavior and thus increase their adoptability. The animals we have know and trust these 40 amazing volunteers, and they are invaluable. Since Animals Services started facing this budget issue in 2012, our volunteers have stepped up to help. We've seen an unprecedented support over the last four years. In addition to helping with the day-to-day functions of the shelter, many community members have engaged in strategic programs to help the shelter. We've had many photographers, (inaudible), social media assistance, some silent auction fundraisers, the Girl Scouts' many donation drives, cost-saving, craft-building projects and middle school service events. The list goes on and on. Some of them may not make lots of money, but they are all very valuable to me and to our Staff. We appreciate Pets in Need for demonstrating a commitment to retain the shelter in Palo Alto and lead a fundraising campaign to remodel or build a new shelter and work closely with Friends of Palo Alto animal shelter and Palo Alto Humane Society to provide services in a cost-effective manner. As I have shown, we at Palo Alto Animal Services are already committed to retaining the shelter. We work closely with Faux Paws and Humane Society already and are already committed to providing services in cost-effective manners. We have outreach programs in place. A devoted community already leading fundraisers on our behalf. I request that the City Council keep and work with our dedicated community of employees and volunteers and fully explore and improve upon the fundraising practices that are already in place. It would be a disservice to our community to ignore and abandon the hard work of our devoted volunteers. Thank you.

Mayor Burt: Thank you. Townsend Brady to be followed by Scottie Zimmerman. Welcome.

Townsend Brady: Good evening. I want to thank you for this opportunity to address you. I want to thank Greg Scharff for pointing out that the savings of this change is roughly nine percent of the current budget. I think that could easily disappear in future cost increases. It really brings things into perspective. I've been a resident of Palo Alto for 20 years. I have been working as a volunteer at Palo Alto Animal Services, training their large dogs since the beginning of March. In their March 18th letter to Palo Alto, Pets in Need describes no-kill as a philosophy that reserves euthanasia only for animals that are terminally ill and dangerous to the public. They go on to explain that Palo Alto should join the ranks of other cities that successfully operate no-kill shelters. From comments I've seen in the news, from comments I've heard here tonight from some of you, I think you may be

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under the impression that we are running a kill shelter. Am I correct? Let me explain. The only problem with this statement is that Palo Alto already operates a no-kill shelter. If you have any questions on that, the Lead Animal Control Officer is right behind me. He can verify that. Unfortunately, the City Manager's Office does not seem to recognize that fact. The bulk of this proposal that's before you deals with turning Palo Alto Animal Services into a no-kill shelter, which it already is. I believe that if you approve this proposal as it's currently written, there will be actually an increase in the death of Palo Alto animals. On Page 6, Paragraph 2, Section C of the proposal is a troubling paragraph. It states that Pets in Need and the City Staff will mutually draft policies and procedures that may limit the intake of animals for the purposes of improving animal care and to achieve a no-kill shelter. That's scary to me. There are three significant differences in the way Pets in Need operates its Redwood City facility versus the way Palo Alto Animal Services currently operates. It is these three differences that will probably give us the best insight as to what future limits of animal intakes will likely be. Palo Alto accepts surrendered animals; Pets in Need does not. It's actually on their phone. The minute you call them if you have an animal to surrender, take it to a local Humane Society. If Pets in Need negotiates a no-surrender policy in their Palo Alto facility, it will result in an increase in abandoned animals ...

Mayor Burt: I'm sorry. Can you wrap up?

Mr. Brady: ... some of which will be killed on our streets and highways. I'm sorry. Was somebody interrupting?

Mayor Burt: Yes. I'm sorry. Your three minutes are up. If you can wrap up.

Mr. Brady: I'll make it as quick as I can, but I have just a little bit longer. Palo Alto also takes in a broad range of animals. Pets in Need takes in cats and small dogs. If Pets in Need refuses to take in for instance rabbits, they'll likely be dumped in the Baylands and become food for the wild gray fox community that lives here. Palo Alto currently takes in and holds for adoption any size or breed of dog. Pets in Need, as has been pointed out, almost exclusively takes in Chihuahuas and small toy breeds. Out of the 31 dogs available for adoption this weekend at Pets in Need, only one was larger than a Chihuahua.

Mayor Burt: Thank you.

Mr. Brady: If Pets in Need negotiates a limit on the intake of large dogs in Palo Alto, large Palo Alto dogs that are picked up by our Animal Control

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Officers will have to be transferred to another shelter, probably one that's actually a kill shelter.

Mayor Burt: I'm sorry. We have to be respectful of each speaker having comparable time.

Mr. Brady: I actually think that you gave much, much more time to Pets in Need. This is an important issue. I'm almost done.

Mayor Burt: I'll allow it.

Mr. Brady: Thank you very much. I appreciate it. All three of these Pets in Need operating principles would result in increased deaths of Palo Alto animals if the City allows Pets in Need to operate the Palo Alto facility as they currently operate their Redwood City facility. I recommend you reject this proposal or minimally send it back to be rewritten by the City Manager's Office with three irrevocable guidelines for Pets in Need if they're to operate this shelter. One, they must accept surrenders of all Palo Alto animals without regard to species, breed or size. Two, they must not transfer any animal to another shelter or euthanize any animal without the permission of Palo Alto's Lead Animal Control Officer. Three, Palo Alto's Animal Control Officers and their equipment should be housed onsite at the Pets in Need Palo Alto facility so they can assist Pets in Need staff, as Joe pointed out, in the event of an animal emergency and monitor Pets in Need's operation to make sure they're done in accordance with Palo Alto guidelines. We have four excellent Animal Control Officers with 122 years of experience dealing with all animal species and breeds that Pets in Need has very little experience with. Gandhi once famously said ..

Mayor Burt: I'm sorry. We ...

Mr. Brady: You're going to cut me off.

Mayor Burt: We really have to respect this. Thank you very much. Scottie Zimmerman to be followed by Denise Salles.

Scottie Zimmerman: Hi. I've lived in Palo Alto 44 years. Thank you for letting me speak. I'm here as a representative of Friends of the Palo Alto Animal Shelter but also just as a person who loves animals. Palo Alto's shelter is not now a no-kill shelter. Nobody can pretend that it doesn't kill more than four animals a year or fewer than four for that matter. Four animals a month maybe. I don't want to get into that. What I want to talk about is a seminar I took online with the manager of the animal shelter in Austin, Texas. She's talking a new thing in the world—the shelter world is talking about how do you get animals adopted. What is the magic trick?

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How do you get people to see them and fall in love with them? Great photographs and great videos is one. They allow volunteers to take the animals home overnight, over the weekend, take them downtown and walk them around, take them to the beach in groups, and foster them, foster them, foster them, foster them. A lot of the volunteers are also fosters. A lot of the fosters become volunteers at this great big shelter in Austin. It's the way you keep the animals sane and you keep them happy and you keep them energetic, so they look cute when people come to adopt them. You can have them out on the streets on a Sunday, walking down University Avenue with an "adopt me" vest. I know Pets in Need does that sort of thing. I know they have a volunteer who took a dog home overnight and over the weekends. He would come to the farmers market where we have a booth and show us his dog. That was just great. That's routine for them. It is so far from routine. This year for the first time I've ever heard of, Palo Alto allowed a pit bull to walk in the May Fete Parade, which was just great. The dog was adopted shortly after that. We tried to get them to let dogs come to the May Fete for years our group of volunteers, and no, no, no. Volunteers there do a fabulous job. I've been one and I work with Sally taking pictures. I want more volunteers. I want three times; I want 120 instead of 40. We should have two volunteers walking dogs at the same time together, working together, training together and so on. There's no reason to keep it so tiny. I think Pets in Need knows what it's doing as far as making the dogs and cats happy while they're waiting to be adopted.

Mayor Burt: Thank you. Denise Salles to be followed by Herb Borock. Welcome.

Denise Salles: Hi. I'm Denise Salles, and I don't work for the City of Palo Alto. I'd like to speak to you as a private citizen who has used Palo Alto Animal Services for 17 years to spay and neuter over 700 cats, both feral and tame, and adopted through two 501(c)(3)s that I have worked with. I have used them for spay and neuter, vaccinations, animal control issues, calls to dispatch after hours. The most recent being a bat that ended up being rabid when Jeannette Washington came. I took it home for the night. Anyway, my point is that I believe that Palo Alto Animal Services needs to stay in Palo Alto and provide the precise, same services that they do now. With the influx of the population in this area and in Los Altos and Mountain View, which is now gone, Los Altos Hills, there are more animals to be taken in and certainly not to be rejected if one has to be returned. I don't want to seem disrespectful, but I believe that the City of Palo Alto has architected the decline of Palo Alto Animal Services over the last four years in the following ways: unwillingness to renegotiate the Mountain View contract; unwillingness to allow for San Mateo county licensing fees; reduction of a vet technician which subsequently halved the spay and neuter. I feel like the

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top management at the shelter, that's finally gone—now you want to dump it. You finally have an opportunity to have great leadership. They're great Animal Control Officers. The front office people who aren't customer friendly need to be gone. The management is finally gone. I just finally want to say a building does not make the soul of an organization nor do architectural plans. I'm very, very happy and proud to be associated with all of them. Thank you.

Mayor Burt: Thank you. Herb Borock to be followed by our final speaker, Faith Brigel.

Herb Borock: Good evening, Mayor Burt and Council Members. I thought I heard Staff say that they didn't have an obligation to bring the Staff Report to you on your Agenda, that they could just wait to bring a contract. They choose not to provide you with the financial information that they had. If you approve their recommendation, whatever's negotiated doesn't have to comply with the terms in this term sheet. Wondering what you would do. I was surprised that none of the Council Members had asked for that financial information prior to the meeting, so we could all see it. There's been some question about whether Pets in Need has an open-door policy or whether they really have limited admission and only admit rescues that they feel can be adopted, which is different from the current Palo Alto shelter. I had provided you with a letter by email, but it came so close to tonight's starting time that Staff didn't have an opportunity to copy printed copies. I hope you had an opportunity to read it. I'll try to summarize it briefly. Palo Alto currently has four Staff people in addition to the Animal Control Officers. Pets in Need has 11 in its proposal. Palo Alto currently handles—its region is Palo Alto, Los Altos and Los Altos Hills. Pets in Need does rescues from various cities through Northern California. Palo Alto's budget indicates what the Palo Alto shelter is for. It provides animal control, pet recovery, adoption services, animal care, animal health and welfare and regional, that is Los Altos, Los Altos Hills, Animal Services. You have from Pets in Need that it sees its objective as a no-kill access facility will validate the no-kill movement. That's really what it wants to be doing. There's a question in terms of facility size and Staff. To what extent is that determined by the geographical area that they have for rescues. There was also something in the Staff Report that you might have to negotiate with Pets in Need as to how much they would be doing that Palo Alto is currently doing. That seems to be a question of what priority is given to the current shelter population of animals. Finally, I didn't see anything in the term sheet about licensing of pets or vaccination of pets.

Mayor Burt: Thank you. Our final speaker is Faith Brigel.

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Faith Brigel: Hello. I'm Faith Brigel. Good evening. I want to recommend that you vote this down. In hearing what everyone's said that—by voting it down, I mean to not agree to go along with Pets in Need in Redwood City. It seems to me that there has not been enough work done to try to keep it in Palo Alto, run by Palo Altans. When I first came in—no offense meant—the Pets in Need people seemed to be talking—it sounds like they're talking negotiations. They're talking business. We're talking about constituents who have animals, who care about their animals. There are a lot of retired people in Palo Alto, many more than have kids in schools. Probably about 75 percent of Palo Alto are retired people who have animals. They do not only have cats and dogs, which seems to be the only animals that Pets in Need really know about. I think if you let Pets in Need in Redwood City take over, you're going to lower the morale of the workers. They sound like very fine workers who really care about the animals. You lower the morale, and I think a lot of them will leave. Then, you're going to have other people coming in who don't have the experience. The City of Palo Alto has been administering the Animal Services in Palo Alto since 1903. The building's been there for 40 years. If you need to renegotiate to get better administrators, then do that. I think get them from Palo Alto. I don't know why we're reaching out to Redwood City. No offence meant; it's a wonderful city. We're in Palo Alto; we should use all the structure and facilities that we have. I believe that you can do it. We have found money for all sorts of things, the tunnel near Palo Alto Medical Foundation (PAMF) that I don't think is used that much. I think that you can find the money to do this. I think it needs to be advertised more. I don't think a lot of people know that there is a struggle going on. I think the Animal Services in Palo Alto do a marvelous job. Any time I've needed them, they've been available. They're short on Staff, and they're short on money. They could increase their Staff with more money. I believe that you can find the money for this very important purpose that helps older people and also helps families, children. Animals, as you know, are very good for children. Please keep the Animal Services run by people in Palo Alto. Don't give it out to another city. Thanks.

Mayor Burt: Thank you. Can Staff respond to any issues that were raised by members of the public for which you may have answers available? I don't know if you were keeping track. I can run off a few of the ones that were raised, if that's helpful.

Mr. Alae: What I can do is speak at a little bit of a high level. As I mentioned before, there are three elements that we need to discuss with Pets in Need and have detailed discussions with them. It's about the services. It's about the finances, and it's about the facility. They're all intertwined. As the City Manager said, we're here to do a check-in with the



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Council, let you know our intent for the next steps. What I can tell you is that many of the issues the community has brought up, we still need to flush out the detail of with Pets in Need, even specifically down to the rates. Are we going to have the same rates, different rates that we charge? How do we deal with the intake of our Animal Control Officers dropping animals off at Pets in Need? Are they located at the shelter? Are they not located at the shelter? All the points the community brings up are good points. We have different views on those even internally in the City. As we've noted in our Staff department, should we go through with a public-private partnership with Pets in Need, that we would transfer the function to our Community Services Department? Our Community Services Department works with a variety of different Friends groups and nonprofit groups and has a variety of different service models with different nonprofit organizations. Their perspective is a little bit different. They're asking different question than the Police Department. There's a series of things that we still need to work through, and that's our intent to do that in the coming weeks and return to Council.

Mayor Burt: I look for whether colleagues concur with this general sentiment. One of the things that we're interested in, in order to authorize this next step tonight, is whether the services and the fees are similar to what we provide today. I think we're assuming they're not going to be identical. There were a number of questions about services. Does Pets in Need accept other types of animals? Do they cover licensing and vaccination? How do they contend with surrounded animals? Do they transfer for euthanasia? I think those are questions that we probably could get some answers on this evening. If our Staff doesn't have them, maybe Pets in Need can answer certain of those. Speaking for myself, I'm not looking for all these things to be resolved in great detail in order for us to go the next step, but to have a sense are we looking at something that is pretty comparable.

Mr. Keene: Mr. Mayor, if I might initially respond. I think that can have some value if you can manage the questions and answers and dialog to give you an initial sense of these things. Number 1, if we are ultimately to be able to bring a contract back with Pets in Need, we're going to want to, during the process of the continuing negotiations, try to address the kinds of concerns that you've heard tonight or additional direction that the Council would ask. Even if Staff were to negotiate a contract and bring it back here, the Council is under no obligation, even if we've had this term sheet discussion, to adopt the contract as we would bring it back. You could still ask for additional modification. It also strikes me that on—let's call it the City operation of the shelter as a status quo operation, there have already been hints that there could be dynamic aspects or changes to how we do

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that. That's why I'm saying you need to contain it, because this could be a moving target kind of dialog. The real purpose of this was for us to bring a check-in in response to your initial request to pursue a not-for-profit provider for the shelter services for a number of reasons. The potential for a new shelter was a big purpose, because there were descriptions to you that there is an interconnection between the shelter itself and the ability to provide the level of services we would want to see provided over the City. It's not just a building issue versus people. There's an integration there. We did not come in here with a bias to say we're going in one direction or another. We came in here with a responsibility to respond to the Council's initial direction, and that's what we have been doing here. We can put a little more definition to it tonight, and then put you in a position to give us more input as to, assuming you want us to continue this exploration with Pets in Need, some of the kinds of things you want to do. I would just caution us that this is not to design every possible detail of a contract. Thanks.

Mayor Burt: I was appreciating that it was not. I'm still hung up on the high-level issue of is Pets in Need proposing similar services to what we've been receiving. If their current model has significant dissimilarities, are they open to negotiating those services or do they have the set of services that they offer in Redwood City and that's their model with only minor variations? I don't have a sense of that. When we had the earlier presentation and Council question, I certainly was under an impression that they were very similar services. Members of the public have raised a number of specific questions and concerns about the services. I don't know the answer. Those are things certainly that would give me a general sense of whether I want to go in that direction without trying to resolve every one of these tonight.

Mr. Alae: Pets in Need right now is a rescue operation. They're very cognizant that the operation that we expect them to run is a different operation. We have full confidence that they're able to run an animal shelter service with the same services we provide now. Let me give you an example. The example of a horse comes up. We've had this conversation with AI, and AI can chime in.

Mayor Burt: Call it a donkey.

