

CITY OF PALO ALTO CITY COUNCIL FINAL MINUTES

Special Meeting June 4, 2014

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:08 P.M.

Present: Berman, Burt, Holman, Klein, Kniss, Price, Scharff, Schmid

Absent: Shepherd

Donna Grider, City Clerk, announced that a revised agenda for the Council's June 9, 2014 meeting would be issued on June 5, 2014. The new starting time was 6:00 P.M.

ACTION ITEMS

1. Approval of Letter Regarding Santa Clara County Transportation Project Sales Tax Increase (CONTINUED FROM JUNE 2, 2014).

Richard Hackmann, Management Analyst, reported Carl Guardino, Chief Executive Officer (CEO) of the Silicon Valley Leadership Group (SVLG), gave a presentation before the Council on May 19, 2014. According to Mr. Guardino, preliminary polling indicated strong support within Santa Clara County for a 1/4 cent sales tax increase. Mr. Guardino outlined SVLG's proposal to spend the sales tax increase totaling approximately \$3.5 billion over the 30-year life of the tax increase. Approximately \$500 million or oneseventh of the total tax increase would support Caltrain. referred the item to the Policy and Services Committee (Committee) for At its May 20, 2014 meeting, the Committee additional discussion. unanimously recommended the Council consider sending a letter to SVLG recommending a 3/8 cent sales tax increase with the additional 1/8 cent funding provided exclusively to Caltrain modernization including grade separations.

Council Member Price indicated the Committee held a lively discussion of the issue. The Committee wished to emphasize the critical importance of Caltrain to the region in general and Bay Area Rapid Transit's (BART)

importance to the overall regional network. BART's success and ability to serve mid and north Santa Clara County were strongly associated with enhancement of Caltrain service and performance. In order to fund these options, there should be a 3/8 cent sales tax increase rather than the proposed 1/4 cent tax increase. Another element of the letter was the specific identification of grade separations as an important improvement. The estimated cost for each grade separation was approximately \$150 million. The letter discussed the importance of having a clear process for fund allocation and cited the 2004 San Mateo County transportation tax measure as a model for allocation of funds. If the proposed sales tax increase was 3/8 cent, then additional funds would support Caltrain. The original \$500 million designated for Caltrain could be reallocated to other worthwhile projects in Santa Clara County.

Herb Borock remarked that SVLG, representing the largest employers in the area, wanted the tax increase because it would provide transportation for workers. Those companies should be taxed to pay for Caltrain and BART improvements. Asking citizens to pay additional taxes in order to obtain funding for Caltrain was not a good idea. Voters were more likely to support a 1/4 cent sales tax increase with a portion of the 1/4 cent increase dedicated to Caltrain.

MOTION: Council Member Klein moved, seconded by Council Member Scharff to authorize Staff to draft the letter that is included in the packet, regarding the Santa Clara County transportation tax, including changing the date in the second paragraph to June 4, 2014.

Council Member Scharff believed extending BART to Diridon station and improving Caltrain would be transformative for Silicon Valley. The additional 1/8 cent sales tax would mostly solve the issues of Caltrain. Linking BART with Caltrain and then extending Caltrain to the Transbay Terminal would result in a functioning transportation system. Funding from the sales tax increase would almost achieve that.

Council Member Schmid felt the letter was too polite in that SVLG could simply deny the City's recommendation to raise the proposed sales tax increase to 3/8 cent.

AMENDMENT: Council Member Schmid moved, seconded by Council Member Holman to remove the last sentence in the second paragraph and replace it with, "Without the additional 1/8 cent the amount going to BART and Caltrain should be equalized."

Council Member Holman asked what could be accomplished by dividing the 1/4 cent tax increase equally between BART and Caltrain.

Mr. Hackmann explained that under the 1/4 cent proposal, approximately one-third of funds would be dedicated to BART, one-third to highway improvements, and one-third to other projects including \$500 million to Caltrain. Increasing the 1/4 cent to 3/8 cent would generate approximately \$1.75 billion for Caltrain.

Council Member Holman inquired whether the one-third funding dedicated to BART would achieve the extension to Diridon.

Mr. Hackmann answered yes.

Vice Mayor Kniss understood the first \$1.3 billion was dedicated to BART in order to complete the process. The one-third division of funds would occur after \$1.3 billion was collected. The proposal provided funding to BART first and Caltrain second.

Council Member Scharff clarified that a third of funds would support highways and other projects.

