



CITY OF PALO ALTO CITY COUNCIL TRANSCRIPT

Special Meeting
January 19, 2016

The City Council of the City of Palo Alto met on this date in the Council Chambers at 5:00 P.M.

Present: Berman, Burt, DuBois, Filseth arrived at 5:05 P.M., Holman, Kniss arrived at 7:20 P.M., Scharff, Schmid arrived at 5:05 P.M., Wolbach arrived at 5:02 P.M.

Absent:

Closed Session

1. CONFERENCE WITH LABOR NEGOTIATORS

City Designated Representatives: City Manager and his Designees Pursuant to Merit System Rules and Regulations (James Keene, Molly Stump, Suzanne Mason, Dania Torres Wong, and Alison Hauk)

Employee Organizations: Palo Alto Police Officers Association (PAPOA); Palo Alto Police Managers' Association (PAPMA); Palo Alto Fire Chiefs' Association (FCA); International Association of Fire Fighters (IAFF), Local 1319; Service Employees International Union (SEIU), Local 521; Management, Professional and Confidential Employees; Utilities Management and Professional Association of Palo Alto (UMPAPA)

Authority: Government Code Section 54957.6(a).

Mayor Burt: Our first Item is a Closed Session which is a conference with labor negotiators pursuant to Merit System Rules and Regulations to be conducted with the City Manager and his designees. The subject matter is Employee Organizations of the Palo Alto Police Officers Association, Palo Alto Police Managers' Association, Palo Alto Fire Chief's Association, International Association of Fire Fighters Local 1319, Service Employees International Union Local 521, Management, Professional and Confidential Employees, and finally Utilities Management and Professional Association of Palo Alto. Do we have a Motion to go into Closed Session?

Council Member Wolbach: So moved.

Council Member Holman: So moved.

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Council Member Berman: Second.

MOTION: Council Member Wolbach moved, seconded by Council Member Berman to go into Closed Session.

Mayor Burt: Let the record show that Council Member Wolbach has joined us. He made the Motion, seconded by Council Member Berman. If there's no discussion, please vote on the board. That passes unanimously on a 6-0 vote with Council Members Filseth, Schmid and Kniss absent. We will now go into Closed Session.

MOTION PASSED: 6-0 Filseth, Kniss, Schmid absent

Council went into Closed Session at 5:04 P.M.

Council returned from Closed Session at 6:10 P.M.

Mayor Burt: At this time, the City Council is returning from Closed Session, and we have no reportable items.

Agenda Changes, Additions and Deletions

None.

City Manager Comments

Mayor Burt: Our next Item will be City Manager Comments. While the City Manager is getting seated, I'd like to welcome three Scouts that are here tonight, Teddy Butler [phonetic], Spencer Suhu [phonetic] and Jackson Young [phonetic]. Welcome and keep up your hard work. Mr. City Manager.

James Keene, City Manager: Thank you, Madam Mayor—excuse me—Mr. Mayor, members of the Council. You guys will do better than I did in Boy Scouts, also. Just a little report as to where we are on the winter storm. I know that this may get tiresome, but obviously we've been spared real problems. Again, as we've always expected, the effects of the potential El Niño will happen from now through February. We continue to see a pattern of light to moderate rainfall interspersed by one or two days of dry weather which is just what we would hope to continue to see for easing the long-term drought without engendering damaging floods. Forecasts for the next two weeks call for a couple of dry days with rain returning Friday to Saturday, etcetera. Over the past 24 hours, rainfall totaled pretty high actually, between 1 1/2 to 2 inches in the Foothills. San Francisquito Creek peaked with flow reaching 1,200 Cubic Feet per Second (cfs) around 1:00 P.M. For perspective, the point of the lowest capacity along the creek has an estimated flow capacity of 4,600 cfs. We do continue to monitor the creek