Mr. Alae: Donkey, okay. We've had this conversation with AI, and AI can chime in. What I'm sure he's already doing or will do very shortly once we have Council direction is find a list of different barns and horse stables in the local area. They'll have that. They'll contact them. They'll have agreements with those places that, if a horse does come to the shelter, we would find an immediate way to get the horse to a barn that could maybe be

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an immediate holding place, and then on to a horse rescue or a horse adoption place. None of this in our eyes is very complicated problems that we have to solve. They're in essence subcontracts or contracts with different providers. For example, with wildlife right now, our animal shelter—if wildlife is brought in, it goes to the Peninsula Humane Society. I would assume that the same contract would continue with Pets in Need. That's kind of the high-level view of the service conversation.

Mayor Burt: That's helpful for me. I hope it is for colleagues as well. Thank you. Let's proceed on discussion and potential Motion on the Action. Who would like to proceed first? Vice Mayor Scharff.

Vice Mayor Scharff: Thank you for all the hard Staff work. I know, Cash, you spent huge amounts of time working with stakeholders and the community on this and moving forward on it. I think what the Mayor said was really pertinent. It's going to be important to judge when we get the contract. This notion—I'm rambling a little bit. What I wanted to say was that obviously we can't nail everything down tonight. I at least for one am interested in moving forward to see where you guys get. Pets in Need, when they listen to the discussion tonight, we as a Council are probably fairly interested in maintaining similar services, not necessarily identical, but very similar, for the residents of Palo Alto. I think that's part of the negotiating framework. Obviously if you can't come to a deal, you'll come back to us and tell us you can't come to a deal. If the deal you come to is not really within what looks like similar services to us, it may not pass Council muster. I've been impressed with the sincerity you exude when you come up and talk about things and the passion you have for animals. That really comes through. I for one am going to support taking the next step and will move the Staff recommendation.

Council Member Holman: Second.

**MOTION:** Vice Mayor Scharff moved, seconded by Council Member Holman to direct Staff to proceed with exclusive negotiations with Pets In Need, a 501(c)3 nonprofit organization, to provide animal care services and develop a plan for animal shelter facility construction or rehabilitation, and to return to City Council by December 2016 with a recommended agreement.

Mayor Burt: That's a Motion by Vice Mayor Scharff, second by Council Member Holman. Would you like to speak further to your Motion?

Vice Mayor Scharff: Just briefly. I also wanted to say I really appreciate the employees coming. I thought the comments you made were very good and pertinent, a lot of it. I just wanted to say I really appreciate it. I appreciate all the members of the public speaking. Again, I do know that Staff spent

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huge amounts of time, especially Cash, on this. Really wanted to recognize that effort.

Mayor Burt: Council Member Holman.

Council Member Holman: Do appreciate Staff members coming and representing their point of view. I think it is time that we look at similar services but a different model. These chambers, for those who weren't part of the Council at the time, were full and overflowing when there were discussions about closing the shelter, both at Policy and Services and then in a smaller room Finance, and then when it came to the chambers. There is certain strong interest in this community about retaining Animal Services in this community. Given that, I would imagine that the climate for fundraising would be a pretty healthy one here in Palo Alto. It's easier to raise money for children and animals than it is some other things. I think the climate in Palo Alto would be a healthy one for fundraising for a new shelter. Austin actually passed a bond, so Austin residents taxed themselves essentially to build their new shelter, which I visited. It's a pretty phenomenal shelter. I have one question still for Staff. What's the likelihood or possibility in the future of Palo Alto being able to enter into contracts or go under other contracts with other cities? Could we ever get Mountain View back? What about East Palo Alto, Redwood City, Menlo Park? I've heard different stories about what the possibilities and potentialities are there.

Mr. Alae: Since we're retaining the animal control functions, if those cities approached us and stated that they would like to have our Animal Control Officers service their cities, we would be open to that. If we go into a contract with Pets in Need, certainly we can take this as a point to discuss with them through negotiations about the process of prospective cities using the shelter services. I think our preference would be to let Pets in Need negotiate that with future agencies as far as providing shelter services.

Mr. Keene: If I just might add. I'm as far away from being an expert in any way in this area even though I've been working with shelters also in different jurisdictions for almost 40 years now and certainly appreciate the passion that everybody in the animal care area has, the deep feelings that folks feel for animals in this area. I certainly know in a number of the preliminary community stakeholder meetings, when we were exploring this idea, the fact would come up as we could look at doing that, but this is a two-way street. The other entities need to want to partner with us. In some cases, is the shelter the sort of place where we are out of necessity appealing? No. The point is to the extent that we enhance the shelter and/or services, that probably opens up more opportunities to explore how we do that. I would suggest that's something that the Council pay attention

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to. When we come back, we should have some comparisons for you on existing services and costs and comparison with what we're getting from Pets in Need, so you can see what's what. We also may need to think about even our existing practices, regardless of who provides them and how we do them. I know Mr. Borock commented that we'd service Los Altos Hills and Los Altos. My understanding is we don't restrict intake to just our partner agencies. Animals from other places can come into the shelter. We had this discussion a little bit years ago when we were dealing with the spay/neuter fees that we had. Folks were coming from—these are extreme examples—Modesto to the Palo Alto shelter to have an animal spayed or neutered at times. It's a legitimate question to ask, how is it that we provide the highest quality service to our community and our partner communities. If it is being diluted in some ways by the quality we can have by having other folks bringing by animals—I could say, "Why don't we just drive around and pick up animals all over the region?" That doesn't make sense either for us running the shelter. Our first responsibility is to our own community. We ought to ensure that we provide the best value to our community and any partner agencies we have. These are all things we can lay out in some comparisons. There may be choices you would say even when we come back with a contract. You could say, "I almost like all these pieces, but I don't think you struck the emphasis in this one area." You can still tell us to go back and do a final renegotiation with Pets in Need. In the end, you may say, "This all looked really good, but I changed my mind. I want to direct you to stay where we are in some way." Thanks.

Council Member Holman: I agree with what you're saying. At the same time, we don't want somebody who comes from "pick a town near us" and has a cat that they want to surrender. We don't want that cat turned away, because it could end up just being dumped somewhere. It's striking that balance. When this comes back, I absolutely want to see that the site includes the area now that is rented out for other uses. I think it's a car dealership that's parking there. I want to see that, and I want to see the area behind the building returned to the shelter property. It's a way to maximize—part of the land was either not used or it was used by the shelter before. I want to see the opportunities maximized for this facility to be the most successful and providing other services, additional services with that extra space. I absolutely want to see that, and I hope other colleagues will support that in their comments. I guess since Council Member Burt mentioned that his dog is a rescue, so is mine. I hope my dog loves me as much as I love him.

Mayor Burt: Council Member Holman, I just want to say that those other comments on what you'd like to see on space considerations can only carry weight with Staff if the Council gives direction to that effect.

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Council Member Holman: Thank you. Sometimes we add things as comments and sometimes as part of the Motion. I ask the maker if he would accept as an amendment to include in an agreement that comes back the space that is currently used for other uses behind the building and the space that is leased out to vehicle storage as a part of the space to be utilized by Pets in Need.

Vice Mayor Scharff: Let's have Staff respond to that.

Mr. Keene: Number 1, I think the Mayor's point was a good one. In the sense that you're concerned about this, the best direction is to put it in a Motion. That being said, we don't know what a design or whatever for the future facility is going to be. I would certainly say that if absolutely need the space to expand programming or to accommodate a redesigned facility, I can't imagine—I'm certainly not going to recommend we keep parking cars there instead of doing that. It doesn't make any sense at all. On the other hand, there may be other configurations that we would use in that area rather than just where the parking lot is. I wouldn't want to get hemmed in by our thinking, saying just do this that will allow it. The intention of acknowledging that there will need to be changes at the site on its existing and maybe even adjacent properties, and we need to stay open to that. That needs to be a first level of importance. I wouldn't get down to the nitty-gritty of spelling it out right now.

Council Member Holman: The reason that I wanted to put this in here is because whether it's a new or amended facility or whether it's for dog training, I've heard current shelter users. I've heard volunteers for the shelter. I've heard from the Friends. I've heard from the Humane Society that there's not a place there even with this size facility for training. If this would be accepted by the Vice Mayor and maker of the Motion, that's great. If not, I'll offer it as a separate amendment.

Vice Mayor Scharff: I think it's premature after the City Manager's comments.

Council Member Holman: I'll offer it as a separate amendment.

Mayor Burt: That doesn't have a second, but I would support something that's less prescriptive, which is that when Staff evaluates the long-term capital program for the shelter, it include consideration of surrounding spaces and the needs for related services.

**AMENDMENT:** Council Member Holman moved, seconded by Council Member XX to add to the Motion, "including the space that is currently used

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for other uses and the space rented for vehicle storage be used for Animal Services."

## **AMENDMENT FAILED DUE TO THE LACK OF A SECOND**

Vice Mayor Scharff: That's acceptable to me.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "and direct Staff to consider the long term capital program for the animal shelter and that this consideration includes the surrounding land and related services."

Mayor Burt: Council Member Holman.

Council Member Holman: Can I ask a clarification? Is your intention that as the long-term capital program is being considered, use of these lands would be considered or is it as a long-term capital program is being implemented? That could be a long delay.

Mayor Burt: It would be as it's being considered.

Council Member Holman: Can we make sure that's clarified in here?

Mayor Burt: Council Member Berman.

Council Member Berman: Thank you. I'm going to support the Motion with pretty significant reservations. Those reservations didn't exist until I heard from the public and from our employees, who brought up a lot of interesting questions that weren't in the Staff Report and that weren't in the Staff presentation. I'm glad that they raised those issues, and I'm glad that Staff will be coming back to us with—it won't be all the I's dotted and T's crossed guaranty that it will be exact same services we provide. Council Member Holman does bring up a good point. Four and a half years ago, in the middle of my first run for City Council, this issue erupted. It really took our community by storm because they love so much the services that are currently provided by the Palo Alto Animal Services. It's important that we not fix one problem, which is the significant budget gap that exists under our current operating, and create another problem, which is dramatically reduce the services that our community has come to know and love over the past 114 years or however long it's been. I don't know what the timing is on this. In all likelihood, I won't be on Council anymore when it does come back, but I hope whoever is sitting in my chair seriously looks at the different services...

Vice Mayor Scharff: Are you leaving in December? It says December 16.

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Council Member Berman: Maybe. That's a whole other conversation. It's important that we do make sure that we're providing the same services to our community. I'd also like there to be—getting a better understanding of how big of a budget gap currently exists, how big of a General Fund subsidy we currently provide versus what we'll be saving if we move forward with Pets in Need is critically important. Vice Mayor Scharff, I didn't totally follow the Q&A that you had with Staff. Was the end result that it's about \$100,000 right now, the projected savings which might change based on what this term sheet is actually turned into?

Mr. Keene: We'll definitely bring that back as part of this process. We'll do our best to figure out are there ways to do any projections for the future with different variables and factors. Those things could grow or they could shrink.

Council Member Berman: I guess what I'm trying to say is there's a lot of unknowns that'll impact the decision I make if I'm here. Nobody in the audience should take this as a done deal one way or the other. Thanks.

Mr. Keene: We don't take it as a done deal, the Staff either.

Council Member Berman: You've been here a time or two.

Mayor Burt: Council Member DuBois.

Council Member DuBois: Just real quick, I definitely see this as a path to keep Animal Services in Palo Alto. Some of the public was concerned about that. We're talking about a partnership between the City and Pets in Need that would keep services here. I do want to go back to the idea of scale. The Humane Society of Silicon Valley had some interesting arguments about how our scale was perhaps too small to be viable. I heard what the City Manager said about we need to enhance our services first. If it can be worked into the agreement that the partnership would have a structure to allow it to scale and to grown and potentially solicit other cities to leverage the animal shelter, I think that would be an important part of the future. I'd also like to make sure that we see clarity on financial controls, both operational and capital, when it comes back. I assume that'll be part of the agreement, but I just wanted to call that out. I'll be supporting the Motion.

Mayor Burt: Council Member Wolbach.

Council Member Wolbach: I'd like to significantly associate my thoughts and sentiments about this with those of Council Members Berman and DuBois. I do have some concerns and appreciate those who have come this evening to raise those concerns. I definitely heard divided views, and I'm glad this is



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not a done deal. I certainly would not feel comfortable signing off on this as a done deal this evening. I look forward to continuing the discussion when it comes back and we have some clarity about some of these concerns. I do think that there is always when we think about outsourcing—I'm glad we're looking at potentially outsourcing it to a nonprofit rather than a for-profit. When we look at outsourcing City employees and the institutional memory that we have with City Staff, there's always a risk of being penny-wise and pound-foolish. There is a risk of losing institutional memory. There is the question of we might save or are guaranteed to save some significant money and perhaps have an increase in quality of service in the next several years. By moving something more outside of the City's operations, it does always raise that concern of 20 years, 40 years, 50 years. Council Member Holman earlier tonight, when we were talking about the Parks Plan, said we need a 50-year Plan for parks. I'm not saying we need to have a 50-year Plan, but I'm just expressing that I do have some concerns and some reservations and again look forward to maybe tying those up when this comes back. I will be supporting the Motion (crosstalk).

Mayor Burt: At least 50 dog years. Council Member Schmid.

Council Member Schmid: Just to follow up Council Member DuBois' questions. I'm concerned a little bit that with the loss of Mountain View the costs that we have given have doubled over two or three years and that we are maintaining 32 percent of animals are returned to their owners. That seems to be relatively small numbers keeping the shelter in the community. It raises a question for me about the exclusive negotiations. That means we're tying our hands around the response that we already have with a single party. I wonder if the maker of the Motion would accept inviting comments from the Humane Society about the cost structure of the negotiated outcome.

Vice Mayor Scharff: No.

Mr. Keene: There's nothing that precludes the Humane Society or anybody else commenting on the proposal we bring forward. That's actually one of the fundamental purposes of the public comment period and the ability of people to submit in advance very detailed analyses. I've never seen a Council not interested in receiving those things automatically.

Vice Mayor Scharff: That's different than asking a particular organization to come forward and scrutinize another organization's agreement and comment on it.

Mr. Alae: Council Member Schmid, which Humane Society?

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Mayor Burt: It doesn't matter. It hasn't been accepted by the maker. Unless there's a second to that—if it's offered as an amendment, it would need a second. Are you offering it as an amendment?

Council Member Schmid: Yeah.

**AMENDMENT:** Council Member Schmid moved, seconded by Council Member XX to add to the Motion, "inviting comments from the Humane Society regarding the cost structure of the potential agreement."

## **AMENDMENT FAILED DUE TO THE LACK OF A SECOND**

Mayor Burt: I do not hear a second. Council Member Kniss.

Council Member Kniss: Thank you all for being here tonight. I know some of you have left. It was very good to hear both sides of the issue. I want to go back. At the very beginning, it mentions on Page 1 that following the Great Recession and the withdrawal of an agency, then Mountain View, that it really changed both the budget and the facility after that. I remember, Karen, you and I sitting in Policy and Services and discussing this at great length, and tried to figure out how we could continue this. Just before I left the County, one of my last contributions was to the animal shelter. There was talk actually at that point of shutting it down. This has been an issue for quite some time. When we're looking at this tonight, I think we need to look at it in the history and the context of it. I support going forward as we are. I think it's a very thoughtful motion. It doesn't commit us in the future. It starts us down a path hopefully that will put us in a more stable budget situation. That, as I recall, is why we first went out with an RFP, looking for partners. As I recall, this is the only organization that responded. Am I correct?

Mr. Alae: Yes.

Council Member Kniss: I think it's important. As we know, people often care more for their animals than they do for their relatives, quite truthfully. When Council Member Holman earlier mentioned an entire chambers filled with people how were so concerned about the animal shelter, we realized how important it was that it stay open. This has taken us to the place we need to be tonight. Staff has had a lot of direction about where we're going to go. Thank you for all you've done. Thank you to everyone who came tonight. I'm supporting the Motion.

**MOTION AS AMENDED RESTATED:** Vice Mayor Scharff moved, seconded by Council Member Holman to direct Staff to proceed with exclusive negotiations with Pets In Need, a 501(c)3 nonprofit organization, to provide

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animal care services and develop a plan for animal shelter facility construction or rehabilitation, and to return to City Council by December 2016 with a recommended agreement; and direct Staff to consider the long term capital program for the animal shelter and that this consideration includes the surrounding land and related services.

Mayor Burt: Please vote on the board. That passes unanimously. Thank you to everyone for attending and participating tonight. We'll look forward to a next meeting on this, hopefully in December. That concludes—we'll take a quick five minute break.

## **MOTION AS AMENDED PASSED: 9-0**

Council took a break from 8:50 P.M. to 8:58 P.M.

4. Acceptance of the Downtown Residential Preferential Parking (RPP) Program Phase 2 Status Update and Resolution 9625 Entitled, "Resolution of the Council of the City of Palo Alto Amending the Eligibility Area for the Program as Directed by the City Council (Continued From August 15, 2016)."