James Keene, City Manager, noted the proposed Amendment would virtually exclude funding for projects other than BART and Caltrain.

Council Member Burt stated the Council could determine a follow-up position depending on SVLG's response to the City's recommendation. Approval of the City's recommendation would be transformative for Caltrain.

Council Member Klein indicated the Amendment was a poor negotiating tactic. BART improvements were the motivation behind SVLG's proposed sales tax increase. The proposed formula would not provide the \$1.3 billion needed for BART to be completed.

Council Member Schmid explained that the intention of the Amendment was to propose some type of equal funding for BART and Caltrain, perhaps \$800 million each. The goal was to outline that Caltrain was as important for ridership as the extension of BART. The proposed Amendment was a good opening to a discussion and clearly indicated the interests of north Santa Clara County.

Council Member Scharff commented that the issue was not only Caltrain and BART. The preliminary poll reported high support for increased transit services for seniors and disabled, walking and biking, street maintenance and pothole repair, and easing congestion on all eight expressways. The proposed Amendment would provide no money for these other items that polled extremely well, better even than BART and Caltrain polled.

Council Member Price reported no decision had been made as to whether the sales tax initiative would be presented to the Santa Clara Valley Transportation Authority (VTA) Board of Directors or the Santa Clara County Board of Supervisors. Likely it would be presented to the VTA Board. VTA Staff would present information to the VTA Board the following day.

Vice Mayor Kniss advised that she and Council Member Price attended a meeting with representatives from Mountain View, Los Altos Hills, and Los Altos. One representative indicated his city would not support a sales tax increase. There was a great demand for services for seniors and low-income groups.

AMENDMENT FAILED: 2-6 Holman, Schmid yes, Shepherd absent

Council Member Berman inquired about the amount of sales tax revenues that could be generated in north Santa Clara County.

Mr. Keene indicated Palo Alto contained approximately 3.5 percent of the population and generated approximately 7.5 percent of sales tax revenue in Santa Clara County.

Council Member Berman asked if the proposal included a citizen oversight commission to ensure funds were spent as approved.

Council Member Price replied yes.

Mr. Keene felt the Committee's recommendation was thoughtful and artful. The letter discussed the importance of the southern linkage with BART. The existing northern linkage was utilized by many people as well. Perhaps the letter could make the point that the southern linkage was a lifeline for Silicon Valley.

Council Member Holman asked if the Committee discussed equitable distribution of the \$500 million that the letter proposed to transfer from Caltrain to other transportation needs.

Council Member Price advised that the Committee did not have a detailed discussion concerning that issue. The Committee intended for the \$500 million to fund tangible projects that served mid and north Santa Clara County.

Council Member Scharff did not want to go further on that point in the letter as it could be a point for future negotiation.

Council Member Holman asked if the Committee was confident SVLG would respond to the letter and seek the City's input.

Council Member Scharff reported the Council could provide input when SVLG responded.

Council Member Price commented that the Council could correspond with SVLG and the VTA Board as often as necessary. There would be additional opportunities for the Council to respond to SVLG. The letter was the City's opening statement.

Council Member Holman would support the Motion and anticipate further opportunities for refinement.

Council Member Schmid stated the timeline indicated the initiative would be presented at the June 26, 2014 meeting. The final VTA vote was scheduled for August 4. Given the Council's schedule through August 4, he did not see a time to effectively respond.

MOTION PASSED: 8-0 Shepherd absent

2. Council Direction to Staff on Potential Housing Sites for Inclusion in the 2015-2023 Housing Element Update and on Submittal of an Administrative Draft for the State's Initial Review (CONTINUED FROM JUNE 2, 2014).

Vice Mayor Kniss reported the Council would discuss the Administrative Draft of the Housing Element which needed to be submitted to the California Department of Housing and Community Development (HCD) for preliminary review. The item supported the Council's work plan and reflected the expedited schedule to meet the certification deadline. She reviewed recommended actions for the Council. There was an application in process to increase zoning of 4146 El Camino Real from RM-15 to RM-30. The current zoning of the site would yield 11 units while the proposed rezoning would yield 21 units. The Council needed to consider the number of units that should be assumed for the site.