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and other weather conditions. We're in constant contact hopefully with our community, and we continue to bolster our supply of sandbags. We've already distributed more than 25,000, and we have filled sandbags on hand. Just a reminder that the Climate Action Summit will be taking place this Sunday, January 24th, and our community is invited to attend it. It will take place at Jordan Middle School. The doors open at noon with the program beginning at 12:30 P.M. running to 5:00 P.M. There will be a keynote address by Retired United States (U.S.) Marine Colonel Mark Mykleby who has served as a Special Strategic Assistant to the Chairman of the Joint Chiefs of Staff on the role of climate change and the U.S. Grand Strategy. We'll talk about how that relates to what we're doing here in Palo Alto. Participants will also get the chance to talk in small group discussions about how our community should approach key initiatives including transportation, energy and water as well as getting a preview of the draft Sustainability and Climate Action Plan which will be the subject of a Council Study Session the next night which will be next Monday, the 25th, at the Council meeting. People can go to the City of Palo Alto website and register. Last week Stanford University submitted an application to the County for more housing under their general use permit, otherwise known as the General Use Permit (GUP). We received a courtesy copy, and we expect to receive a formal referral from the County for our input very shortly. As I think the Council is aware, Stanford's proposal involves development of 2,400 new dwelling units in the Escondido Village area of the campus. That is 1,450 more units than is currently allowed under the GUP. These will be for graduate students without children. Stanford submitted a Traffic Study and other analyses as part of their application. They plan to meet with the Board of the College Terrace Association this week and hold a larger community meeting in February. Our Planning Staff will be reviewing the submitted materials and developing a draft comment letter for review and discussion by the City Council. At the Mayor's suggestion, we'll also request that Stanford make a presentation to the Planning and Transportation Commission (PTC) and the City Council sometime this spring on this. We'll be uploading the submitted materials to our website this week and linking it to the County website so our citizens can have access to that information. Just to celebrate the opening of our new exhibit, *Bird in the Hand*, this Friday, January 22nd, from 7:00 to 10:00 P.M. at the free Friday night at the Art Center. This is a chance to view the works of more than 40 Bay Area and international artists, come face to face with some of the incredible birds from the Junior Museum and Zoo and engage in hands-on activity. Just another part of the great events at the Art Center. I just would let the Council know that we had the artists here today working on the install of the Public Art piece on the video screens called *Conversation* which will be mining local, national and actually international events and news and the opportunity for people to have direct input either here at City Hall or via text messages or Twitter feeds in

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supporting a conversation in democracy and community out here. We'll be testing that over the next couple of weeks and look forward to a formal dedication of that Public Art piece. Finally, if you haven't noticed it, we've got some of the signs going up around the building, above the City Hall sign, a larger sort of pedestal sign out on Hamilton, the parking location totem signs, all of which are lit at night and are certainly making the plaza more welcoming. Since you all are always in here until the wee hours of the morning, you might not have seen those signs yet, but I did want to call them to your attention. That's all I have to report.

Mayor Burt: Thank you.

Oral Communications

Mayor Burt: At this time, we have Oral Communications. This is for members of the public to speak on items that are not otherwise on the Agenda. We have two speaker cards. Shani Kleinhaus to be followed by Ester Nigenda. Each speaker will have three minutes to speak. Welcome.

Shani Kleinhaus: Good evening, Mayor Burt, Council Members. I'm Shani Kleinhaus. I speak tonight for the Santa Clara Valley Audubon Society and on this topic also for the Sierra Club and several other organizations. In the past few years, our organizations worked with Google to develop a vision on how do you integrate nature into a growing urban area. What do you do when you want to enhance growth, whether commercial or housing, and yet you don't want to lose the natural assets, birds, wildlife, butterflies, plants? How do you do that, and how do you do that in the face of global climate change and of sea level rise, the needs for sustainable development, all of that? Out of those discussions came these two documents, and there's one that is still following. Google actually sponsored the San Francisco Estuary Institute to do a Scientific Study of how can we look at our region and in the urban areas and actually promote and enhance the quality of life not only for people and look at sustainability and everything else in terms of a very integrated approach to things. Those two documents, the first one, Landscape Resilience Framework, is really a universal document. You can apply it anywhere on the globe and it will have scientific bases for looking at how do you integrate nature into the urban areas or other areas, not just urban. The vision for resilient Silicon Valley is a document that is more local in approach; it applies to Palo Alto and other cities in our area. We used it as we were discussing the Urban Forest Master Plan in the past few weeks to try and frame the discussion of what kind of urban forest can we have that will really look at regenerating to some extent the old oak woodlands of the area, not by just planting oaks everywhere, but really looking at greater detail on what do we put where. I wanted to introduce this and give all of