Mayor Burt: Our next item is acceptance of the Downtown Residential Preferential Parking Program (RPP) Phase 2 status update and adoption of a Resolution amending the eligibility area for the program as directed by the City Council. This is continued from August 15, 2016. Welcome, Mr. Mello. I'm sorry. Vice Mayor Scharff, you need to ...

Vice Mayor Scharff: I'm recusing myself because I own commercial property in the Downtown.

Vice Mayor Scharff left the meeting at 8:59 P.M.

Mayor Burt: Mr. Mello.

Josh Mello, Chief Transportation Official: Thank you, Mayor, members of Council. I'm Josh Mello. I'm the City's Chief Transportation Official. With me this evening is our newly appointed Transportation Programs Manager, Sue-Ellen Atkinson. Back when you approved Phase 2 of the Downtown Residential Preferential Parking Program in February of this year, you directed us to come back four months into the program and provide you an update on the performance of Phase 2. July would have been the close of that four month period, and that's when this Staff Report was prepared, at the end of that four month period. We're going to provide you with an update on that program and also introduce a Resolution supporting an action that you took a little bit later this year in order to add a couple of streets to

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the eligibility area. Sue-Ellen's going to give you a brief presentation, and then we'll follow that up with an opportunity to provide any additional information that you may need.

Sue-Ellen Atkinson, Transportation Manager: Hi. Thanks for having us tonight. We have a few Council Members here who are slightly new to the Downtown RPP, so we'll do a brief overview of how we got to this point. RPP is one of several programs that we have in the Transportation Division that are all aimed at reducing single occupancy vehicle trips to the Downtown. Other programs include the free Palo Alto shuttle, the valet assist program, the Palo Alto Transportation Management Association, parking wayfinding, parking technology and RPP, all part of utilizing parking as a way to reduce single occupancy vehicle trips. RPP is just one of many programs that are going on in a comprehensive strategy towards reducing those trips. A quick summary of Phase 1 and Phase 2 implementation. In January 2014, Council first directed Staff to develop an RPP Ordinance and a Downtown RPP program via Resolution. In December 2014, the Citywide RPP Ordinance and the initial Downtown RPP Resolution were adopted. That directly led into the start of the Downtown RPP formation. January 2015 through August of that year, consultants were brought under contract and began work. In August 2015, Phase 1 permits for the Downtown RPP program went on sale via website. In September Phase 1 of the program officially began. That lasted six months. On April 1, 2016, Phase 2 began. Keeping in mind Phase 1 and Phase 2 are all part of a pilot Downtown RPP program. We're about 6 months into Phase 2 at this point. Coming into Downtown RPP Phase 2 when we were here earlier this year, it included an updated Downtown RPP boundary. Certain streets were annexed into the Downtown RPP District. An area that was adjacent to the Downtown RPP District was approved as an eligibility area, meaning that those streets were not part of the program at the time, but residents had the opportunity to opt in if they wanted to. In Phase 2, there was a limit of 2,000 annual employee permits, and that's a combination of employee-purchased permits and employer-purchased permits. That's a max of 2,000 this year. There is also a plan approved to reduce employee permits annually from that 2,000 number. Employee parking zones were approved as a part of Phase 2, so that divides the Downtown RPP District into ten parking zones where employee permits are valid. There are limitations placed on daily employee permits and a prioritization of permits for low-wage employees. Just an overview of the full Phase 2 program. In the Phase 2 boundary, you'll see in green is basically the initial Phase 1 boundary. The blue areas to the south and to the east are the approved eligibility areas. When the new streets were annexed into the Downtown District, the signs were installed and residents there were eligible to purchase permits. The blue eligibility areas were essentially preapproved for inclusion in the program through a petition and

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survey process. They are approved administratively within the Planning Department. As I mentioned before, the Downtown District was broken up into ten employee parking zones in Phase 2. Permits in each were sold to employees on first-come-first-serve basis. The zones include the north and south faces of streets where possible to try to avoid crowding. Resident permits are valid anywhere in the Downtown District. Employees purchase a permit for a certain zone; residents purchase a permit that's valid anywhere. As I mentioned, in Phase 2 there's a cap of 2,000 employee permits total. In the initial Phase 2 decision, those permits were distributed throughout the ten employee parking zones. As of right now, most of those zones are sold out. Obviously the outer zones are still where the permits are available. The inner zones, as one may understand, sold out fairly quickly. The numbers here indicate the number of available permits. As we've learned throughout years of selling permits throughout the City, the number of permits that are distributed are not the number of employees that are parking on any given day. People take the train. People don't work every day. People bike. People walk. That all totals up for a total of 2,000 permits. You'll note that in the outer zones, Zone 9 and Zone 10, a portion of the permits are held in reserve because not all of those streets are part of the program at this point. Those residents need to decide that they want to be part of the program and opt in through a petition and a survey process. In Phase 2, there are resident permits and there are employee permits. Residents are eligible for up to four annual decals. Those are stickers that are adhered to the vehicle. They're also eligible for up to two transferrable guest permits. The decals, again up to four per household, the first one is free of charge. The additional three are \$50 each. The visitor hangtags are also \$50. Those are the green permits that you'll see on the vehicles throughout the Downtown. Employee permits are all blue. They're also all zone specific. Every single employee permit has a zone number on it. Employees can purchase an annual decal that's adhered to their vehicle. Employers are able to purchase a transferrable hangtag that several employees can share. Coming into Phase 2, we put daily permit controls in place. There are daily permits that employees can purchase, and that supports the use of alternative modes to driving alone. If somebody typically takes the train but has to drive occasionally, they can buy a daily permit. Only employees are able to buy those permits. They're not available to employers. They are zone specific, and the zones are assigned randomly. You'll buy a daily permit online, and it's luck of the draw as to what's sent to you essentially. There are no daily permits issued for Zones 9 or 10. The Resolution before you tonight addresses three streets in the Crescent Park neighborhood. Residents of those three streets submitted a petition to be added to the Downtown RPP District. Those petitions were received after the deadline for filing. In May 2016 when we were evaluating petitions for future RPP programs, City Council directed Staff to revise the

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Downtown RPP Resolution to include those additional streets as part of the eligibility area. The Resolution before you is essentially following that Council direction to add those three streets to the approved eligibility area. Those streets can then complete a mail survey to opt into the Downtown RPP program. For a Phase 2 status update, this is as of the end of July when the four month time period came up. The vast majority of permits that are on the street right now are resident decals. Those are the vehicle-specific permits. Residents get one free and can purchase up to three additional. There's about 1,000, 1,100 annual visitor hangtags. A total of about 4,500 resident annual permits have been sold as of the end of July in the Downtown RPP program. As of that time, almost 900 employee decals had been sold and about 460 of the employer hangtags, for a total of about 1,350 employee annual permits were issued as of the end of July. We've conducted data collection efforts roughly every two months. We have data right now as of March, May and June. We have an additional data collection effort this coming Thursday, and then we'll likely have data collected again in November. In March 2016, that was pre-Phase 2. What we were seeing was the pattern that was prevalent during Phase 1, where employee permits were valid anywhere within the District. Employees were naturally parking as close to the Downtown as they could. Moving into May, this is about three weeks, four weeks into the Phase 2 program. There was definitely a settling-in phase moving into the Phase 2 and moving into the use of the employee parking zones. Our enforcement Staff did an outstanding job of providing education on the streets and really helping people right at the scene to figure out where they were able to park and where their permits were valid. In May we were still seeing some confusion about where to park, still seeing clustering in the Downtown North and the areas directly south of the Downtown core. Also some of that is the focus was on education and providing information to permit holders. There were quite a few vehicles that were using the two hour parking limit in the areas closest to Downtown. Going into June, it seems the permit holders had settled into the program. We were able to focus on enforcement of the two hour limit and re-parking within the same zone, which is not allowed. The clustering improved closer to Downtown. The vehicles did seem to spread out a bit. That said, June is still part of Phase 2. It's still part of a pilot. What we're seeing is not perfect and wasn't expected to be perfect. We have areas where we can improve from the lessons that we've learned. As I mentioned, additional data collection will occur this fall, including Zones 9 and 10. That first effort will be this Thursday. In terms of the eligibility area and streets opting in, the 500 block of Hale Street and the 800 block of Palo Alto Avenue have successfully petitioned into the Downtown District. We're scheduling signage installation within the next couple of weeks. The 600 block of Hale is going to be completing another mail survey in the next few weeks. As I said, we're in a pilot program. We're learning as we go. We learned great

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lessons from Phase 1 that we're able to utilize to make some changes going into Phase 2. We're still learning throughout the program. Some potential changes that Staff has identified moving into a permanent program as of April 2017. Obviously looking at the reduction in employee permits. Redistributing permits among the zones based on occupancy data. Through the data collection we've been able to identify where employees are parking and also where residents are parking, which can help us better allocate permits for each zone. Evaluating the policy for re-parking in the District. Right now, there's no re-parking in each zone, but you can move to a different zone and re-park. Evaluating that policy may be something to consider. Recommendations tonight from Staff are to accept the status report on the Downtown RPP program and to adopt the Resolution before you to expand the boundary of the Downtown RPP District and eligibility area as requested with a note that Staff intends to return with additional occupancy data and a draft Resolution to make the program permanent with the desired adjustments in early 2017. Phase 2 permits all expire at this point on March 31, 2017. That concludes the Staff presentation.

Mayor Burt: Thank you. We can now have Council ask any technical questions that they may have at this time. Council Member Filseth.

Council Member Filseth: Thank you very much for this. I have a question for the City Attorney actually. How far ranging can the discussion go around this? Are we limited to these issues or can we talk about Evergreen Park and Southgate, for example? To discuss tonight.

Molly Stump, City Attorney: No, Evergreen Park and Southgate are not on the Agenda, except to the extent that coordinating and scheduling any work you'd like to direct the Staff to do on this item may prompt the Staff to tell you about some of their projects and some of those impacts. Evergreen Park and Southgate are not on your agenda, so we're going to need to be careful and mindful that we have not noticed the public and folks in those neighborhoods have not been made aware. We need to be a little sensitive to that.

Council Member Filseth: Thanks.

Mayor Burt: Council Member DuBois.

Council Member DuBois: I have several questions here. How are we making residents in the whole area aware that they can opt in? I've had residents say that they didn't know that they could petition to get added in. I wondered if there was any marketing going on.

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Ms. Atkinson: The information on the eligibility areas and what it means to be part of an eligibility area is available on the parking website, [cityofpaloalto.org/parking](http://cityofpaloalto.org/parking). We haven't done specific marketing, but we could ...

Council Member DuBois: Have we done a mailing to people in the affected ...

Ms. Atkinson: ... certainly consider that. We've been approached each time that streets are interested.

Council Member DuBois: I'm a little concerned it's just word of mouth. Maybe some outreach would be good. I wanted to ask a little bit about the method of measurement. When we see these charts with parking utilization, and it says a time. Does that mean each block was measured once within those two hours?

Ms. Atkinson: Yes. With the size of the area, for example, if the time period is 12:00 P.M. to 2:00 P.M., it's at one point during that time period.

Council Member DuBois: How are we picking those time zones? Some of them, like 8:00 A.M. to 10:00 A.M., obviously 8:00 A.M. is probably a lot less busy than 10:00 A.M.. The same thing with 5:00 P.M. to 7:00 P.M. They seem like they're a little bit outside the peak times.

Ms. Atkinson: Understood. Capturing the morning, midday and evening peak hours is industry standard. It's consistent with parking occupancy counts that we've done in previous years throughout the City.

Council Member DuBois: Just another thought would be work hours have shifted a little where people come in a little bit later. Maybe 9:00 A.M. to 11:00 A.M. instead of 8:00 A.M. to 10:00 A.M.. You pulled out the charts I had questions on, the May and June, except you faded out the Downtown core. In May, the Downtown core was green. In June, it seemed to fill back up again. I just wondered if you had any idea what that behavior was. I'm actually talking about the two hour parking Downtown, the middle section. That's Slides ...

Ms. Atkinson: Are you referencing the area in May that's grayed out?

Council Member DuBois: Yeah. In May and June in our packets, in May it was almost all green like the Downtown parking cleared out pretty well. In June it was red again.



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Ms. Atkinson: In May we did not have data collection in the Downtown core at the same time as the Downtown RPP District. As of June, we started collecting data on the same dates in the Downtown core as part of the Downtown parking management study. We've been able to have more comprehensive data moving forward.

Council Member DuBois: You're saying this may not be correct?

Ms. Atkinson: Yeah. It's grayed out, so it's not the focus of that map.

Council Member DuBois: Thank you. That's definitely helpful. In Zone 8, we sold 365 employee permits. That seemed like a lot. How do we determine how many to sell per zone?

Ms. Atkinson: In Zone 8, 365 permits are available. There are still quite a few available in Zone 8.

Council Member DuBois: We didn't get any information on how many have been sold per zone.

Ms. Atkinson: We can get that to Council. I don't have it offhand, but we can certainly provide that. The methodology for determining how the permits were distributed, 75 in Zone 1, 120 in Zone 2, was based on the total number of spaces that are available on each street face and looking to maintain about 30-40 percent of those spaces as employee permit availability, again understanding that employees don't always park each day.

Council Member DuBois: Can I just say that 30 percent of the spots in that zone, that's where the number came from?

Ms. Atkinson: Essentially.

Council Member DuBois: You said that permits were sold out in many zones. Do you have any sense what the demand is for additional permits?

Mr. Mello: If we could just go back to that last point, just for a point of clarity. We assume that, based on the studies that we had done during Phase 1, only about half of the permit holders show up on a given day. 30 percent times two is the number of permits that are allocated by each zone. Typically only 50 percent of the permit holders show up at one point in time.

Council Member DuBois: That's been very consistent?

Ms. Atkinson: The 30-40 percent total in each zone?

Council Member DuBois: The 50 percent utilization, I guess.

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Mr. Mello: Sue-Ellen just corrected me. It's 30 percent of permit holders show up at any given point in time, not 50.

Council Member DuBois: (crosstalk)

Mr. Mello: It's a factor of 30 times 30.

Council Member DuBois: Are you selling twice as many or three times as many as you'd expect to show up?

Ms. Atkinson: Let me see if I can clear that up a little bit. When we're looking at the total in each zone, we calculated the total number of available spaces on-street. That is anything that's not driveway, red curb, existing parking restriction. Of that total, say there were 100 available spaces; 30 percent was applied to that, 30-40 percent roughly. That's the number of employee permits that are available in that zone. Having to get a total of 2,000, it did vary between 30-40 percent of available spaces to determine the number of employee permits per zone. That said, say in Zone 1 for example there are 75 permits. Seventy-five employees are not necessarily parking there each day. From data collection in Downtown garages, etc., and data from elsewhere in the City and outside, about 50 percent of permit holders tend to park on any given day.

Council Member DuBois: We oversell. We sell twice as many because we only expect half of them to show up. Is that ...

Ms. Atkinson: Roughly.

Council Member DuBois: Is that not correct? What Josh said was correct. With 100 spots, we would sell 60 permits and expect 30 people to show up on any given day?

Ms. Atkinson: If there are 100 spaces on-street, we allocated between 30 and 40 of those as employee permits. There would be 30-40 employee permits sold in that zone. Of those, we expect about half of those people would park on any given day.

Mr. Mello: Fifteen to 20 would park on any given day.

Council Member DuBois: It's the other way. That's useful clarification. My last question was do we have any idea what the demand is. Is there demand for additional permits? You said we're sold out in some zones, but then other zones you said we have permits left. Have we basically met demand right now?

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Ms. Atkinson: Of a total 2,000 permits that was the cap for the overall program, about 1,350 employee permits have been sold so far. In that sense, there are permits available. However, people want a permit as close to their place of work as possible. We have gotten feedback from people who are annoyed that when they went in to get a permit in, say Zone 4, it was sold out.

Council Member DuBois: Do you have any idea if they went ahead and purchased one?

Ms. Atkinson: They typically do, but we've also seen the Downtown garages filling up as a result. We have a waitlist at the Cowper-Webster garage for the first time. We're implementing a valet parking program there in response. People will say, "I could buy a permit in Zone 8 or I could buy a permit in the Downtown garages." The Downtown garages are closer, which is great.

Council Member DuBois: Thank you.

Mayor Burt: Council Member Berman.

Council Member Berman: Council Member DuBois asked a couple of questions that I had. I'm still actually confused. Maybe I'm just not getting this. In District 1 say you have 100 parking spaces. We want, let's say, 35 percent to be available for employees who buy permits. Are you then selling 35 permits or are you selling 70 permits?

Ms. Atkinson: Going back to this ideal zone where there's 100 spaces available, about 30-40 permits would be sold. We're not overselling. On this map where we've stated 75 permits are available in Zone 1, we're not overselling. That is the cap in the permit website.

Council Member Berman: Let's say you sell all 75, but you only expect—is it 50 percent or 30 percent of people to park?

Ms. Atkinson: It's about half of people. Half of permit holders park on any given day. That's not hard and fast, but it's a rough estimate.