Hillary Gitelman, Planning and Community Environment Director, advised that State law required the City to adopt a Housing Element. The State set the schedule for updating Housing Elements and had specific requirements regarding contents of Housing Elements. The deadline for certification of the Housing Element was January 31, 2015, with a grace period of three months. If a local jurisdiction did not meet the statutory deadline, then it could lose local control. Because the City's existing Housing Element was certified in August 2013, much of the information remained relevant and could be utilized in the Updated Housing Element. The Administrative Draft highlighted proposed changes from the existing Housing Element. Chosen sites had to address the Regional Housing Needs Allocation (RHNA). The

City's total RHNA requirement for the current cycle was 1,988 units. Typically HCD required a jurisdiction to provide surplus sites. The Regional Housing Mandate Committee (RHMC) suggested Staff submit a draft Housing Element containing fewer than the 200 units suggested as a surplus. The City's total housing requirement was 2,188 units. Of the 2,188 units, 1,379 units could be carried forward from the existing Housing Element. Many units were either built or in the pipeline. The unmet need totaled 369 units. Staff developed a spreadsheet to test different methods for reaching the unmet need.

Tim Wong, Senior Planner, indicated Staff prepared a site tool to encourage public input regarding the unmet need. Within the tool, sites were organized into tiers. Tiers were ranked according to the ease with which they could be implemented. Tier 1 was comprised of residential second units, which were allowed "by right" in R-1 zoning. Over the eight-year cycle of the Housing Element, typically 32 units would be produced and could be applied against the unmet need. HCD would easily accept second units. Second units would be deemed as moderate or above-moderate with respect to affordability. The Fry's site, Tier 2, contained slightly less than 12 1/2 acres and was zoned RM-30. Using a realistic site capacity of 20 units per acre, the site would yield a total of 249 units. The existing Housing Element identified 75 units at the Fry's site; therefore, the Updated Housing Element could count 174 units towards unmet need. Tier 3 was comprised of 14 parcels on San Antonio Avenue, zoned CS (Service Commercial) and not subject to the Automotive Dealership (AD) overlay. These parcels were chosen because housing was allowed by right as part of a mixed-use development. At 20 units per acre, the 14 parcels could produce 168 units. comprised of California Avenue surface parking lots. To rezone the parking lots for housing would require an amendment of the Comprehensive Plan. The parking lots could produce 60 units. Tier 5 was comprised of University Avenue surface parking lots. The lots would require rezoning and could Tier 6 was comprised of residentially zoned sites produce 37 units. containing long-term, established, non-residential uses. The Achieve Kids School on Middlefield Road was zoned RM-30. Converting it to housing was not likely.

Vice Mayor Kniss asked if the school was located on City or County of Santa Clara (County) property.

Mr. Wong reported it was located within the City's jurisdiction.

Vice Mayor Kniss suggested the property was leased from the County.

Mr. Wong indicated the former YWCA location was zoned R-1, but could produce 20-plus units. The parcel located on the corner of Churchill Avenue and El Camino Real was zoned RM-15 and contained a medical office. The parcel could produce 68 units. Tier 7 was comprised of sites in the current housing inventory where the capacity yield could be increased. Sites in the current inventory were calculated at 20 units per acre, or approximately 67 percent of zoning capacity; however, many were zoned CS or RM-30. Increasing zoning capacity to 85 percent would yield 358 additional units. However, HCD might not accept these additional units because the City had not historically zoned to 85 percent capacity. The State allowed up to 25 percent of the RHNA requirement to be fulfilled by existing units under three stringent programs: conversion of existing market rate units to affordable units, preservation of at-risk affordable housing, and rehabilitation of existing units. Palo Alto Housing Corporation (PAHC) reported the 23 units of the Colorado Park Apartments had no deed restrictions; thus, the City could apply the 23 units toward unmet need. Discussions among the Community Panel, Planning and Transportation Commission (P&TC) and RHMC concurred with use of existing units, residential second units, and some units at the Fry's site for unmet need. In May 2014, the RHMC moved to identify certain sites and to indicate identification of sites would continue after HCD certified the Housing Element. Staff presented the RHMC's Motion to the P&TC, and the P&TC also recommended continuing the review process and considering an exchange of San Antonio Avenue and El Camino Real sites for other sites as part of the Comprehensive Plan process. Staff hoped to submit a draft Housing Element to HCD for initial consultation at the end of June 2014. In July and August, Staff would work with the Community Panel, P&TC, and RHMC regarding programs. In October and November, Staff planned to review the revised draft with the Community Panel, P&TC, and RHMC and obtain their recommendations. In November, Staff hoped to present the Council with a draft Housing Element for comment.