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you a copy of this because it really provides something that would be—if it is adopted by the City as a guiding principle on how to integrate and maintain nature in our sustainability framework, this could become a revolutionary way for the entire State and beyond to look at sustainability, to look at climate change, and to look at how do we not lose our birds, our wildlife, our trees, the things that we care about and that connect our people to their landscape, to the place where they grew up. It's a sense of place thing that is really critical. I hope you have a little time to look at this. I will get back to this in further comments later on. Thank you.

Mayor Burt: Thank you. Our next speaker is Ester Nigenda. Welcome.

Ester Nigenda: Thank you. Good evening, Council Members and attendees. 2014 is a year to remember. In January 2014, Governor Jerry Brown signed California's Water Action Plan. On August 4th of the same year, Palo Alto adopted a Resolution in support of sustainable groundwater management in the San Francisquito Creek area. That same month, the City launched a new Sustainability and Climate Action Plan initiative. One short month later, Governor Brown signed the Sustainable Groundwater Management Act (SGMA) pronounced "sigma." SGMA empowers local agencies to adopt groundwater management plans that are tailored to the resources and needs of their communities. By law, groundwater basins rated at high or moderate priority are required to have groundwater management plans. The Santa Clara water basin which is the source of our groundwater is rated as moderate priority and is thus required to have a Groundwater Management Plan. California's Department of Water Resources is releasing regulations this year that cover what goes into local groundwater plans. The draft release of these regulations is scheduled for early February 2016, and the final is due in June 2016. However, Chapter 6 of SGMA already contains the required and additional plan elements for this Plan, so we urge the City to implement those that are already doable as soon as possible. It might be a bit of a stretch time-wise, but it is our hope that sustainable groundwater management be included in the next update of Palo Alto's Urban Water Management Plan due on June 2016. Groundwater management is one of the top ten Action Items identified in California's Water Action Plan. Although, we have the Resolution, it is not mentioned in Palo Alto's Sustainability and Climate Action Plan. Next Sunday, June 24th, Palo Alto is sponsoring the Sustainability Summit. I believe that sustainable groundwater usage, an important component of California's Water Action Plan, should be addressed in this Summit. Thank you for your attention.

Mayor Burt: Thank you.

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Minutes Approval

2. Approval of Action Minutes for the January 4, 2016 Council Meeting.

Mayor Burt: Our next item is Approval of Minutes from January 4, 2016

Vice Mayor Scharff: So moved.

Mayor Burt: Do we have a second?

Council Member DuBois: Second.

MOTION: Vice Mayor Scharff moved, seconded by Council Member DuBois to approve the Action Minutes for the January 4, 2016 Council Meeting.

Mayor Burt: Any discussion? Please vote on the board. That passes unanimously with Council Member Kniss absent.

MOTION PASSED: 8-0 Kniss absent

Consent Calendar

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

Council Member DuBois: So moved.

Council Member Berman: Second.

MOTION: Council Member DuBois moved, seconded by Council Member Berman to approve Agenda Item Number 3.

3. Adoption of an Ordinance Amending Palo Alto Municipal Code Chapter 4.60 (Business Registration Program) to Exempt Very Small Businesses, Very Small Non-Profits, and Religious Organizations With no Ancillary Business on Site From the Business Registration Program, and Review of Policy and Services Committee Recommended Updates to Enforcement Approach and Questionnaire.