Council Member Berman: I just want to make sure (crosstalk).

Mr. Mello: At the end of the day, about 15-20 percent of the spaces are occupied by employees.

Council Member Berman: I noticed on Packet Page 140, where you say in June 2016 the permit data indicates that of a total vehicle count of over 3,000 vehicles in the Downtown RPP Program District, approximately 13

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percent of vehicles parked displayed a long-term employee parking permit. That's about 400, I think, quick math. That's really low. This is my first time sitting in on one of these discussions. Maybe everyone's used to that. That seems like a pretty low number in comparison to the overall number of cars parked in the RPP.

Ms. Atkinson: Yes, it is a little low.

Council Member Berman: It's low, but that's normal. The number of parking permits for Zone 8 also jumped out at me, but that's been answered. Those were the only questions I had. Thanks.

Mayor Burt: Council Member Kniss.

Council Member Kniss: Picking up on somebody's previous question. Could you go through where valets are available as of today?

Ms. Atkinson: Sure. As of today, there's valet programs in operation at the High Street garage, Lot 4 as we call High Street and Alma. There's also valet operational at the Bryant-Lytton garage.

Council Member Kniss: Is it operational right now, today?

Ms. Atkinson: It is operational. It's not as well utilized as we'd like. We're increasing the number of permits there. That's something that we have to evaluate each time that the waitlists are updated. We are working on better utilizing that program.

Council Member Kniss: If I try to use it today, it would be open?

Ms. Atkinson: If the permit spaces are full, it's operational. The valet program only kicks into action when the permit spaces are full.

Council Member Kniss: How do you know that?

Ms. Atkinson: We have Staff there monitoring the permit spaces. They place the signs for the valet program when the permitted spaces are near capacity. That directs permit holders to (crosstalk).

Council Member Kniss: (crosstalk) has to be direct observation until we get some sensor system.

Ms. Atkinson: Exactly.

Council Member Kniss: One more garage?

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Ms. Atkinson: We are working on implementing it at Cowper-Webster and should have that available within the month.

Council Member Kniss: In a month or so?

Ms. Atkinson: Within a month.

Council Member Kniss: One other thing. Molly, you can weigh in if this isn't appropriate at this time. Have we continued to look for a satellite parking area? We have some concerns that there may be ad hoc satellite areas, where people are parking and then carpooling in. In fact, we've heard pretty definitively that exists.

James Keene, City Manager: Council Member Kniss and members of the Council, as you recall or maybe as I recall and hopefully we're in agreement on this. The only specific site we had identified was down in the Baylands as a satellite parking area. We did the analysis on that, and we ultimately took it off. There was a volume question. There were impact issues. Even some of the thought—we were looking at the larger parking lot at the golf course. We just ran into issues about capacity as it relates to our Park Ordinance and those things. As I understand it, we're not actively looking at any satellite sites.

Council Member Kniss: Yes, I do remember that. It's regrettable that we don't have some other site we could use. I think that would relieve more of this in the Downtown than it currently does.

Council Member Kniss: Pardon? Karen wants to use Menlo Park. Great idea. This is not my first time sitting here. Thank you for answering those questions. I know it's a complicated program. You've really hung in there on it. Thank you.

Mayor Burt: Council Member Schmid.

Council Member Schmid: On the May 2016 midday map, it has some striking outliers. Zone 1 and part of 2 seem filled, but then in 4 and 5 and even 6, which are well away from the Downtown, there's very heavy parking. Is there a reason why certain blocks like that are pulled off? It's east of Middlefield or south of Homer. There seem to be concentrations of parking. How do you interpret that?

Ms. Atkinson: If you're referencing May, that's roughly about a month into the program. People were still settling into the employee parking zone approach. We did see improvement moving into June. As I said, it's still a pilot. It's not perfect. In Zones 1 and 2, we expected to see clustering of

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cars because Zones 1, 2, 4 and 5 are closest to the Downtown. People tend to want to park as close as they can and walk as little as they can.

Council Member Schmid: I was asking about those that are not close to the Downtown.

Ms. Atkinson: Along Middlefield, there are a high number of employers, dental offices, medical offices, etc. When asked if we were meeting demand in terms of permits, that's an area where permits sold out, and we did hear from a number of employees and employers. That's an area that we may want to focus on in allocating permits in the future. Other streets, there may be a high number of driveways or a higher number of multifamily residential units, where there are a lot of residents that need to park on the street, and then employees that have permits to park in that area. As part of this data collection, we collected information on types of permits on the street. We do have information that helps us understand where employees, in particular, are parking and where residents are parking. That can also help moving into changes in permit allocation for employees in the future of the program.

Mr. Mello: Another potential variable in that area is Middlefield Road north of Channing. There's no parking permitted on Middlefield itself. The properties on Middlefield, any spillover parking would have to go onto adjacent blocks, not Middlefield itself.

Council Member Schmid: I'm just surprised that all the spillover seems to have gone to the east rather than the west in that situation. That's just a note. You're asking tonight for a change in date. The original Resolution said come back no later than December 31st for an assessment discussion. That's being changed to March 31st. March 31st is the date that the current Resolution expires, Phase 2 expires. Realistically, if you're going to sell permits for Phase 3, you'd have to start 6-8 weeks ahead of time. Wouldn't it make sense to have that date kept at December 31st?

Mr. Mello: We're actually proposing to come back in January 2017 with a draft Resolution. The reason we thought that was a little bit more appropriate was because we wanted to have as much data as possible when we come back to you. If we were to come in December with the holidays and a lot of time off, there's always difficulties collecting data around holiday periods. We probably won't have as much performance data on Phase 2 that we would if we were to come back in January. That was our reasoning behind proposing January. We would have enough time to implement the program before that April 1st start date

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Council Member Schmid: I would prefer to see January 31st rather than March 31st. That allows you at the last minute to come in and say, "We need this tomorrow."

Mr. Mello: There's quite a bit of lead time required to structure the permit sales and all of that. That wouldn't work from a logistical standpoint. We'd need a couple of months to get the program up and running.

Mayor Burt: Council Member Filseth.

Council Member Filseth: Thanks again. Just briefly, just a couple of things. This is actually very interesting. Thank you for doing it. I live on the outer fringes of Zone 3. My experience over this period has been pretty consistent with what it says here, with what your charts show, except that there are some days that it's really full again. It's really full again some days. Mostly it's like this, but every once in a while it's like the whole place is packed again. I think more than half show up with their permit or something. The other thing I was looking at is it's most congested in the 12:00 P.M. to 2:00 P.M. timeframe nearer town, as you might expect. I assume a lot of that's the two hour folks. I'll bet it varies if you pick at 12:00 P.M. versus at 2:00 P.M., within that window, because you get the lunch crowd. I wonder if you're looking at this stuff as you stagger when you're going to take the windows. You might think about that.

Mayor Burt: I'll follow up. We have 12:00 P.M. to 2:00 P.M. as the time range. If we have some of these areas that are being monitored at 12:30 P.M. and others that are being monitored at 1:30 P.M., are we getting different data sets for what really would be comparable? Are we skewing the data sets by having a portion during the lunch hour and a portion outside the lunch hour?

Mr. Mello: I'm going to answer yes, but I'm going to say the amount of resources it would take to simultaneously count all of the blocks at the exact same time would be pretty costly. I don't think it'd be an effective use of our resources.

Mayor Burt: An alternative might be to select a different two hour block of time, say 10:00 A.M. to 12:00 P.M. At 10:00 A.M., everybody's arrived at work. At 12:00 P.M., people haven't really arrived at lunch. Something like that, 9:30 A.M. to 11:30 A.M., whatever it is. I'm not looking for an answer, but it's something I think I'd put out there as a consideration. Just a technical request going forward. When we get these maps, we're all scrambling to figure out how do we superimpose these maps. Can you use some solid lines to show those zones? Especially since we need magnifiers to be able to see what Forest and Bryant are on those. I wanted to go back

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to this question that Council Member DuBois was burrowing on. If we have 100 street-face spots, and you're selling—you said how many permits? Thirty. You're getting—I'm sorry?

Council Member DuBois: Thirty to 40.

Mayor Burt: Thirty to 40, and you're getting a utilization rate of one-third?

Mr. Mello: We would sell 30-40 employee permits, and then about half would show up at a given point in time. There'd be about 15-20 employees parked on a block with 100 spaces.

Mayor Burt: I thought you said it was even lower than half.

Mr. Mello: I think the total inventory was 13 percent for the whole area at one point in time.

Mayor Burt: How do we explain then that we get such high impacts of intrusion in these areas? Is it a good portion of these are not from permits, but in fact employees who are moving their cars every two hours? That number of employees with permits parking in these areas wouldn't explain the difference as to why in an outlying area—if you have a baseline that you say residents use approximately X percent of the street face for their own parking, then the differences as we approach the Downtown areas presumably are mostly because of the employees being added on top of that. That amount that appears to be added on top is a lot more than this 15 percent of the spaces being occupied by employees. Is there an explanation as to what's going on there?

Mr. Mello: The wild card in all of this is the two hour parkers. We did make an effort to account for that. The zones that are closer to Downtown, where we expected to see more two hour parkers, actually have a smaller percentage of permits available than the zones that are further out. Zone 8, for example, has a higher percentage of employee permits available as a percent of the total spaces than Zone 1. We assumed there would be more two hour parkers in Zone 1, because it's closer to Downtown. I think one of the things that we need to do, when we come back to you, is look a little more closely at what the impact of the two hour parkers is and maybe tweak that percentage a little bit, so that we don't see the clustering that we see closer to Downtown, even after Phase 2 was implemented.

Mayor Burt: We have numbers on two hour parkers or we think we do?

Mr. Mello: We know how many cars are parked without permits, yes, during the noon-time hour.



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Mayor Burt: Ballpark, what portion of the parkers is that?

Ms. Atkinson: I'd have to look that up and get back to you on that.

Mayor Burt: A similar question for the Downtown color zone area. Do we have a good sense of how many employees are still moving their cars for one zone to another throughout the day?

Ms. Atkinson: Within the Downtown color zone? We have very preliminary data on that from the initial data collection for the Downtown parking management study. It looks to be in the 7-8 percent range of all vehicles. Again, that was one day—one set of data, very preliminary information.

Mayor Burt: We have these workers who are making a calculation that it's better to move their cars, especially in the neighborhoods where we give this discount for low-income workers. I did a rough calculation. We charge a little over \$100 a year? If they got a little over 200 workdays a year, it's about 50 cents a day, and they have to move the car three, four times in a day. They're saving maybe 10-15 cents per moving a car, and it takes them easily 10 minutes out of their break time. They're making maybe 60 cents an hour or something by moving their car. It's a bad economic calculation for them and of their employer, because these are employees who are missing their break time and their rest, and they're in theory less productive as a result. Although, maybe some would argue, "I get exercise. I get to walk to my car and back." That's the counter-argument, and that's legitimate. Are we doing anything to provide education that shows why that's not a smart thing to do from an economic basis?

Mr. Mello: We haven't taken that tack in our promotion, but I think that would be a good way to frame the situation.

Mayor Burt: I would suggest we provide it to business owners who insist that they're thinking about their interests in an objective economic manner. We know that not only don't individuals necessarily make rational economic decisions, business owners don't necessarily make rational economic decisions despite what they may tell you. I know that from having been in business for a long while. Do we prohibit private valets from parking in the neighborhood zones? If I get a permit and I got an on-street valet parking, is there any restriction on where I can park those cars?

Ms. Atkinson: We haven't been approached by valet parkers to park in the Downtown District. If they're not ...

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Mayor Burt: I mean if they've got customers and they're only going to park them for two hours or less, they could choose to park them on the streets either in the color zone or in the neighborhood.

Ms. Atkinson: We haven't run into that situation. When a valet program is proposed—for example, a hotel or a restaurant proposes valet, they need to provide information on where those cars will be valeted as part of the plan.

Mayor Burt: They provide an affirmative plan on where they'd park them. Do we have anything in our approval that says you cannot park them elsewhere?

Mr. Mello: We can check on that. I've conferred with the City Attorney, and we're going to look into that. I used to be a valet in college, and I would park in residential neighborhoods, so it's not far-fetched.

Mayor Burt: Let me just say that valet parkers are real clever guys. Josh, it doesn't surprise me. Just like drivers, valet parkers are resourceful to our detriment. Thanks for affirming that. Finally, out of the—this is kind of the big question. When we started this, we had a certain number of Downtown workers who were parking in the neighborhoods, principally in the Phase 1 area. Do we know what portion of those employees are no longer parking in the Downtown area and are instead not taking single occupancy vehicles to work?

Ms. Atkinson: We know that as of implementation of Phase 1 a total of 300-400 fewer vehicles parked in the Downtown RPP District. Those were assumed to be vehicles that were not eligible for permits. In terms of those who are not parking because of a mode shift, I don't believe that we have information that we can draw on for that yet.

Mayor Burt: Basically, the question is did they move to outlying areas or did they shift modes or what percentage did which. If we're just shoving the problem outward, we're not solving it. If we don't know whether we're shoving it outward or solving it, we're not getting to the bottom.

Mr. Mello: We should be getting the results of the Downtown employee commute survey that was recently done by the Transportation Management Association (TMA). Those might give us a little insight into what the shift has been.

Mayor Burt: When would we get that approximately?

Mr. Mello: In a month or so.

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Mayor Burt: Thanks. Finally, do we have a set of objectives that were adopted when we initiated this program?

Mr. Mello: No. It's been quite a work in progress throughout Phase 1 and 2. There's no kind of overarching goals that have been driving us.

Mayor Burt: I'll have something to talk about later. Council Member DuBois.

Council Member DuBois: One quick follow-up. Back to this question of where are some of these cars coming from. That 13 percent was just for permanent employee stickers, not hangtags or dailies, right?

Ms. Atkinson: That would be a total of annual permits that were on the street. That would be a decal or a hangtag.

Council Member DuBois: Are the hangtags and dailies limited by zone?

Ms. Atkinson: Yes. All employee permits are zone specific.

Council Member DuBois: I was thinking there were more dailies in a certain zone on certain days. Those are limited to that 30, 40 percent?

Ms. Atkinson: Yeah. For daily permits, I don't recall offhand how many we had printed, but they were evenly distributed between Zones 1-8. Essentially when someone buys one, they get whatever is on the top of the stack. They're not able to buy a Zone 1 daily scratcher. They have to buy just a daily scratcher, and they get whatever is mailed to them.

Council Member DuBois: Is that in addition to the 30-40 percent annual permits?

Ms. Atkinson: Yes.

Council Member DuBois: It is. That could overload a zone potentially. You're distributing on the eight, right?

Ms. Atkinson: They're distributed randomly. Daily scratchers were not included in the total number of permits allocated to each zone or the total 2,000 permits. It's nearly impossible to ascertain how many people would be parking with a daily permit on any given day. That said, employees can only purchase up to four per month. It's meant to be a way to encourage other modes and to park occasionally.

Council Member DuBois: Thank you.

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Mayor Burt: Council Member Berman.

Council Member Berman: Following up on that. On the chart on Packet Page 139, it says there are 72 employee daily permits issued. That's over how long of a time?

Ms. Atkinson: I don't think we have the page numbers in here. Could you be more specific?

Council Member Berman: Page 4 of the Staff Report. It's the 72 employee daily.

Ms. Atkinson: That's since the beginning of Phase 2. They're not used widely.

Council Member Berman: Which is like a couple a day at most.

Ms. Atkinson: Yes.

Council Member Berman: Thanks.

Ms. Atkinson: The five day permit that was introduced hasn't been utilized at all. Food for thought for moving into the permit program.

Council Member Berman: It doesn't show up on the bar graph.

Ms. Atkinson: It's zero.

Council Member Berman: Thanks.

Mayor Burt: Council Member Schmid, did you have a final follow-up?

Council Member Schmid: Yeah, just a follow-up. The question was raised where is the two hour parking. On the supplemental Packet Page 314, isn't that what that is? Those are the two hour parking, and it shows very concentrated.

Mr. Mello: Could you reference an exhibit number or an attachment? We don't have page numbers in our Packet.

Council Member Schmid: It's the supplemental Packet that was given this Thursday. The only Page I have on it is 314, Attachment F.

Ms. Atkinson: That is the total occupancy of those who are parking with no permit. Yes, that does represent the people who are parking with no permit.

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They're able to park for up to two hours during the noon-time frame in the June data collection.

Council Member Schmid: Those would all disappear two hours later. Do the permits expire at 5:00 P.M.?

Ms. Atkinson: I'm sorry?

Council Member Schmid: Do the permits expire at 5:00 P.M.?

Ms. Atkinson: There's no enforcement after 5:00 P.M.

Council Member Schmid: You can park at 3:00 P.M. and stay as long as you want.

Ms. Atkinson: Correct.

Mayor Burt: Just a clarification there. Would this capture not only employees Downtown who are parking the two hours but any guests of residents as well as residents who parked a car but didn't have a residential permit for that car?