Herb Borock concurred with Staff's use of existing residentially zoned sites. For the Fry's site, the appropriate number of units should be 174. The City had discussed installing solar panels on surface parking lots, which would impact the use of those lots.

Robert Moss suggested Staff consider 100 surplus units rather than 200. Staff should identify fewer units for the Fry's site. Within Tier 3, Staff should select only sites necessary to fulfill the unmet need. He was interested in preserving below-market rate (BMR) units and converting market rate units to BMR units.

Steve Pierce did not believe parking lots should be considered for housing, because of the parking crisis in the City.

Lois Salo wanted Staff to place more effort in developing homeless shelters. She wanted the City to buy the land where Buena Vista Mobile Home Park was located and utilize it for low-income housing.

Council Member Schmid noted the RHMC did not reach consensus for a recommendation to the Council. He requested each RHMC Member be allowed to share his point of view.

Council Member Holman advised the Council and public that she did not have a conflict of interest regarding the Arastradero Road sites. However, she recused herself from discussion of Arastradero Road sites to avoid the appearance of a conflict of interest. She requested Staff comment on Terman Apartments and market-rate units converting to BMR. Tier 1 units were easy units to accept and identify. The Fry's site was a difficult consideration, because a California Avenue Area Concept Plan had not been developed. The San Antonio Avenue sites in Tier 3 were not ideal for identifying housing units. Because the sites did not require rezoning, it was logical to include them. She would prefer to continue the discussion of Tier 3 sites.

Council Member Price felt Staff was not sufficiently assertive in identifying additional housing sites. She supported inclusion of Tiers 1-5 at a minimum. Development of surface parking lots could include housing units without reducing the number of parking spaces. The Community Panel's criteria for suitability of sites included walkability, near job centers, proximity to transit, and use of autos. Surface parking lots were clearly transit-oriented development sites that met those criteria. Staff was not bold enough in developing housing capacity in order to maintain some semblance of economic diversity.

Council Member Schmid noted the goals, visions, policies, and programs of the Our Palo Alto initiative indicated the appropriate place for dense housing was near transit, jobs, shopping, public venues, and meeting places. Approximately 43 percent of units identified were located on South El Camino Real, 9 percent in Downtown, and 14 percent in the California Avenue area. These areas did not offer those services. Tiers 4 and 5 should be considered for housing units.

Council Member Scharff believed the important item was to obtain certification of the Housing Element. There was no controversy regarding the selected sites, as the zoning would not change. The RHMC recommended fewer units for the Fry's site and removal of the SummerWinds nursery. Commissioner Keller suggested deed restrictions expire after 30 years rather than 55 years. When deed restrictions expired,

the City could take credit for preserving those BMR housing units. PAHC likely would not convert BMR units to market-rate units.

Council Member Price left the meeting at 7:31 P.M.

MOTION: Council Member Scharff moved, seconded by Council Member Holman to direct to Staff to:

- 1) Include the following residentially-zoned sites in the Administrative Draft of the 2015-2023 Housing Element to meet the City's Regional Housing Needs Allocation requirement and provide a buffer likely to be acceptable to HCD:
 - 23 existing units at the Colorado Park development,
 - 32 residential second units (i.e. small accessory or "in-law units"),
 - 146 additional units at Fry's site, 340 Portage Ave., and
 - 168 units at the CS zoned San Antonio sites;
- 2) Submit the Administrative Draft to HCD for preliminary review by end of June; and
- 3) Continue to identify up to 100 more transit-rich housing sites including in the downtown and the California Avenue area after HCD certification as part of the Comprehensive Plan Update process and consider exchanging sites along San Antonio and sites along South El Camino that are outside of identified "pedestrian nodes" for the more transit-rich identified sites after the City has met the statutory deadline for housing element certification.

Council Member Scharff felt the important part of the Motion was the continued discussion. Within that discussion, all stakeholders could review proposed sites. The correct vehicle for the conversation was the update of the Comprehensive Plan.

Council Member Holman felt proceeding with the Housing Element was prudent and would not be detrimental.

Council Member Berman was intrigued by the possibility of a conversation regarding Tiers 4 and 5 when the time was right. The penalty for not submitting the Housing Element by the deadline was severe. He requested a synopsis of the RHMC's discussion of Arastradero Road sites.