Mayor Burt: Motion by Council Member DuBois, seconded by Council Member Berman. I see no lights, so please vote on the board. That passes unanimously with Council Member Kniss absent.

MOTION PASSED: 8-0 Kniss absent

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Action Items

4. Approval of a Request for Proposal (RFP) for the Sale of 2,500 Square Feet of Transferrable Development Rights for the Sea Scout Building (Without Parking Exemption) and Direction to Amend the Lease Between the City and the Environmental Volunteers to Reflect Updated Obligations Regarding Restroom Construction.

Mayor Burt: We now get to move to our first Action Item of the evening which is approval of a Request for Proposal (RFP) for the sale of 2,500 square feet of Transferrable Development Rights for the Sea Scout Building, without a parking exemption, and direction to amend the lease between the City and the Environmental Volunteers to reflect updated obligations regarding restroom construction. Mr. Perez, are you doing the Staff presentation?

Lalo Perez, Chief Financial Officer: I am. Thank you, Mayor Burt, members of the Council. Lalo Perez, Chief Financial Officer. I don't have a formal presentation. I will do a quick summary. We have a lot of information in the Report for you. I may exclude something, but it's not intentional. Back in July 2007, the City and the Environmental Volunteers entered into a 40-year term for the occupancy and the rehab of the Sea Scout Building. As part of the approval, the City Council then directed Staff to sell Transferrable Development Rights (TDR), to provide the funding for the rehabilitation of the historic building in an amount up to \$300,000. This would go towards the capital costs. The Motion also included language that additional amounts be considered by City Council at a future date. We sent you in a separate email the Minutes of that Council meeting, so you hopefully have those as well. In April 2009, Staff issued an Request for Proposal (RFP) for the sale of 5,000 square feet of TDRs. This included for the Sea Scout and the College Terrace Library. We set a minimum price of about \$90 is my recollection, and we received no offers at that time. There was no market for them. A few years later, last year, we were instructed to sell TDRs for the Roth Building, as you may recall. We sold roughly 9,600 square feet for that without having parking exemptions. Those sold at \$300.25, the highest bid. The EcoCenter, as it was renamed, opened to the public in July 2012. They have welcomed over 5,000 visitors and last year received the Building Preservation Award from the California Preservation Foundation. They obviously have done a great job with the building and rehabbing it. Tonight, what we're asking you is the continuance of the direction as previously provided by the Council, which is to authorize the City Manager to issue 2,500 square feet of TDRs without inclusion of parking exemptions, for the City Manager to have the authority to execute and complete the sale, and to reimburse the Environmental Volunteers the \$300,000. That's the Staff

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recommendation. In addition, we're asking you to provide us direction on the following request from Environmental Volunteers (EV). They're asking for an amendment to the lease that would no longer require them to build out a public restroom as it was originally part of the agreement. Number two, they're asking for reimbursement of 40,334 for fees that included utilities engineering, City dump, plan checks, as a reduction towards the amount that they were to contribute to the bathroom. In the lease they were supposed to contribute \$75,000; they're asking that we reduce the \$40,334 in expenditures they incurred and only provide them the balance. The last piece is for you to consider any additional amount over the \$300,000 that was authorized in the original Motion. The potential sale of the TDRs, if we were to use \$225, would probably generate about \$562,000. Obviously the market would need to dictate. We do recommend that we set the minimum at \$225 and let it be an open market. If you decide that you do not want to move forward with a TDR, we would then recommend that any amount that you reimburse would come from the Budget Stabilization Reserve (BSR), the General Fund. That concludes my comments.

Mayor Burt: Thank you. We can take an opportunity for Council Members to ask any technical questions of Staff before hearing from members of the public. I don't see—Council Member Holman. I don't know if your light's working.