Ms. Atkinson: That data collection is any car that's parked without a permit. There's no way to tell who owns the vehicle or who it is that's parking.

Mayor Burt: Thanks. We will now move on to members of the public. We have—our first is Irene Au for 10 minutes speaking on behalf of seven members of the public, Christian Pease, Chi-kwan Au, Bradley Horowitz, Marilyn Mayo, Wolfgang Dueregger and Patrick Slattery. Welcome.

Irene Au, speaking for seven people (Christian Pease, Chi-kwan Au, Bradley Horowitz, Marilyn Mayo, Wolfgang Dueregger, Patrick Slattery): Hi, good evening. I live in Evergreen Park as do my neighbors that are here. Because we saw that the documents regarding Evergreen Park's RPP were included in the agenda, we thought we could come here and express our support for Downtown's efforts to implement and improve their RPP. We feel a similar pain in our neighborhood, and we thought this would be an opportunity for us to share our perspectives and observations on how things are going. When we met with Sue-Ellen Atkinson, we first learned that for Downtown's program the baseline for determining the number of spaces available for employees was based on demand by counting how many employees would want to park there. We strongly disagree with this approach for Evergreen Park. The demand will only increase, and it's limitless. In Evergreen Park, we have gotten killed on the parking issue because of an increase in ridership on Caltrain, parking issues at Stanford,

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and more startups on California Avenue. New developments surrounding the area along with increased Caltrain ridership promise to result in a steep increase of people commuting in and out of the business district and the neighborhood. The laws of physics just don't allow for an infinite number of people who wish to park in the neighborhood. We feel that a more reasonable approach to establish the baseline is to start with the supply, which is a finite resource. We can calculate the amount of lineal feet of parking available in the neighborhood minus driveways and clearances for corners and fire hydrants, and divide that by what the length of a parallel parking space should be. As a guideline, the parallel parking spaces along Stanford Avenue by the Dish are a healthy 22 feet 8 inches. I went out there and measured it with my own measuring tape. Let's start by calculating the supply, figure out how many residents need to park their cars on the streets, which can be estimated by looking at the number of cars parked during off-peak business hours, reserve enough parking for residents, and then calculate what percentage of available curbside parking should go to employees. This approach is not only a data-driven approach, but also one that is more practical because it deals with the reality of a limited resource. The second point I want to bring up is that we dispute the notion that the timing of the RPP implement and phase-out of employee parking in the neighborhood should be tied to the construction of a new garage in a business district. It's unclear whether and when this garage will actually happen. If it does happen, our neighborhood will suffer from the inevitable fate of serving as spillover parking during construction. Irrespective of what happens with this garage, we want phase out of employee parking in the neighborhood to begin within a year with employee permits decreasing yearly by 20 percent of the original number. We need a certain date for phase-out that is not dependent on an uncertain construction project. Third, we learned that the RPP would be enforced by a contractor who could not enforce any parking laws except the RPP because of the police union's contract with the City. We object to this expensive and piecemeal approach to parking enforcement. Evergreen Park is a focal point for the forces of high-density housing, startups, bike corridor and mass transit, all converging on a small geographic area. We need one entity, the Police Department, to offer a comprehensive enforcement plan for traffic and rules. This is an opportunity for innovative, intentional, thoughtful planning for Palo Alto. To be complete frank, the residents of Evergreen Park are losing confidence in some of the members of the City Council and the process here. You could have annexed us into the College Terrace RPP in May, which would have been the best thing for us as residents. Instead, this stakeholder process further delays addressing the issues we face. We gathered the signatures required to bring the issue to you, and now we're told by City Manager Keene's team that an RPP would still need approval through a neighborhood survey, which further delays implementation. This

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process is painfully drawn out; although, some Council Members asked for this program to be implemented sooner than later. We encourage you to direct the Staff to rapidly implement the RPP for Evergreen Park. On a personal note, in the four months passed since the City Council approved the pursuit of an RPP in Evergreen Park, a UPS truck ran into my car parked on the street and rendered it inoperable. Negotiating around the parked cars on the street proved to be too challenging for the truck. This headache would have been far less likely to have occurred if an RPP had been in place. To be clear, the RPP program is not about railing against a certain class of people. We have asked the City to make provisions for low-income workers around the business district. The RPP is not about discriminating against employees or tech workers. Employees don't want to park in the neighborhoods either. My friends who work on California Avenue are mystified by how broken this situation is. While other cities have easily addressed parking problems by building parking garages and preserved neighborhood parking for resident only, Palo Alto has failed to do so. Palo Alto is the epicenter of Silicon Valley and home to some of the most brilliant minds, and yet the City fails to meet the needs of residents and workers. You might wonder why people can't park in their own driveways and leave the streets to the public. It is true that one does not own the curbside in front of one's house, but we have narrow lots that are only 50-feet wide, too narrow for a double driveway. Where there are multiple drivers in a the household as is often the case, at least one car usually needs street parking. It's a matter of practicality and livability to be able to park one's car in front of one's home. For senior citizens, this means the difference between going to a fitness class midday or not. For a parent bringing children home from school with all their gear or the resident who hosts daytime visitors or leaves midday to return errands and returns with bags of groceries, there is simply nowhere for people to go. Employees going to work can have options if the City provides options, but residents have nowhere to go when they come and cannot find parking. A livable neighborhood preserves good will to others and creates a cohesive community. By drawing this process out and failing to address neighborhood parking, the City is destroying our communities and discriminating against residents. Instead of visionary leadership, we get tepid responses from the City. We ask you to please accelerate the implementation of an RPP program in Evergreen Park and commit to a phase-out where there is no employee parking permitted in the neighborhood within five years. Thank you.

Mayor Burt: Thank you. Our next—let me just clear this. Our next speaker is Michael Hodos, to be followed by John Guislin. Welcome.

Michael Hodos: Members of the Council, good evening. My name's Michael Hodos. My family's lived on Bryant Street in Professorville for nearly 40

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years. Four weeks ago, we requested that the Downtown RPP Phase 2 update be pulled from the Consent Calendar in order to make you aware of the fact that the update published by the City Staff on August 15th presented an incomplete picture of how RPP is actually functioning in the residential neighborhoods adjacent to the Downtown core, a point several of you have made note of. Needless to say, we were and we are quite gratified that you responded unanimously to our request. While there is no question that Phase 2 significantly improved the quality of life for many of the residents in Downtown North and Downtown South, it did not do so in an equitable and fair manner. As a result and somewhat ironically I might add, the very groups of residents who initiated the RPP program several years ago in an effort to restore the quality of life in our over-parked residential neighborhoods are now the ones suffering the most thanks to continuing poor distribution of nonresident parking closest to the Downtown business core. On September 1st, Neilson Buchanan provided you via email maps and a nonresident permit parking data worksheet that clearly show how inequitably nonresident vehicles loads are currently distributed throughout the ten RPP zones. As a result, we're here this evening to present you with a list of eight actions that we believe would significantly improve the shortcomings we have been experiencing since Phase 2 began in April. Please keep in mind these actions represent the unanimous consensus of the five original RPP residential stakeholders who have continued to work to improve the Downtown RPP program, even after the Staff officially disbanded the stakeholder working group several months ago. We would like you to know that our informal discussions with City Staff have convinced us that no further significant action to improve the Downtown RPP program will happen unless you as a City Council specifically direct City Staff to do so by addressing each of the eight actions the next speaker on this topic will present to you in just a moment. In short, improving the quality of residential neighborhood life throughout Palo Alto is at stake. Improving the Downtown RPP program is a major component of that. It's dependent on your actions here this evening. We hope for the best. Thank you.

Mayor Burt: Thank you. Our next speaker is John Guislin, to be followed by Richard Brand.

John Guislin: Council Members, my name is John Guislin, and I'm a member of the gang of five, the RPP residents' stakeholder group. We have spent considerable time working on ways we think the RPP program can be better. Here are eight suggestions for you. Number 1, immediately reduce the number of available nonresidents permits from the arbitrarily set 2,000 number to 1,500 in order to prevent additional intrusion into residential neighborhoods. We've only sold 1,350. It seems a good time to start the reduction now because the demand is not there. Number 2, reduce the



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number of nonresident permits by 200 per year, initially prioritizing the outermost zones of the RPP District as previously committed in the February 23, 2016 meeting. Number 3, establish that the total maximum vehicle load quantity, that means residents, nonresidents and 2-hour parkers, for all block faces should not exceed 80 percent in Downtown North and 60 percent in the other zones. Number 4, cease issuing nonresident permits in Zones 9 and 10, since there clearly is no demand at this time. Number 5, recognize that to facilitate the more equal distribution of nonresident permit parking across all zones as originally intended, no more than 33 percent of the total space capacity in any one zone will be allocated to nonresident permits. Number 6, reduce the number of permits businesses can purchase in blocks for any one zone from the current blocks of ten to no more than five blocks. Number 7, give priority to lower-wage employees when issuing nonresident permits as required by California State Vehicle Code Section 22507. Number 8, scheduled a City Council review no later than September 2017 for the next phase of the RPP. On a personal note, I want to say that Mayor Burt hit it on the head when he talked about shoving the problem somewhere else. The people on the 800 block of Palo Alto Avenue are petitioning to join the RPP District now, because the cars are all parking just outside the current border and blocking Palo Alto Avenue. What we've done is push these parkers to streets that have never had a parking problem in the past. The Staff has not been able to do a survey of those areas as yet to see that happening. I also commend Councilwoman Kniss on saying this is a complicated program. I think much too complicated. You have issues that you're trying to address like housing and traffic and infrastructure. You make this complicated program which takes a tremendous strain on Staff time to make this work. I think you need to free them up to work on the bigger, more difficult challenges coming. Thank you.

Mayor Burt: Thank you. Our next speaker is Richard Brand, to be followed by Mary Dimit.

Richard Brand: Good evening, Council Members and Staff. I appreciate the chance to be here. I live at 281 Addison. This is my street. This is the bicycle boulevard, the 900 block of the street. What I'd like to talk to you tonight—I'm really speaking to you in—thank you by the way for scheduling this review. I think we've found out that it's been needed. A lot of the things have changed. In fact, in some areas the parking situation—in my area, Professorville—has improved. In other areas, it stays the same. This is an example of how it stays the same. I'll come back to this in another picture. Apologies for reading. I don't normally do this, but I really want to speak to the need for improved administration of the RPP permit issuance and also to transparency. In your packet tonight on Page 231, you will have

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found a spreadsheet which lists the number of permits sold per zone as of August 1st. Here we are five months into the year-long program and the maximum number of permits which we set up in the stakeholder program has been already exceeded. They're sold out, but they're also oversold. We're suffering from that as I show in this picture. I'm in Zone 7, and that excess has created the problem you see here. Again, this is Ellen Fletcher Bicycle Boulevard looking towards University Avenue. What we're finding is that vehicles have to double park on Bryant with the bicycles having to swing around the cars parked because there's no place for the delivery vehicles, ambulances, construction workers to park. This is part of the problem. This is in front of the PA Recovery residence. They have a lot of people who work there. They have parking lot in the back, and they do not allow their employees to work there. Also, I think we should look into that. The other thing I want to point out is in the February 1st summary meeting that Staff presented, there was a disbanding of the stakeholder group. In fact, there would be a commitment to hold quarterly meetings—you can look in the Minutes—with neighbors to give updates and discuss issues in terms of the program. No meetings have been scheduled, and I've seen no notice of any meetings to be done. I would ask the Council to request Staff reestablish these meetings. Thank you.

Mayor Burt: Thank you. Our next ...

Mr. Brand: The other picture was a weekend with nobody parked on the street. This is the difference. Thank you.

Mayor Burt: Thank you. Mary Dimit to be followed by Norm Beamer. If anyone else has a card, they need to bring it forward at this time. Welcome.

Mary Dimit: Good evening. Our family has lived in Palo Alto in the Crescent Park area for over 25 years. About three years ago, we noticed that the parking was coming across Middlefield Road and that Downtown employees were parking on our street and filling up our block, which is when I got involved with helping Neilson survey. We're very familiar with the parking situation. The first comment I'd like to make is that Crescent Park is not adjacent to the Downtown core. The preference would be that it be a residents only parking. In the meantime, I support the eight actions that the residential stakeholder members listed earlier, including that no more permits be issued in Zones 9 and 10. I also support that the employee permits be limited to 1,500 annually. That, as they said, accommodates the current demand of about 1,350. That the number of employee permits then be reduced each year by at least 10 percent. Also, I heard that there was a potential of pricing incentives for the employee permits that would encourage them to park further out. I don't think that they should be

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encouraged to go out to Zones 8, 9 and 10. Again, they're not adjacent to the Downtown commercial core. My final comment is regarding the data and the request that the City improve the accuracy of the data collection and reporting to increase its value to making decisions for the City and for you guys. There's several errors in the most recent report, such as a block on the City map that was posted up there. It shows that there's 11 parking spaces, and it shows as green and that it's available for parking. Yet, 24/7 no parking is allowed on that block because it's where we live. There's also several other issues. When there's errors in the Report, that can also call into question what else there might be a problem with. One point I wanted to make about the surveying that's been done. When Neilson puts together his surveyors and we go out in the field, we were doing that about twice a month. We'd go out on Tuesday, Wednesday, Thursday around the same time, and we'd have more consistent data. If you just have one or two points of parking information during the next few months, that's really not enough to base the decision to make a permanent program, I think. Thank you very much for all your time and work on our programs for the community.

Mayor Burt: Thank you. Norman Beamer to be followed by Mel Matsumoto.

Norm Beamer: Thank you. I would urge you to go ahead and pass the Resolution that adds these three additional blocks to the eligibility area. It's too bad they have to join. I'm sure they're not excited about joining, but they have to because of this spillover effect. As I said in March, I don't think it's fair to just keep pushing this out further and further. I would certainly support the idea of not issuing any more nonresident permits to these outer areas. They traditionally never had this problem before, and why should we push it on them. In the meantime, as I said in March, it's better than nothing to be in the zone so that at least these spillover parkers aren't jamming up just beyond the edge. Of course, once they join and once the signs are up, the nonresidents are just going to move another block out, and so they'll be knocking on your door. I would urge you to modify the Resolution to prospectively allow additional blocks to join the eligibility area by petition without having to come back for another Resolution, which is another multi-month delay process. I have personally observed this phenomenon of people clustering just over the edge. Some people park and just walk to work. As Mayor Burt said, it's good exercise. Others get their bicycles out of the trunk or skateboards or whatever. Recently I've observed what I call hybrid carpooling, where several cars will park just beyond the edge and they'll all pile into one car and commute/carpool that remaining distance. People are clever, and they're getting around it. I predict it's just going to extend further out and further out. I think it should have a very smooth mechanism for allowing the additional blocks to join in.

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Mayor Burt: Thank you. Mel Matsumoto to be followed by our final speaker, Neilson Buchanan. Welcome.

Mel Matsumoto: Thank you. Thank you for the opportunity to address the Council. I'm Executive Director of Channing House at 850 Webster Street. Our concern with RPP is with employee parking. No surprise. We ask that we be allowed to continue to do what we did in Phase 2 of RPP, which is to get the employee permits we need spread evenly into the four adjacent zones to our facility. We consider ourselves an ethical organization. We're not trying to game the system. We bought all the employee permits that we needed. We are an unusual business in another way in Palo Alto in that our product is not a product at all, but care and service to older people. We depend on our employees to provide that care and service. We will not pick up and leave Palo Alto if the environment gets difficult for employers. We're here to stay. We ask your help for us to continue to do the good work we've done since 1964. Thank you.

Mayor Burt: Thank you. Our final speaker is Neilson Buchanan.

Neilson Buchanan: We're passing out some maps. Let me start while the maps ...

Mayor Burt: Because we don't have many maps.

Mr. Buchanan: We're giving you what the auditors do; we're giving you restated financials. These are hardly perfect maps by any standard. A few moments ago, there was a comment of what are the objectives of this program. Let me just reiterate what's been said for the last two or three years. There are just some really simple objectives that can get us launched pretty well into the next year. First of all, the limit of nonresident permits can be easily at 1,600. Two thousand was a Kentucky windage; it was fair enough. We know full well 1,600 should be a very fair objective. Those should be pared back 200 per year as currently stated. We have repeatedly asked for distribution quality standards, and we've suggested those very clearly tonight. Zones 9 and 10, zero nonresident permits sold. That results in a quality neighborhood for those street faces. For Downtown South, Professorville, the quality standard there is no street face should ever be more than 60 percent full. That's residents, two hour and nonresidents. For Downtown North, Zones 1, 2, 3, I think we can tolerate up to 80 percent full. That creates a distribution that at least we can get through the next reassessment in 2018. That's a good compromise, but it says every neighborhood is not equal. It's a way to get started and distribute cars evenly. I do think there's a mistake in saying you're going to kick this all off and bring it back to Council at the end of January. I have no confidence that

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we'll be able to resolve these issues in that timeframe. I think it has to come back to you somewhere between December 15 and January 15. If it's not okay with the residents, we won't have a chance to comment on it at the end of January and then have it go operational. Finally, the mitigations were presented very early in this presentation as sort of a starburst. Those mitigation efforts are useless if you don't have funding and timelines for them. Those are still "pie in the sky" objectives. The TMA is totally uncertain, paid parking. If you're going to present those as solutions, present them as funded objectives with timelines. Otherwise, they're pie in the sky. Thank you.