Council Member Scharff reported Mr. Pierce suggested the sites during a meeting of the RHMC. Council Member Holman requested Staff consider the sites. At a subsequent RHMC meeting, Mr. Pierce's representative advocated for the inclusion of the Arastradero Road sites. Council Member Holman moved to proceed; however, the Motion did not receive a second.

Council Member Holman clarified that her Motion was to review the sites.

Council Member Scharff indicated the discussion ended at that point. He argued against inclusion of the Arastradero Road sites, because the sites would require rezoning from R-1 to RM-30.

Council Member Burt did not understand how the columns in Appendix B related to the Housing Element. Density allowed under existing zoning, maximum yield, and realistic capacity did not appear to be the same as contained in the housing inventory. There was no column for amounts listed in the housing inventory.

Mr. Wong explained that realistic capacity was the 20 units per acre calculation. For example, sites zoned CN (Neighborhood Commercial) were upzoned to 20 units per acre, the maximum zoning allowed for the sites. 470 Cambridge Avenue was zoned for 30 units per acre. Staff did not calculate it at the maximum density yield, because the realistic capacity was more appropriate.

Council Member Burt inquired about the reasoning for utilizing 20 units per acre as the realistic capacity.

Mr. Wong indicated in RM-30 or CS zones, which allowed a maximum of 30 units per acre, the City historically had not approved 30 units per acre. Generally the City approved approximately 20 units per acre. The realistic capacity was used to match the City's default density assigned by the State.

Council Member Burt asked if the State would recognize the City's permissible density in the Housing Element.

Mr. Wong reported for sites zoned RM-30, the State would not generally accept the full 30 units per acre, because historically the City had not approved 30 units per acre.

Council Member Burt remarked that allowing a Floor Area Ratio (FAR) increase beyond the amount allowed by current zoning was different from allowing unit density aligned with FAR. He wanted to understand where the City did not allow that.

Ms. Gitelman advised that ultimately HCD had to believe the City would approve 30 units per acre. HCD reviewed the number of units historically permitted. Until recently, the City had not approved projects at 30 units per acre.

Council Member Burt requested examples of the City not approving housing at the zoned density.

Ms. Gitelman would provide examples at a later time. The methodology was used in the existing Housing Element. Staff perpetuated the distinction between the maximum yield or capacity and a realistic assumption for the Housing Element.

Council Member Burt requested examples of recent projects approved for or near zoned density.

Mr. Wong noted Chapter 3 of the existing Housing Element contained a table that showed residential density of past approved projects. Densities ranged from 11-29 units per acre. Two recent projects were 3159 El Camino Real at 30 units per acre and 801 Alma at 80 units per acre.

Council Member Burt was attempting to determine whether the historic pattern was necessarily the current and future pattern. He inquired whether developers were now proposing smaller units, more units per acre, and compliance with FAR limitations. If so, then more housing could be built under existing zoning.

Ms. Gitelman commented that Council Member Burt's point was the reason Staff included Tier 7. None of the selected sites required rezoning.

Council Member Burt understood surface parking lots would require rezoning.

Ms. Gitelman concurred. Sites contained in the Staff recommendation and Motion did not require rezoning.

Council Member Burt requested Staff verify the size of the Fry's site as he recalled the size was 16 acres. Perhaps the Downtown and California Avenue parking lots could be viewed in the context of transforming transportation to and from development. More interest in housing Downtown could occur if the Downtown CAP did not increase until there was significant progress on both parking and traffic issues. Staff should consider adjusting zoning to make that shift.

Council Member Klein inquired about the source of HCD's authority to require a surplus of housing units.

Cara Silver, Senior Assistant City Attorney, reported a statutory requirement stated if a housing site was identified on the inventory and was removed for some reason, then the City was required to add another site on the inventory.

Council Member Klein felt the surplus was advance planning for an event that may or may not occur.

Ms. Silver added that the provision applied only to general law cities. When submitting the existing Housing Element for certification, Staff took the position that the provision did not apply to Palo Alto because Palo Alto was a charter city. In response, HCD required a policy to monitor and include a surplus. In the Updated Housing Element, Staff believed HCD would require a surplus as part of the negotiation. HCD might not have a statutory right to require a surplus.

Council Member Klein asked why Staff proposed a surplus in that case.

Ms. Silver remarked that Staff wanted a certified Housing Element.

Council Member Klein inquired whether the City could request some type of declaratory relief or sue HCD after certification of the Housing Element.