Council Member Holman: I think it is; you just beat me to the punch here. I have one question which appeared in the Staff Report and also in your presentation. You mentioned reimbursement for capital costs, but capital costs can be anything. The TDR Ordinance is specific about rehabilitation costs. Can you respond to that please or clarify?

Mr. Perez: I just read straight through the comments of the CMR. I think you're correct.

Mayor Burt: Council Member Schmid.

Council Member Schmid: Just a clarification. My understanding in reading through this was the original lease and approval of the TDRs was based upon certain public benefits. The public benefits were classes and exhibits at the site for Palo Alto citizens and the general public, meaning that the building was open to the general public for specific things. Is that still a part of what we're approving tonight? Is it a continuing public benefit?

Mr. Perez: Yes. We're not recommending any change to the public benefit language.

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Council Member Schmid: I guess a second thing. The TDRs, just to clarify, are subject to Ordinances and City process of their use. Is that correct?

Mr. Perez: Yes.

Council Member Schmid: Just to be clear, when we're on the other side of the desk.

Mayor Burt: Council Member DuBois.

Council Member DuBois: I had a question about the restroom. Does the City have any plans to actually construct a restroom?

Mr. Perez: We're working on that. We're trying to see what opportunities we have. As you noted in the Report, it could get up there in costs, the \$250-\$300 range depending on if it's a unisex or split. We're working with Community Services and Public Works to see, if we were to do something else, where could we do it. We're looking at the Baylands Interpretive Center, for example; is there an opportunity to do something there or are there alternatives since this request came in?

Council Member DuBois: That cost amount, does that include Staff time to manage the construction or is that just the actual construction cost?

Mr. Perez: I'd have to double check. We asked for a cost, and they gave us the cost of a similar project in another part of town. I don't know the specifics of what was included. I can double check on that.

Council Member DuBois: Thanks.

Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: Let's assume we get the 562 for the sale of the TDRs. That's 262,000. The Staff Report indicates that we could reimburse the Environmental Volunteers group for that or use that money for something else. Is that correct?

Mr. Perez: The Council at the time made the Motion to reimburse them up to the 300,000 and also had a—let me read it straight from the Minutes.

Vice Mayor Scharff: You don't need to, Lalo. I get that.

Mr. Perez: Basically it leaves it open for you to consider additional amounts.

Vice Mayor Scharff: The question is—I'm trying to understand should we be using that money for the restroom, should we give that money to the

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Environmental Volunteers, how much did they spend. What information do we have to base a decision on what to do with any excess?

Mr. Perez: It's open for the Council to use on any historical project. That's basically ...

Vice Mayor Scharff: We could use it for the restroom?

Mr. Perez: If it's part of that facility, we would have to look at it. You could use it for any of the other historic projects that we have, Roth Building, Avenidas.

Vice Mayor Scharff: It could go to any—it goes in a Special Fund, and we use it for anything ...

Mr. Perez: The Council has discretion on that.

Vice Mayor Scharff: Thanks.

Mayor Burt: At this time, we have one member of the public to speak, Allan Berkowitz. Welcome.

Allan Berkowitz: Good evening. I'm the Executive Director of the Environmental Volunteers. In 2004, the then head of Community Services asked to meet with me to present a crazy idea. He proposed that the EV take on the Sea Scout Building project. This was followed up by wonderful cheerleading from Karen Holman and, thus, began what can only be described as one of the great public-private partnerships ever. Our small organization accepted the challenge. Over the next 7 years, we worked closely and collaboratively with the City to successfully complete the project. The EV raised \$3.8 million, secured 15 local, State and Federal permits, endured the economy's collapse, and through it all we persevered. The City was a supportive partner, and the results speak for themselves. The building is saved. The eyesore and security hazards have been removed. We now welcome over 5,000 visitors annually who enjoy public benefit education programs. We work collaboratively with the ranger Staff, the Junior Museum and Save the Bay to enhance park experiences for visitors. Before I continue, I want to let you know that we wanted to be respectful of your time and not have a parade of people speak, but these folks here are all residents of Palo Alto. They represent the leadership of our organization and/or the leadership and supporters of our capital campaign. My message to you is simple; my request is simple. Please honor the commitments made by a previous City Council. Please continue to be a friend and partner in preserving this great historic Birge Clark resource. You are asked to support three things tonight or to take three steps tonight. One, allow the