Mayor Burt: Thank you. We'll now return to the Council for discussion and a prospective motion. There are two of us who weren't active in this discussion previously. I wouldn't mind an opportunity after—who was the other one?

Council Member Berman: I wasn't.

Mayor Burt: Three of us. If it's all right, why don't we let those of us who weren't able to participate in the last discussion offer up a few comments? Then, we can move forward on where we go as a group.

Council Member Kniss: (inaudible)

Mayor Burt: You may have new ones, but let us catch up a little bit and share some of our thoughts on this. Council Member Holman.

Council Member Holman: I appreciate that, because it's a lot of numbers and a lot of things that have happened since I was able to participate as for the other Council Members the Mayor mentioned. I have a question that have to do specifically with RPP. I'm around the area quite a bit, and I've heard Richard Brand mention it several times. Can we require the care facility on Bryant to do their deliveries in their rear parking lot as opposed to doing them on a residential street? Can we require that?

Mr. Mello: I think it would have to be done through some type of permit approval process. They can be ticketed for double parking or parking illegally if they're doing it on-street.

Council Member Holman: I don't know what their current permit dictates, so it might already be required of them. I don't know.

Mr. Mello: We can look into that certainly.

Mr. Keene: We could ask them.

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Council Member Holman: When it comes time for a Motion, I'm going to ask for that to be included. Ask the City Attorney, can I do that? It's not specifically RPP, but it's certainly related. Could I do that?

Ms. Stump: In general this evening, you could direct the Staff to come back with additional analysis or information, just the way that you could do that in a general Council meeting even on a topic that wasn't on the agenda. Is that your question, if you ask for ...

Council Member Holman: I'm asking could we direct tonight for Staff to either resolve this issue and/or come back to us with information about (crosstalk).

Mayor Burt: What she said is we can request that they come back to us with that.

Ms. Stump: Yes. We would need to look at what the situation is with the facility and what the rules are. We could come back to you with that information and some kind of proposal for additional action or options.

Council Member Holman: Or maybe get it resolved in the meantime.

Ms. Stump: Yes.

Council Member Holman: That's what I was trying to get to, get it resolved in the meantime. Say this again please, I'm sorry. How many total employee parking permits have been sold?

Ms. Atkinson: Just about 1,350.

Council Member Holman: Why wouldn't we reduce the number of employee permits that we would sell? Instead of starting with the 2,000, leaving it there, and then reducing it by 10 percent every year, why wouldn't we just reduce it to—let's be generous and say 1,500 and reduce it by 10 percent every year?

Mr. Mello: We're fully intending on making changes to the program when we come back to you in January with a Resolution. All of those types of changes to the program need to be incorporated into a Resolution. The last Resolution that was adopted by Council was back in February. Our intent was to come back at the conclusion of Phase 2 with some specific recommendations to move forward into the permanent program. That would certainly be one of the recommendations.

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Council Member Holman: Staff would come forward with that recommendation to reduce the 2,000 to a different number, maybe in the range of 1,300 or 1,500?

Mr. Mello: That's very likely, yes.

Council Member Holman: About not selling employee permits in—I would say Zones 8, 9 and 10. I don't live in any of those, just to be clear. Zones 8, 9 and 10 because I don't remember there being Downtown employee parking issues on Kingsley or for that matter on Lincoln prior to the RPP Downtown. What would Staff's opinion about that be? With 10, the same thing would be applying to the expanded District there too.

Mr. Mello: A large portion of Zones 8, 9 and 10 are in what is called the eligibility area. The only streets that are currently in the RPP program are shown in white on the map within the eligibility area. Most of that area is not currently in the program. The only permits that are being sold for 8, 9 and 10 are a proportion of the total permits that we calculate using for the number of streets that are currently in the program. We're holding a vast majority of the permits in reserve, and they're actually not available for sale because only a small percentage of those zones are actually participating in the program today.

Council Member Holman: If I'm looking at, for instance, this slide on—there's no page number on here, no slide number. It's the one that has the numbers on it that indicate the zones. Those streets that are white, how was it determined that Seneca and Hamilton and Forest would have permits sold on them, if I'm understanding your comment correctly? Why those streets? This is Zone 10.

Mr. Mello: If you look at the slide that's titled "Phase 2 Boundary" ...

Council Member Holman: That's titled what? I'm sorry.

Mr. Mello: The slide that's titled "Phase 2 Boundary."

Council Member Holman: For future reference, it's so much easier if these have page numbers on them. I'm not finding it, sorry. Here we go. Looking at that.

Mr. Mello: The streets that are shown in white within the blue eligibility area, those are the streets that have asked to participate in the RPP program and actually have signage and are required—folks parking between 8:00 A.M. and 5:00 P.M. on those streets longer than two hours need to have permits. The only employee permits that have been sold are 30

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percent of those streets, 30-40 percent of those streets that are actually in the program. The remainder of the streets in the eligibility area are not participating in the program today; therefore, we have not sold any permits for those spaces on those streets.

Council Member Holman: I understand. That's not exactly my question. My question is why—I guess I didn't state it very well. My question is if you're Seneca, Hamilton, Forest—I see what you're responding to. My question is why are we selling employee permits on those streets that have opted in. That's probably a decision that was made earlier here. What would we be putting back into the other section if we didn't sell there and Waverley and Kingsley and Bryant?

Ms. Atkinson: You're correct that that's a decision that was made previously, when Phase 2 was first implemented. To the question of what would happen if—to be clear, only annual permits are sold for those streets. There are no daily permits sold for Zones 9 and 10. That was also a decision made previously. To the question of what would the effect be if there were no employee permits sold in those zones, the overall occupancies in other zones would increase, and we would see more crowding.

Council Member Holman: By what kind of numbers? Obviously they'd have to go somewhere. What kind of numbers would we be talking about? Do you have any notion?

Mr. Mello: Eight, 9 and 10 are still undersold. They're not very popular with employees because of the distance from the Downtown core. It would be a pretty small number of permits that would be rescinded.

Council Member Holman: If it's a small number of permits—I will wait until other Council Members have a chance to comment—I'd say let's not sell commercial permits in those streets.

Mr. Mello: That would also be a change to the Resolution that was passed in February.

Council Member Holman: That would be coming back in December, correct? January now.

Mayor Burt: Council Member Berman.

Council Member Berman: I appreciate the opportunity to kind of wrap my head around everything. We have 2,000 permits available technically for sale to employees. The table we have on Page 4 of the Staff Report shows us that allocation per zone. There are 2,000 total. One proposal tonight is



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to lower it to 1,500 permits sold. There's also been a suggestion that we— 1,500 or 1,600 or 1,300, I've heard numerous different numbers. We should eliminate the employee permits in Zones 9 and 10 or 8, 9 and 10. In 9 and 10, if we eliminate the possible employee permits in 9 and 10, we're eliminating 615, so that gets us to 1,385, I think. I'm doing mental math that I shouldn't do at 10:30 at night. If we add Zone 8 to that, we're eliminating another 365, so we're now down to 1,020 employee permits available. At the same time, we should decrease the number of permits sold in Zones 1 and 2 and 3 and 4 and 5 and 6 and 7, so that there are fewer per block face. We should make sure it doesn't expand out to surrounding neighborhoods, because we don't want that. We should do it taking up less Staff time but have quarterly meetings. Did I get all this right? It's going to be a super fast night. I'm looking forward to this conversation.

Mayor Burt: First I'll say that I think it was a bad idea to sell permits into what I'll call the annexed areas. I'm open as to whether we simply sell any more or whether we rescind them. I think probably by the maps I can live with just not selling more. I also have thought that in those annexed areas we're probably unnecessarily inconveniencing the residents by only allowing two hour parking without a permit. If you're adjacent to the Downtown, then employees may run out there and move the car every two hours. When you're a half mile away, I don't think that's very likely. I'd want to hear neighborhood input on that. If they think this through and think they're open to three hour parking without a permit, I'd certainly be receptive to it. I think it makes more sense. This whole issue of where we get kind of stacking of cars right on the edge of the zones, I've thought from the get-go two years ago that this would happen. I don't see a solution other than a block face restriction where the employee permits can only park on one block face. Once again, I'd want to hear from the neighborhoods on how they feel about that. In terms of distributing that parking, that seems like it would be logically the way to go. Finally, I am really concerned that we're not achieving the real objective of reducing the number of both cars parking in neighborhoods adequately and the number of trips Downtown. The Council has adopted a policy objective of a 30-percent reduction in single occupancy vehicles Downtown. We heard from our Downtown Transportation Management Association that they could actually achieve that within three years. It would cost for the Downtown core area \$1.4 million a year. We don't have those funds, and we don't even have funds to make a significant dent on it other than really what the City launched on this pilot program with the Scoop app, which is the rideshare app. It's a good indication that there are some real cost-effective ways to actually reduce the number of car trips and parked cars. As of a month and a half ago, that program had been increasing participation at 70 percent month-over-month. I assume that'll level off but continue to grow in absolute numbers, level off

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on a percentage basis. They had already after three full months of operation participants of 400 car trips per day, which is 200 roundtrips, but not everyone of those is a reduction because now two or three people are sharing a car instead of one. Ballpark, it's probably 125 roundtrip car trips that it's reducing per day as of a month and a half ago. Within a couple of months, it'll probably be up to a couple of hundred. Those are real numbers at low cost to the City. Those are the kinds of program that we can roll out if we had the funding. The reason I bring up that example and the various things that we could do, that we have, our Downtown TMA has a plan at the Council request, and it's an unfunded plan. We had a lot of pushback from the business community against moving forward for a business license tax that would be able to achieve those outcomes in short order and solve their problem and solve our problem. There's an alternative that can get some of this going. It was in one of the recommendations that Neilson Buchanan had made back, I think, in February and again more recently. In order to be eligible to buy an employee permit, your employer must either have a Transportation Demand Management program or be a full paying participant in our Downtown TMA. This could really kick start the actual getting people to use other means to get to Downtown, carpooling or transit or biking or all the other means that we have. I'm really interested in pursuing that. I don't think the community wants to wait another 2-3 years to see about launching those programs through the business license tax, which may very well happen in that timeframe. We really want to get going on solving these problems sooner rather than later. I'm going to be real interested in colleagues' thoughts on that. Finally, on this question of objectives, I heard Neilson Buchanan state a number of things that sound to me like their strategies, not objectives. Those are valid. What I meant by objectives are at a higher level. The ones that come to my mind—I think when this comes back we should really be looking at establishing some clarity on what is it we're trying to achieve through these programs. The first objective to me would be to significantly reduce the impacts of employee parking on neighborhoods. Objective Number 1. Number 2 would be to not transfer those impacts to outlying neighborhoods. Number 3 would be to allow for reasonable transitions for those employees who would be restricted from parking in the neighborhoods. Fourth, to mitigate the impacts of our restrictions on low-income employees. Finally, through all of these measures, to reduce the congestion resulting from those same trips of parkers to Downtown who are creating car trips. I'd be really interested in whether we want to give guidance to the Staff to return with some set of objectives along those lines when they come back in December in January. Otherwise, I think we hear people, "No, this thing's all about one goal. No, it's about this goal." It goes around in circles. Why don't we just put out there with reasonable clarity what we're trying to accomplish here? Those are my main comments. Let's see. I'm interested in Staff comment on

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whether additional blocks can be added to the annexed areas by petition and not require Resolution. Also, on the loading at the ambulatory facility or elsewhere, I'd be interested in whether we should be having more loading zones designated so that we aren't driving folks to double park in the street; although, Ms. Au had mentioned her recent circumstance with a common carrier hitting her car. I'm sorry to hear that, but I'm not sure that the RPP program would effect that. My observation is that the common carriers are double parking when there is parking on the curbs throughout the City, and that's a separate problem that we have to tackle in a different way. I think where we have regular, necessary loading, we should have more spaces designated for loading zones. If there are circumstances where they have loading on private space and that works well, I'm fine with that too. Those are my comments. Council Member DuBois.

Council Member DuBois: I think I agreed with a lot of what you just said, Mayor Burt. I think we've learned that there are some people who just don't want to pay for parking ever. They'll walk a pretty far distance. I'm not if we'll ever get rid of all those. I think the goal is just to push it far enough out that the number is relatively small. Just a couple of random thoughts. I think we should kill the five day pass. We have no takers. It seems like an easy simplification. I have a couple of questions. Do we require employers to be in the Business Registry before they can purchase permits?

Ms. Atkinson: Yes, that's a requirement.

Council Member DuBois: Have we considered participation in the TMA as a requirement?

Ms. Atkinson: That's not previously been mentioned.

Council Member DuBois: The other thing which we haven't really talked about was a focus on making passes trackable to the purchaser. I know the permanent ones, I think, have identification numbers. Could we make all the passes have some identification number or a bar code that would let us at least know who purchased the hangtag?

Ms. Atkinson: All permits have a permit number on them.

Council Member DuBois: They are traceable?

Ms. Atkinson: Yes. We have had some that have been lost, that we've been able to return through that.

Council Member DuBois: I said in March we needed to define what the limit to the Downtown parking district is rather than continue to expand it. What

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we're hearing tonight is maybe a way to do that, because we have not sold these 2,000 permits. Last time we had fewer Council Members; we needed a unanimous vote. I think we perhaps were interested in getting agreement among all of us, and that led to maybe a weaker motion. My preference would be to freeze Zones 9 and 10, I think, where they are now, and do that immediately and allow additional streets in Zones 9 and 10 to petition to be added as resident-only parking. I do think we should try to set objectives when we come back in March for the next phase. I think we should give priority to lower-wage employees. I think that's a good idea. As people have talked about, we need this to come back in time for feedback from the community and Council. If it's okay, I actually attempted to capture most of that in a motion, which I'll make at this point in time. The first part would be to accept the status report. The second part would be to accept the petitions for the incorporation. The third part is the new stuff, which would be to immediately freeze the sale of employee permits in 9 and 10, and to allow additional streets in those zones to be added as resident-only parking. I'm open to amendments on "D." I was trying to capture a lot of what I heard from people. It would be to direct Staff to return by January 15th with proposals for changes to implement at the end of Phase 2, that would include elimination of the five day pass. You could delete two; it sounds like we already have that. Propose some quantitative objectives to reduce the impact on neighborhoods, to not create spillover and to reduce congestion. Three, to give priority to lower-wage employees and, four, to require registration in the Business Registry and in the Downtown TMA for permits purchased by employers.

Council Member Berman: Second.

**MOTION:** Council Member DuBois moved, seconded by Council Member Berman to:

- A. Accept the status report on the Downtown Residential Preferential Parking (RPP) Program; and
- B. Adopt a Resolution, expanding the boundary of the Downtown RPP Program Phase 2 eligibility area originally established by Resolution number 9577 to incorporate streets in the Crescent Park neighborhood identified for inclusion by the City Council in response to a neighborhood petition; and
- C. Immediately freeze the sale of employee permits in Zones 9 and 10 and allow additional streets to petition to be added as resident only parking in Zones 9 and 10; and

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- D. Direct Staff to return to Council by Jan 15, 2017 with proposals for changes to implement at end of Phase 2 that include:
- i. Elimination of 5 day passes; and
  - ii. Propose quantitative objectives to reduce the impact on neighborhoods, to eliminate spillover, and to reduce congestion; and
  - iii. Give priority to lower wage employees; and
  - iv. Require registration in the Business Registry Certificate Program and participation in Downtown Transportation Management Association (TMA) to buy employee permits.

Council Member DuBois: I'll just speak to this quickly. I was just trying to capture a lot of the good ideas I heard from my fellow Council Members as well as citizens. I think these are improvements to the Downtown Parking District overall.

Ms. Stump: Mr. Mayor, at the appropriate time I have a couple of comments.

Mayor Burt: Why don't you speak right away, and then we'll hear from the seconder.

Ms. Stump: Just procedurally, just to remind the maker of the Motion and any other Council Members that the item tonight is agendized for action in a couple of specific areas. The Council is able to discuss more broadly the working of the program and ask Staff to come back. We will be limited in taking additional actions that are not agendized for potential action tonight. There actually is—to take as an example, Item Number C appears to fall into that category and probably needs to come back as a future agenda item. The second thing I'd just like to mention to everyone is there have been a couple of ideas mentioned for perhaps some innovative distinctions that might be made within the RPP program about who would be eligible, particularly tonight was mentioned businesses to buy permits. Those are issues that we will need to look at. The RPP program as the neighborhood advocates have pointed out to the Council—they're correct—is authorized by State law. There are some parameters in State law. We will need to look and give you some advice about what type of distinctions we are able to make under the State law and perhaps other distinctions that are not authorized by that Code. We won't be doing that this evening, but I do want to let you know that any kind of innovative idea like that really is a request

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to us to go back and to look at it operationally and to give you some policy advice as well as potentially some legal advice. Thank you.