Ms. Gitelman explained that prevailing against HCD was difficult. HCD interpreted its statutory authority broadly. In Staff's experience, HCD routinely requested a surplus in all jurisdictions. Staff's recommendation was to include some housing units as a surplus. The RHMC suggested Staff use the surplus as part of negotiations with HCD.

Council Member Klein suggested the City take a stronger stand and questioned whether the Housing Element law accomplished anything.

Vice Mayor Kniss requested Staff comment on consequences suffered by cities that did not comply.

Ms. Silver indicated Menlo Park was sued by a group of housing advocates. In a settlement agreement, Menlo Park agreed to pay approximately \$800,000 to a consultant to prepare a Housing Element in a short time period and to pay attorneys' fees. Menlo Park ultimately paid more than \$1 million. If a court found that a city did not have a certified Housing Element, it could issue an injunction requiring a city to stop issuing all building permits to all projects until a Housing Element was certified. A court could

require a city to issue permits for housing projects, particularly affordable housing projects, until a Housing Element was certified. If the City did not obtain a certified Housing Element by the deadline, the compliance period for the subsequent Housing Element was four years rather than eight years.

Vice Mayor Kniss found the concept of second units interesting. She concurred with moving toward more housing in Downtown as the area was in demand. Perhaps that discussion could be a part of the Our Palo Alto initiative and update of the Comprehensive Plan.

Council Member Schmid noted the Administrative Draft lacked certain sections, such as financial resources. An older Housing Element stated local resources came from residential in-lieu fees and commercial in-lieu fees. According to a recent report to the Finance Committee, the residential in-lieu fund balance comprised 60 percent of the total. That amount implied that the existing Housing Element asked residential housing to pay the majority of local contributions to affordable housing. He inquired about the content of the Updated Housing Element.

Ms. Gitelman reported Staff needed to revise some portions of the Administrative Draft. The City collected more housing impact fees from commercial projects than from residential projects, because there were more commercial projects. A nexus study currently underway would allow Staff to examine and update the impact fee approach for housing. If there were inequities in the impact fee program, then Staff could update impact fees.

Mr. Wong added that Sterling Park was involved in litigation with the City regarding fees. Sterling Park paid \$3.6 million in in-lieu housing fees; however, those fees were held in escrow until litigation could be resolved.

Council Member Schmid recalled three reports in the previous two weeks stated residential development impact fees and housing in-lieu fees were higher than commercial. Staff should provide other numbers prior to the Council approving resources available for affordable housing.

Mr. Wong could provide fund balances for the past two years that would clearly demonstrate collection of commercial in-lieu fees was much higher than residential in-lieu fees.

Council Member Schmid struggled with locating dense housing in the center of life and activity. So many housing units were identified in the Downtown and California Avenue area. He wondered if the method for calculating assessed valuation limited the assessed valuation criteria. Land valuation tended to be low when there was little turnover.

AMENDMENT: Council Member Schmid moved, seconded by Council Member XXXX to replace bullet 3 in the Motion above with "to identify up to 100 more transit-rich housing sites in downtown and the California Avenue area as part of the Comprehensive Plan Update process and consider exchanging sites along San Antonio and sites along South El Camino that are outside of identified 'pedestrian nodes' for the more transit-rich identified sites before the City deadline for Housing Element certification."

AMENDMENT FAILED DUE TO THE LACK OF A SECOND

Council Member Holman responded to Council Member Klein's question regarding accomplishments of the Housing Element law. It was more a question of what it did not accomplish. The premise for housing mandates was flawed. The RHMC asked PAHC to identify properties where the City could convert existing units to affordable units. The hurdles for conversion were virtually impossible to overcome. The Housing Element was not concerned with creating or retaining housing units or reducing greenhouse gases.

Council Member Klein concurred with Council Member Holman's opinions.

Vice Mayor Kniss noted the Motion would allow Staff to forward the Housing Element for certification.

Ms. Gitelman reported Staff would incorporate the Council's input and prepare an Administrative Draft for HCD's initial review. After HCD's initial review, the Administrative Draft would be subject to changes, public input, recommendations, and Council action before submission for certification.

MOTION PASSED: 6-1 Schmid no, Price, Shepherd absent

Ms. Gitelman planned to work with the RHMC to complete the Administrative Draft and then send it to HCD.

ADJOURNMENT: The meeting was adjourned at 8:17 P.M.