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sale of the TDRs promised by a previous Council. Those funds from day one were destined to support the Sea Scout Building's long-term maintenance. Two, while some building fees were waived during the construction process, still we paid \$40,000 for other City fees. It feels unfair to us to have paid fees to the City to restore the City's property. Three, we have an obligation to partially fund the construction of a new restroom in the Preserve. We're prepared to do so, but we ask that the City manage the construction project. Our core competence is education. We believe City Staff can better manage the development process and that they can do so more efficiently and at lesser cost. The bottom line, let's keep this great public-private partnership going rather than have it tainted with a degree of animosity and possibly putting this wonderful building at renewed future risk. Thank you.

Mayor Burt: Thank you. We will now return to the Council for discussion and a Motion. Council Member Holman.

Council Member Holman: I had asked that Environmental Volunteers bring the cost of the rehabilitation so we'd know what numbers we're talking about, that actually were expended for that purpose, consistent with the Ordinance.

Mayor Burt: Mr. Berkowitz, you're welcome to respond.

Mr. Berkowitz: Clarify for me when you say the numbers for the rehabilitation. The entire capital project was \$3.8 million. Approximately \$3 million of that was directly related to capital costs of the building. Are you talking about the amount that we paid in City fees?

Council Member Holman: Capital costs and rehabilitation costs aren't necessarily the same thing. If you're finishing out the inside of the building for exhibits and that sort of thing, that's not (crosstalk) costs.

Mr. Berkowitz: The approximate number is \$3 million. The difference between the \$3 million and the \$3.8, that additional \$800,000 are things like outfitting the building, exhibits, displays, furniture, capital campaign costs. The construction figure is around \$3 million.

Council Member Holman: I'm not sure we're still quite getting there. I don't mean to be difficult on this. For instance, if you're redoing bathrooms and such, that's part of a capital project, but it's not a rehabilitation project in terms of historic rehabilitation. As Lalo and I were having the conversation, the purpose of the TDRs is for historic rehabilitation, and that's what the money should be used for.

Mr. Berkowitz: I think we're going to continue to not understand each other.

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Council Member Holman: Are you confident that more than \$300,000 was spent on historic rehabilitation of the building?

Mr. Berkowitz: Gosh, yes. Way more. Way, way more, absolutely.

Mayor Burt: Council Member DuBois. Thank you, Mr. Berkowitz.

Council Member DuBois: First of all, I want to say I really appreciate the Sea Scout Building, really appreciate EV partners for the restoration. It looks great. Like you said, it really is a good example of a public-private partnership. There was a commitment for \$300,000. I think the Council definitely needs to meet that commitment and make sure that you guys get \$300,000. I think in some respects it's a shame it's taken so long to come back, but at least we're here today. I am a little bit concerned about the precedent of Council using TDRs as a funding source. When projects come to us, we talk about the context and density Downtown, but then we turn around and do it ourselves. My strong preference would be we just pay the \$300,000 out of the General Fund instead of selling TDRs. These TDRs are better than most in that they don't come with parking exemptions. Again, I think we should be aware of the precedent. Regardless of the bathroom, I think part of the agreement was that they would manage the construction. I think you rightly recognize that that takes a lot of time and effort. I would support having you pay the City the \$75,000 and then the City managing that. I guess I'd like to hear from my colleagues about waiving the other fees. I do think we're going to be incurring a lot more costs by managing that construction ourselves. I think it was pretty attractive to also get a bathroom out of this deal. I did go back and read the Minutes from 2007 or whenever this was happening. Those are my comments. I would prefer to see us just pay the \$300,000 and accept \$75,000 and take on management and construction of the bathroom.

Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: Thank you. A couple of things. I also think it's a fabulous building. You guys did a great job. I was really impressed. I go jogging in the Baylands all the time, and I see it. I run by it every time; I always take the little path. Sometimes I go one way; sometimes I go the other way. It's actually really fun. Kudos to you all; you did a great job. I agree 100 percent with what Mr. Berkowitz said. We made a commitment back in 2007. I think we should honor that commitment. I definitely think we should sell the TDRs. It's only 2,500 square feet, first of all, so it has a minimum impact on anything. We agreed to do it back then. We can't always just say let's take another \$300,000 out of our General Fund. The reason I mentioned that I jog out in the Baylands and all that is we do need

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a bathroom there. There is no bathroom there. I would like to see us eventually build this bathroom. Lalo, correct me if I'm wrong. I got the sense it was about 300,000 to build a bathroom.

Mr. Perez: It's around that figure, depending on whether it's unisex or we separate them.

Vice Mayor Scharff: It's easy to say let's take \$300,000 and give it to them and not sell the TDRs, but that's \$300,000 that we could then use to build a bathroom, unless we're going to spend \$600,000 out of the General Fund. In dealing with the issue of precedent, I think one of the things we have to think about as a Council is selling of TDRs is in our Ordinance. This is the current City policy. We might want to change City policy. I don't think it's a precedent issue. The precedent has already been there. This was done in 2007. It is current City policy to sell those TDRs. If you don't like to sell TDRs—it's a legitimate question—then we need to have a policy discussion as a Council and change our Ordinance. We should do that sooner than later. I don't think there are any precedential issues here. I think it's a real minimal impact of 2,500 square foot. Therefore, I think we should go ahead and sell those TDRs. Are you looking for Motions now?

Mayor Burt: Go right ahead.

Vice Mayor Scharff: I'll just make a Motion that we go ahead and do the Staff recommendation.

Council Member Wolbach: Second.

MOTION: Vice Mayor Scharff moved, seconded by Council Member Wolbach to:

- A. Approve the Request for Proposal (RFP) for the sale of 2,500 square feet of Transferrable Development Rights (TDR) from the Sea Scout Building (without inclusion of parking exemptions) at the minimum starting price of \$225 per square foot; and
- B. Authorize the City Manager or his designee to execute and complete the sale of the subject TDR that do not contain "Parking Exemption Rights" to the highest qualified bidder(s), at a price not less than \$225 per square foot; and
- C. Authorize the City Manager or his designee to reimburse the Environmental Volunteers (EV) in the amount of \$300,000 from the sale proceeds of the TDR for expenses incurred for the rehabilitation and capital improvement of the Sea Scout Building.

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Mayor Burt: Would you like to speak further to your Motion?

Vice Mayor Scharff: Just briefly. This is a fantastic project. I think one of the great achievements of Palo Alto is that this occurred. It's fascinating to read the history of how the building was just slated for demolition, falling in. When I go by it, I'm just so impressed. It's such an interesting building. This is one of the great things when TDRs and rehabilitation of an historic building has really worked and really will be long-term for the community in a really fantastic way. Thank you for your efforts.

Mayor Burt: Council Member Wolbach.

Council Member Wolbach: On the question of getting a bathroom over there, which I think is very, very important, as was just mentioned, I do think that that's worth the City investing in. What kind of direction should we offer tonight in order to make sure that that can happen? To Staff or to colleagues.

Mr. Perez: A couple of ways. You can make a Motion tonight or you could add it through the budget process, because it would be a Capital Improvement Project (CIP). Either way.

Council Member Wolbach: I don't have any really strong preference on that, so I'd be happy to hear from colleagues if we should amend this Motion or we should leave it for the Budget.