Council Member DuBois: Hearing that, I would modify "C" to request Staff to come back as soon as possible with a change to immediately freeze sale of employee permits in Zones 9 and 10.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to replace in the Motion Part C, "immediately freeze the" with "direct Staff to return as soon as possible to implement a freeze on the."

Council Member Berman: Let me know when it's my turn, and I'll talk for a minute.

Mayor Burt: Are you done, Tom?

Council Member DuBois: Yeah.

Mayor Burt: Council Member Berman.

Council Member Berman: Thank you, Council Member DuBois, for the good motion. I think one additional edit we might have to make is to D.iv. I'll defer to the City Attorney on this. Do we need to say for iv "if legally permissible require registration in the Business Registry Certificate"? If I was hearing you correctly, you said you need to look into whether or not that's ...

Ms. Stump: Yes, thank you. The Business Registry is not controversial. Saying that you have to be registered in the Business Registry as a business is just saying comply with existing law. The Registry requires all qualifying businesses—there are a few exceptions—to register. There's no problem with that. That's an existing requirement that we've already vetted. The TMA is different. Thank you for adding that language, Council Member Berman.

Council Member Berman: Maybe before the word participation, add "if legally permissible."

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion Part D.iv., "if legally permissible" after "Certificate Program and."

Council Member Berman: It seems like I've been watching from the outside because I've been conflicted out of participating up until now. Thank you to the City Attorney's Office for keeping on the FPPC to get us approval to

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participate. Is it perfect? No. Is it moving in the right direction? Yes. Will it take some time? Yes. Will we make all of our residents happy? No. I'm getting some noes from some residents right now. I think for those who remember what the City tried to accomplish 6, 7 years ago, when they tried to create a pilot program in Downtown South. It might have been Professorville. That was supposed to be a simple solution, a simple RPP. It went down in flames, because unfortunately RPP isn't simple. Every action has a reaction that often isn't anticipated. All we can do is have different phases; make sure that we're getting accurate data; hear from the community about how that data can be even better; make sure that we implement those changes so that the data is better; and continue to iterate and make it better. If you think about it, it's kind of Silicon Valley. You throw out an idea. You throw out a product. You get user feedback. You make it better, and you roll out a iPhone 7 tomorrow if you're Apple. That's what this is. At the same time, we recognize that this is part of the three-legged stool. We need to make sure that we're moving forward on those other things that Mayor Burt mentioned, that maybe we don't have currently the resources that we wish we did to really get the benefits and lower the single occupancy vehicle trips that we'd like to. Staff has been listening to the community a lot. It sounds like they were planning on doing some of the things that the community has requested tonight. I'm glad to hear that. I agree with as soon as possible freezing the sale of employee permits in Zones 9 and 10. That was never part of the intention, and that seems to make sense. I would just plead with our community to be as understanding as possible as we try to get this as right as we can. We are listening. I was having a conversation with a colleague a couple of minutes ago about how Staff has gotten a lot better at their answers and how sophisticated this program has become over the last year and a half. I think it's promising; it's not perfect. This is another step in the right direction.

Council Member DuBois: I'm sorry. Could I just clarify something I meant in the motion?

Council Member Berman: Now I'm going to have to take back everything I just said.

Council Member DuBois: When I was talking about "C" there, that was really implying that we would reduce the total number of permits by that unsold amount in Zones 9 and 10. I don't know if we need to be explicit about that. It was basically stopping at what we've sold and taking the remaining inventory off the market.

Mr. Mello: I think that's a very reasonable approach when we come back in January. I just want to note to the Council that we currently have one Staff

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member working on parking programs. We're about to add another one on Monday, a parking staff specialist. Our current attention is focused on delivering the Evergreen Park and Southgate RPPs. We're planning to bring a Resolution for Evergreen Park to Planning and Transportation Commission (PTC) in October and Council in November. Our plan moving forward was to come back to you in January with some substantive changes to the Resolution for the Downtown program. If we were to need to come back before then in order to freeze the permit sales in Zones 9 and 10, I don't know that we have the Staff resources to do that simultaneously with moving forward with Evergreen Park and Southgate.

Council Member DuBois: Can you explain what would be the effort to not selling any more permits?

Mr. Mello: You would need to adopt a new Resolution that specified that. We would need to prepare the Resolution. We would need to work with the permit sales vendor to freeze the permits in the online system. We would probably need to provide some notification to employees that those are no longer available in that area. I would also like to note that there's very little demand for Zone 9 and 10; we've sold very few permits over the last six months that Phase 2 has been in operation. I don't think we're going to see a mass rush to buy additional permits in those zones between now and the end of the program in March.

Council Member DuBois: Did you also accept or understand that I was saying that we would reduce the total amount of business permits available from the 2,000, minus the ones that were in 9 and 10?

Mr. Mello: Yeah. Another important point is that there's actually only 1,465 permits available right now, because there's a significant number in 9 and 10 that are held in reserve right now. The cap is actually 1,465 right now until additional streets in Zone 9 and 10 opt into the program, and then that cap will go up.

Council Member DuBois: I just wanted to make that explicit, not that we would then sell 2,000 permits in Zones 1-8.

Mr. Keene: Just a quick clarification since we're wordsmithing here. Under "C," the second sentence where we talk about "allow additional City streets" is subject to the same "direct Staff to return" with that. We would not be able to do that without coming back.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to replace in the Motion Part C, "allow" with "direct Staff to return with options to allow."



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Council Member Berman: Let's put some numbers to the idea that Council Member DuBois is saying. What would that mean in terms of the number of overall permits that would be available? That almost seems to exceed what has been requested from the community. Is Staff comfortable that we're still making sure that we have the permits available for our business community, our people who work at Channing House, our people who make our sandwiches?

Mr. Mello: The total permits available today is 1,465. If we eliminated Zones 9 and 10, it would be 1,385, the cap. Plus the small handful of permits that have already been sold in 9 and 10, which is a very small amount.

Council Member Berman: When Staff said that they were going to come back with a proposal in mid-January, was that proposal going to go that low? Can we leave this up to having that conversation in mid-January of what the right number is?

Council Member DuBois: My Motion again is specifically about Zones 9 and 10, which are pretty far out.

Council Member Berman: Sure, but you're also taking all of those permits off the table without us really having a conversation as to whether or not that's the ...

Council Member Schmid: (inaudible)

Council Member DuBois: There's 70 sold today. It would be taking 535 off, I think, the 2,000.

Council Member Berman: I'm confused from the number Staff just gave. Let me get out my little calculator.

Mayor Burt: If you're speaking to your second ...

Council Member Berman: It'll be 1,465. That's fine.

Mayor Burt: Council Member Holman.

Council Member Holman: Council Member DuBois, I'm not sure that your motion does clarify that you want the number of permits to go down, such as the most conversation just implied and prior comments implied. I see "C" as saying that it's only applying to Zones 9 and 10.

Council Member DuBois: I guess at the end of that first sentence in "C" ...

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Council Member Holman: Maybe it needs to be a separate sentence (crosstalk).

Council Member DuBois: I would say "and reduce the total available by."

Council Member Holman: Can I suggest not reducing it by a total number, but setting a target number? It's a lot easier to manage, I think.

Council Member DuBois: Sure.

Council Member Holman: If you want to reduce the total number of employee parking permits that are available, I'd say set it at 1,385 because that's really where we are, rather than reducing it by a certain amount.

Mayor Burt: Can I clarify? It's actually 1,385 plus the limited number that have been sold in 9 and 10 already. Correct?

Mr. Mello: Yes.

Mayor Burt: It'd be 1,465.

Council Member Holman: That's right. Without 9 and 10, it would be 1,385. Okay, 1,465.

**AMENDMENT:** Council Member Holman moved, seconded by Council Member XX to add to the Motion Part C, "and reduce the total number of available employee permits to 1,465" after "permits in Zones 9 and 10."

Mr. Keene: My understanding is that the direction of these more specific comments are all the things that would be coming back in January.

Council Member Holman: Correct.

Mr. Keene: Is there a great value to try to identify that number right now versus letting us come back after we've done some math and whatever? Then, if you didn't like it, you can change it.

Council Member Holman: It seems to me there is an advantage to doing that if we cannot spend hours doing it, because it gives you direction on what to come back in January with, instead of waiting for you to come back in January and then saying, "We brought this instead."

Mr. Keene: It would also give the Staff the chance to make sure that we're kind of doing our due diligence on the number. It's much easier for you to change it after we've sort of made recommendations.

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Mayor Burt: I think we were okay with going about it either way, but the language that was in here wasn't clear. Either taking this number or other language that would be clear on the intent may accomplish the same thing.

Mr. Mello: At the last discussion we had about ratcheting down the number of permits back in February, if you remember we proposed 200 per year consistently in order to give the employees time to shift modes and carpool and find other means. That's the limited amount of discussion we've had to date with you about a reduction. That was our intent, to come back in January with a more firm proposal on how the reduction would be tied to our TMA efforts and other efforts.

Mayor Burt: Josh, with that concept of the 200 reduction, is that 200 per year reduction from the theoretical 2,000 or the actual 1,465?

Mr. Mello: I think what we discussed in February was 2,000. Again, that was just kind of a high level proposal based on what we calculated the mode switch could potentially be.

Mayor Burt: I think that goes out the window, given that we're not selling anywhere near 2,000. We have to figure out if 1,465 is the number that we're selling now, how many should be sold in 2017.

Council Member DuBois: (inaudible)

Mayor Burt: No, we haven't.

Council Member DuBois: We haven't sold all of those.

Mr. Atkinson: No, we've sold about 1,350. The issue of a proposal for a number of permits to reduce to is something that we internally have not begun to discuss. That's something that we are intending to bring back in January after we've had time to evaluate permit sales and allocation.

Mr. Keene: Can I just say ...

Mayor Burt: Yeah.

Mr. Keene: Clearly there's new direction. The concept of a theoretical 2,000 reduced by 200 in 2017, the Council's saying the evidence already sort of belies whether or not that's the right pacing. It's got to somewhere down.

Mayor Burt: I would offer also that the 200 per year was a 10 percent. That's 10 percent of 2,000, but we're not selling 2,000. If we say for round numbers we have a 2016 number of 1,500 and we ratchet that down to 1,350 in 2017, that's the kind of progress that may be substantive.

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Mr. Keene: Just as a practice, I'd rather the Council direction be in that realm than jumping and doing the math here, even if it's to say we'd like when you come back in January you to bring a 10 percent reduction over the actual experience clearly as you see it and forecast it. Do you know what I mean?

Council Member DuBois: I think we're mixing two things here. The intent of the motion was to explicitly change Zones 9 and 10 to resident-only parking.

Mayor Burt: Can I add? You wanted to make clear that what is currently allowable to be sold in 9 and 10 doesn't get shifted.

Council Member DuBois: Right. That's where that number was coming from, but we could say "freeze employee permits in Zones 9 and 10 and reduce the total number of available permits by the amount of spots in Zones 9 and 10." That's all we were trying to do. Separate from that would be this annual reduction of 10 percent or 150 or whatever the number is.

Council Member Holman: I think I still had the floor when other question started popping up.

Mayor Burt: I think we want to resolve this one thing. If we go to language along the lines of what Council Member DuBois had just described, which is to freeze the sale of permits in 9 and 10 and that the remainder of permits would have been eligible to have been sold in 9 and 10 are not to be sold in the other zones. Does that capture it?

Council Member DuBois: Reduce the total number of available permits by the amount in Zones 9 and 10, by this amount. That's good.

**AMENDMENT RESTATED AND INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion Part C, "and reduce the total number of available employee permits in all zones by this amount" after "permits in Zones 9 and 10."

Mayor Burt: Council Member Holman.

Council Member Holman: I'll have to think on that for a second. I'd like to offer as an amendment to add Zone 8 to 9 and 10. There also are not many permits sold in that area, and it was not impacted previously. I think it's of the same characterization as 9 and 10.

Mayor Burt: Is that correct? I thought I saw that half of 8 was in the original and half was not. Is that correct? Yes? Is that right, Josh?

Mr. Mello: The area north of Lincoln Avenue was in the original District.

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Council Member Holman: But Waverley ...

Mayor Burt: West of Bryant or whatever it is.

Mr. Mello: Yes, that's correct.

Mayor Burt: Out of the blocks—only five blocks of eight were not in the original.

Council Member Holman: Is that accurate? Is that so?

Mayor Burt: You see this map (inaudible). If you look at the lines drawn—the shaded, the bluish hue is the annexed area. The solid line is the 8 zone.

Council Member Holman: I'm sorry if I'm overlooking some or (inaudible) understanding this. If I look at 9 and 10, the shaded/not white streets are being sold commercial permits. They're not white streets.

Mayor Burt: There's two shadings.

Council Member Holman: They're not white streets as Josh was referring to them.

Mayor Burt: I'm not sure what you're referring to by shaded. Are you looking at this map?

Council Member Holman: Yes, I'm looking at that map.

Mayor Burt: I would call it a blue shade and a gray.

Council Member Holman: Gray shade, yeah. Josh was calling it white streets.

Mayor Burt: There's two shades. There's a light gray.

Council Member Holman: Let's just say in 10, the only streets that are being sold commercial permits are Hamilton, Seneca, Guinda and part of Forest. Those are being sold commercial permits. As I look at 8, if I apply that same principle, there's part of Kingsley and part of Waverley and it looks like part of Lincoln that are being sold commercial permits. Correct? I guess my question is why wouldn't we not sell any more commercial permits in 8.

Mr. Mello: I think we've made an effort to kind of distribute the employees in a systematic fashion across the entire District in order to spread the burden across the District and not impact one particular zone over another. When we start to limit the zones to resident parking only, we're going to

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start to constrict those employee parkers back into the original RPP District. If we don't simultaneously reduce the total number of permits, we're going to go back to where we were in Phase 1, which is where we had clustering closer to Downtown.

Mr. Keene: If I might just—I think this is an important point. I think it's symbolic of a lot of items that we're dealing with these days. First of all, "C" essentially by what Josh said about the timing on this really needs to be made maybe Number i under "D." We're going to come back with proposals to implement a freeze on the sale of employee permits, etc., not as soon as possible. Secondly, the Council rightfully asks us often when we've done a Staff presentation to explain the implications of recommendations that we're making. You expect us to be able to do this. Right now, we're setting new numbers. They might be very good numbers; they might be exactly spot-on. I can tell you right now the Staff can't with confidence say they can fully report to you the implications of those decisions. We're making a policy, but to be honest with you—a word we like to throw around—it's not particularly transparent what the implications are. Since we're asking to be directed to come back in January, if there's some way to signal the intent clearly you want to—you'd like to accelerate the decline in the number of employee permits that are sold to match as closely as possible the on-the-ground experience that we're seeing. Something like that. We already know some of the numbers you'd like to get at. I would just feel a lot more professionally comfortable if we could go back and be able to present it to you in a way that you would know the whack-a-mole implications of what happens. We all know that this is not the end of things moving somewhere. You're not going to get anything more accomplished tonight other than putting your own mark on it right now, but you're going to have to do that anyway with more finality when we come back. I really would ask you to—it's put a lot of pressure on the Staff to be feeling they're getting directives and they can't really say fully that they understand the implications. There's really no point to doing it this way. You're not enacting a change right now; you're giving us direction. If you could signal the direction—honestly it will be much easier for you to tweak it after we've told you we know what it is than for us to figure out how do we identify the impacts of this right now. It will make everything be faster. This actually slows us down.

Mayor Burt: Council Member Kniss.

Council Member Kniss: Having sat here since the beginning, this is very interesting. Let me see if I have this right at this point. This is really a stop-gap. I don't think anyone would argue with that. This is a stop-gap that we're trying to use on our way to having a whole TMA or TDM or whatever we may call it in the Downtown. We're working diligently toward

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that. The question would be if we pass this tonight, does that make that happen any faster. It will be another whack-a-mole. If you start to move this all around again, you're going to get all the pressure right back down in 1, 2, 3 and 4 and so forth, which is really troubling. I would remind all of you who weren't here that at 12:45 A.M. in the morning some time in—did we do it in March or was it May? When was it? Norm Beamer and I had a discussion at 12:45 A.M., and I said, "This is the only option we have right now for that particular neighborhood. What's your answer?" He said, "If we have to do it, we'll do it," because the cars were spilling into that neighborhood. This has been just hammered out before. We have gone over and over and over this. I know we want to reduce the number of permits that we're giving out in 9 and 10, but frankly I would have voted no back then if Norm hadn't weighed in and said, "We need this relief." I want to put that back on the table. Neilson and I have had any number of conversations about this. He has said his part of town is willing to take more than their share, but continually taking more than their share isn't fair. I'm troubled about this. We should be heading toward stopping this gap through the Transportation Demand Management (TDM)—I'm hoping we will get that one more financially in order—and through Scoop which the Mayor has discussed very well tonight. I think we're making some progress there. I don't want us to end up with too many of the same issues that we had, that prompted us to do this in the first place. I'm concerned that if we get too prescriptive tonight, that's where we're heading.

Mayor Burt: Council Member Filseth.

Council Member Filseth: As I've been watching this, I've been sort of scratching my head and going (inaudible). Council Member Kniss is exactly right here and the City Manager as well. It has seemed more and more to me over the last 20, 30 minutes that we think we're tweaking something up here, but we're actually sort of doing a significant policy change. I'm leery of doing that. As both Council Member Kniss and the City Manager said, we're going to back to pushing on this side of the balloon and it's going to pop out over there. The original thinking behind this problem was that—this is a flip way to describe it—the Research Park moved to Downtown University Avenue and brought a lot of cars with it and where do they go. The original prescription here was we want to get those cars out of the neighborhoods, and we'll see how big the footprint is, and we'll slowly ratchet it down to give everybody time to cope with that. Now we're sort of talking about—it's almost like we're saying we're going to steer those cars over here, but not over there. That's a different thing than we started out with. I'll be flip here. My neighborhood, Zone 3, would like to petition for residents-only too if this becomes on the table. My point is I think we're getting away from the original idea that we're going to try to manage this

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down. Now we're sort of being prescriptive about what goes where. We may choose to do that, but it's a significant policy shift from where we started out. I'm sensitive to the City Manager's comment of let's not do this tonight. If we're going to do something like this, let's give Staff time to think about it. We have a plan of record that we've been working towards, that we all sort of understand finally. If we're going to shift that around, let's be really careful.

Mayor Burt: Council Member Schmid.

Council Member Schmid: I like the Motion that we have in front of us. I think there are two things for me that are very essential. "C" implies that we will be around 1,500 as a base number that we're working from. D.iv says that there's some leverage that should come out of this to make it work. I would add one qualification. Mr. Buchanan handed out a map. The only difference with this map is that it shows 80 percent, and the 80 percent is concentrated in areas 1, 2, 4, 5, 6 and 7. If we eliminate 9 and 10, the danger is that there will be more pressure, the two hour parking plus the permits, in those inner areas. Maybe it implies that Staff can look and say should some of those be distributed to 3 and 8. I think we have enough data to see that there's a potential squeezing into the inner sectors where the two hour parking is so intense along with the permits in there. Maybe some relook at 3 and 8 would be helpful. Those are my comments.

Mayor Burt: I want to bring up one on D.iv. I think we want to give general direction that it would be businesses that participate in the TMA or a Staff-approved TDM program. If you take Channing House, they're not in the area that is in the TMA. They could elect to participate. We had a boundary, and perhaps we would say, "You can join the TMA, and you don't have to be in the prescribed boundary." I want to give some latitude on that approach. The same thing with the School District. It may be best to have them have a TDM program, which they ought to have if they don't have it or maybe they already do. First is that acceptable?

Council Member DuBois: Yes.

Council Member Berman: Yep.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion Part D.iv., "or a Staff approved Transportation Demand Management (TDM) Program" after "Downtown Transportation Management Association (TMA)."

Mayor Burt: Second, with that TMA, right now I think we have a suggested fee structure, but it's toothless. It doesn't come close to providing the funds



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that would actually achieve the outcomes we're talking about. It would have to be under a new fee structure for the TMA that would be designed to achieve the outcomes of the RPP program and the 30 percent reduction in Single Occupancy Vehicles (SOVs). I would just say under D.iv "under a revised fee structure."

Council Member DuBois: (inaudible) separate item for the TMA to come back with.

Mayor Burt: Within this Motion, just to put that clause in is the right way to throw it in. It's not being prescriptive as to what that fee structure would be. We just want to say they've got to be part of a TMA, it's got to be meaningful. It won't be meaningful unless we revise the fee structure without trying to prescribe what that is. That's kind of an open-ended ...

Mr. Keene: The TMA does have the delegated authority to set what the fee structure is.

Mayor Burt: We're going to have to contend with how that would occur. We haven't given guidance to the TMA to say we want a fee structure that would result in the outcomes we're seeking. Frankly, we didn't think we had a mechanism to have the businesses pay to achieve the results we want. We were going hat in hand saying, "We'll take any contributions you can make." They were pennies on the dollar.

Mr. Keene: Mr. Mayor, may I just add a comment to this in the follow-up sense?

Mayor Burt: Yeah.

Mr. Keene: The intention of iv, assuming that it is legal as the motion says, is to motivate participation in TDM and in the TMA when the reality of what it takes to be able to get parking permits comes about.

Mayor Burt: I would actually say two things. It's to motivate the participation. That participation would solve the problem.

Mr. Keene: In many ways, right now a lot of that conversation is going to take place outside the TMA, because these are not active participants, a lot of the people we're going to be trying to reach. When they suddenly are aware that they can't get the permits, there's going to be this whole discussion that's ultimately going to have "wait, how do I talk to the TMA?" I do think that the intent of this will be for this to naturally drive businesses towards the TMA. Naturally, the TMA would say, "There's a revised fee structure that's going to have to be part of this."

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Mayor Burt: I think we'll have a separate discussion. I just want to put in there that the fee structure will need to be revised. Not what those amounts would be, not to try to address that tonight. Just let's not imply that that fee structure that they asked for on a voluntary basis—we're saying, "If you do that, we're fine." That wouldn't solve anything.

Council Member DuBois: I guess it's okay.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion Part D.iv., "under a revised fee structure" after "Management Association (TMA)."

Mayor Burt: I would also add a D.v for Staff to return with a draft set of RPP objectives.

Council Member DuBois: That's in ii, isn't it?

Mayor Burt: Is it? I'm sorry. No, those are quantitative objectives. I'm talking about goals.

Council Member DuBois: Can we say "proposed goals and quantitative objectives"?

Mayor Burt: Yeah. Under this "return with a draft set of RPP overriding goals" or something like that.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion, "return with a draft set of overriding RPP goals." (New Part D.v.)

Mayor Burt: I don't know if we want to try and tackle this issue of whether we want Staff to engage with neighborhoods—maybe this would be less urgent—on the block face issue. Absent that, we'll still get kind of this clustering of the problem.

Council Member DuBois: By January 15th?

Mayor Burt: No, I don't think that's probably feasible.

Council Member Berman: Return with suggestions or a strategy?

Mayor Burt: Yeah. Josh, I'm trying to think about what would be some direction on solving the clustering of parkers. What would give you some latitude to engage with neighborhoods and not put this under a January deadline necessarily? I think that is more complex than some of the other things.

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Mr. Mello: I think we need to get a better handle on the two hour parkers, who they are, what they're doing, look at time limits, and then potentially reduce the number of permits that are available in those close zones in order to get to the same occupancy level that you see further out.

Mayor Burt: Under D.ii Council Member DuBois, where you say "and to reduce congestion," were you referring to parking congestion or traffic congestion?

Council Member DuBois: Parking congestion.

Mayor Burt: We don't usually use that term that way. Maybe we're on the same page there. Josh, you'll note that that's meaning the clustering. Is that okay to add "parking" to clarify?

Council Member DuBois: Sure.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the Motion Part D.ii., "parking" after "and to reduce."

Council Member DuBois: The City Manager has brought up should "C" be moved down under "D."

Mayor Burt: Is that good with you?

Council Member DuBois: Yeah.

Mr. Keene: Strike the first part of it about direct Staff to return as soon as possible and add "implement a freeze on the sale of" blah, blah.

Mr. Mello: "C" could affect our ability to better distribute the employees with the same number of permits that are currently available.

Council Member DuBois: Again, just to point out, keeping that 9 and 10 that's 80 permits right now.

Mayor Burt: Council Member Berman.

Council Member Berman: That handled it.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to remove Part C of the Motion and add to the Motion, "implement a freeze on the sale of employee permits in Zones 9 and 10 and reduce the total number of available employee permits in all zones by this amount and direct Staff to return with options to allow additional

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streets to petition to be added as resident only parking in Zones 9 and 10."  
(New Part C.vi.)

Mayor Burt: We solve your problems. Council Member Wolbach.

Council Member Berman: At least for tonight.

Council Member Wolbach: I have a potential recommendation, but I wanted to check. "C," these are potential or we're sure we're going to proceed with these as they're worded?

Mayor Burt: What we're saying is that Staff would return with proposals, and then the Council would act on those proposals.

Council Member Wolbach: I think I'd like to see a little bit more flexibility in or at least leave open for discussion, for us to consider and for Staff to consider on Number iv, D.iv. What I'm looking for is perhaps an alternative to requirement, which is more of a stick, and something that's more carrot-based such as potentially having a tiered pricing structure for permits, where companies that don't participate in the TMA could purchase permits, but those who do participate in the TMA get a lower price. That doesn't mean we give them a really cheap price but maybe a substantially higher price. That way it would be a carrot, incentive to join the TMA. If that's something that the maker and seconder might be open to, I'd try to propose ...

Council Member DuBois: Can we just say ...

Council Member Wolbach: Should I offer some draft language?

Council Member DuBois: ... if legally permissible, pricing incentives or participation in Downtown TMA.

Mayor Burt: We want to say alternately.

Council Member Wolbach: Or alternately a tiered pricing structure to incentivize TMA membership.

Mr. Keene: (inaudible)

Mayor Burt: Put it at the end.

Mr. Mello: A simpler way may be to just say that the RPP program will encourage as many employers as possible to participate in the TMA.

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Council Member Wolbach: What I'm looking for here is to have a couple of options that the Council could choose between. I want to make sure it's clear what those options (crosstalk).

Mayor Burt: I'd prefer at the end of iv we just say "or alternately an incentive structure for participation in the TMA."

Council Member Wolbach: I'd be fine with that. Would the maker ...

Council Member Berman: Did Tom say yeah?

Council Member DuBois: Yes.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the end of the Motion Part C.iv. "or alternately an incentive structure to encourage participation in the TMA."

Council Member Wolbach: That's it for me.

Mayor Burt: Council Member Holman.

Council Member Holman: One little cleanup and then an overall question. In Number iv, the first from last line says Transportation Demand Management, TDM, program to buy employer permits. I'm not saying this is the thing that's right, but it should be employee. Sorry to be going back to this one, but I thought in 6, which used to be part of "C," I thought the maker of the motion's intention was to reduce the overall number of permits sold. Right here, all you're doing is reducing it by the number that are in 9 or 10, which is like 80 or something like that. I don't know that that's your intention. The sentence is really ...

Council Member DuBois: The number available, which is 615.

Council Member Holman: Six hundred fifteen is how many aren't sold, but that doesn't mean that they're all in 9 and 10.

Council Member DuBois: No. Nine and 10 have 615 total.

Council Member Holman: Nine and 10, I'm sorry?

Council Member DuBois: In 9 and 10, if you look at this map, 80 have been sold out of a possible 615.

Council Member Holman: That's where the number comes from. Thanks.

Mayor Burt: Lastly, Council Member Kniss.

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Council Member Kniss: I'm looking at this. Most of it I can actually live with. The part that I'm having a real problem with is at the very bottom, to allow streets to petition to be added as resident-only parking. I'm concerned that if those are resident only, then I think you're going to have to go beyond even the blue-gray area on employee parking zones. Since we're trying to get to consensus on this, Tom, I want to ask you how are you viewing that. Are you seeing that it could continue out as far as Channing or wherever?

Council Member DuBois: Just to be clear, only 80 permits have been sold to employees in 9 and 10. What I'm really proposing is we end the Downtown Parking District and 9 and 10 are resident-only when you get that far out.

Council Member Kniss: What happens with the 80 that have been sold?

Council Member DuBois: Originally because I was thinking immediately, I was saying allow those 80. If we're not going to address this until January, we could potentially shift those 80.

Mayor Burt: They might be part of the 150 reduction for next year. They get wiped out. That's to be determined in January.

Council Member DuBois: I think the important thing to realize is we're only talking about 80 permits that have been sold. I don't think we're shifting a huge number.

Council Member Kniss: I hesitate on that one. Actually, my request would be—I don't want to vote against the whole thing, but I'd like to vote against C.vi, because I am very concerned about the resident only and that we're going to hear from other areas that say, "We want resident only." We may run into that in other districts.

Mayor Burt: I will separate C.vi if everyone agrees to vote up or down on it without a debate. Are we good with that?

## **MOTION PART C.VII. SEPARATED FOR THE PURPOSE OF VOTING**

Council Member Kniss: Agreed.

Mayor Burt: Now we're just going to vote on C.vi.

**MOTION PART C.VII. RESTATED:** Implement a freeze on the sale of employee permits in Zones 9 and 10 and reduce the total number of available employee permits in all zones by this amount and direct Staff to return with options to allow additional streets to petition to be added as resident only parking in Zones 9 and 10.

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**MOTION PART C.VII. PASSED:** 6-2 Filseth, Kniss no, Scharff absent

Mayor Burt: That passes on a 6-2 vote with Council Members Kniss and Filseth voting no. Now we return to the main Motion. Council Member Filseth, did you want to speak again to the main Motion?

Council Member Filseth: I wanted to speak to C.vi and just comment that now you've got two plans. You've got the Staff plan and the College Terrace plan.

**MOTION AS AMENDED RESTATED:** Council Member DuBois moved, seconded by Council Member Berman to:

- A. Accept the status report on the Downtown Residential Preferential Parking (RPP) Program; and
- B. Adopt a Resolution, expanding the boundary of the Downtown RPP Program Phase 2 eligibility area originally established by Resolution number 9577 to incorporate streets in the Crescent Park neighborhood identified for inclusion by the City Council in response to a neighborhood petition; and
- C. Direct Staff to return to Council by Jan 15, 2017 with proposals for changes to implement at end of Phase 2 that include:
  - i. Elimination of 5 day passes; and
  - ii. Propose quantitative objectives to reduce the impact on neighborhoods, to eliminate spillover, and to reduce parking congestion; and
  - iii. Give priority to lower wage employees; and
  - iv. Require registration in the Business Registry Certificate Program and if legally permissible participation in Downtown Transportation Management Association (TMA) under a revised fee structure or a Staff approved Transportation Demand Management (TDM) Program to buy employee permits or alternately an incentive structure to encourage participation in the TMA; and
  - v. Return with a draft set of overriding RPP goals; and
  - vi. Implement a freeze on the sale of employee permits in Zones 9 and 10 and reduce the total number of available employee permits in all zones by this amount and direct Staff to return

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with options to allow additional streets to petition to be added as resident only parking in Zones 9 and 10.

Mayor Burt: Now let's vote on the main Motion. That passes unanimously with Vice Mayor Scharff absent. That concludes this item, I think. Thank you all for coming and participating.

**MOTION AS AMENDED PASSED:** 8-0 Scharff absent

## Inter-Governmental Legislative Affairs

None.

## Council Member Questions, Comments and Announcements

Mayor Burt: Before we go into a Closed Session, just because the rest of you thought we were going home, we have Council Member Questions, Comments and Announcements. Council Member Berman, were you up for that?

Council Member Berman: Yeah, just a quick thing. Yesterday morning, I think—it seems like a long time ago—I went out with the Rotary Clubs of Palo Alto and University, the two different names, to put flags up and down University Avenue for Labor Day. They do this four times a day. At 8:00 A.M. on a holiday Monday, they're putting flags up. If you ever see all these flags on the 4th of July or Labor Day or Veterans Day or one other holiday I'm forgetting, it's the Rotary Clubs of Palo Alto and the University Rotary Club that do that. I just want to give them a thank you. Actually, Jim, I need to talk with you afterwards about the storage space where they store those flags. They have complaints.

James Keene, City Manager: I wondered who was doing that. It's good to know. Thank you.

## Closed Session

6. CONFERENCE WITH CITY ATTORNEY—POTENTIAL LITIGATION  
Significant Exposure to Litigation Under Section 54956.9(d)(2) (One Potential Case, as Defendant) – Phase 2, Downtown Residential Preferential Parking District.

Mayor Burt: We now have an agendaized Closed Session item, a conference with the City Attorney regarding potential litigation and a significant exposure risk under Section 54956.9(d)(2) and one potential case regarding a Phase 2 Downtown Residential Preferential Parking Permit District. We would need a motion to go into Closed Session.



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Council Member Kniss: So moved.

Council Member Schmid: Second.

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

Mayor Burt: Council Member Wolbach, you had a light on. Was that from comments or was that ...

Council Member Wolbach: I was just going to make a Motion to go into Closed Session. Looks like I got beat to the punch, and that's fine.

Mayor Burt: Please vote on the board. That passes unanimously with Vice Mayor Scharff absent. We will now go into Closed Session.

**MOTION PASSED:** 8-0 Scharff absent

Council went into Closed Session at 11:33 P.M.

Council returned from Closed Session at 11:45 P.M.

Mayor Burt announced no reportable action.

Adjournment: The meeting was adjourned at 11:45 P.M.