Vice Mayor Scharff: I'm happy to add it in. I mean, if anyone's going to vote against it based on that, I'd like to hear from that too. I really do think we need a bathroom out there frankly. If we don't put it in at some point—we're not necessarily going to remember when we do the budget process. I've gone through enough of those budget processes that it's better to actually deal with it now if that's what Council wants to do. My preference would be that we give direction to go ahead and start planning out of the General Fund to build that—budget it out of the Budget Stabilization Reserve.

Mayor Burt: That's a preference, but you've got to actually amend your Motion.

Vice Mayor Scharff: I will amend my Motion to do that.

Council Member Wolbach: I will accept that.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "direct Staff to begin the

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process of using the Budget Stabilization Reserve to build a restroom at the site." (New Part D)

Mayor Burt: Council Member Holman, did you want to speak to the Motion?

Council Member Holman: Yes. First off, thank you to the Sea Scouts for restoring the building. As Allan mentioned, I was well aware of this ...

Male: (inaudible)

Council Member Holman: I'm sorry?

Male: Environmental Volunteers (inaudible).

Council Member Holman: I'm sorry, Sea Scout building. The Environmental Volunteers for restoring the building. It was the Sea Scout building when you first laid your hands on it. Thank you for that. It was falling into the Bay; it was flooding; it was in pretty bad shape. Thank you for doing that. I'm in favor of the Motion except what might be Part D there, which I'd like broken out separately. I think right now it's a little bit uncertain whether we'd do this from infrastructure or we'd do it from Budget Stabilization. How would it be funded, what would be the best way to fund it? If "D" could be broken off separately, I'd appreciate that. I'm certainly in favor of "A," "B" and "C."

Molly Stump, City Attorney: Council, if I could just interject on "D." That Item isn't specifically before you, agendized for tonight. I think it's fine for the Council to indicate a direction to Staff to start the process of coming back with some kind of recommendation or Action to fund the bathroom. I would not recommend that the Council take any specific Action on that Item tonight.

Vice Mayor Scharff: I'm hearing you want to direct Staff to begin the process of ...

Ms. Stump: I suggest that you leave it open as to what's the best funding mechanism to allow the regular Staff process to explore that and come back to Council.

Vice Mayor Scharff: I would direct Staff to begin the process of building a restroom at the site and identifying the funding source.

MOTION PART D RESTATED: Direct Staff to begin the process of building a restroom at the site and identifying a funding source.

Mayor Burt: Council Member Berman.

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Council Member Berman: I want to just quickly echo all of my colleagues, I think, in thanking the Environmental Volunteers for the work that you guys did to renovate the Sea Scout building, now EcoCenter. The Staff Report does a great job of laying out the very sordid history of the Sea Scout building. It's really just another indication of how lucky we are in our community that a private group was willing to step up and do the work to rehabilitate it and turn it back into a real community asset that folks of all ages are really enjoying. I wasn't that aware of you guys, of the EVs, until Dominic Dougall [phonetic] invited me to you all's event last year. It was a really neat experience and just made me appreciate you guys even more. I agree with what sounds will hopefully be a majority of colleagues. We made an agreement; it's important that we uphold that agreement. We as a City, even though times are good right now, have constant demands on our money. You heard tonight that we're looking at adding a bathroom which is going to cost even more. I think it's important that we utilize the tools that we have, and TDRs are one that have been approved by the City and the City Council. It's important that we utilize that opportunity and those funds as opposed to constantly digging into our General Fund, especially in this instance where it's not necessary. I support the Motion, and I would have supported "D" if it were in the Motion. It sounds like we'll just be giving direction to Staff tonight, which makes sense. We've heard a lot from residents that we need more restrooms at our open spaces and public facilities. Obviously this one is a very remote one, which makes it even more necessary and important for us to have restroom facilities there. Thank you again, and I look forward to supporting the Motion.

Mayor Burt: Council Member Filseth.

Council Member Filseth: I'd like to make a Substitute Motion, two parts, "A," "B" and "C." The City allocate \$300,000 from the Budget Stabilization Reserve to the EV for this project, instead of TDRs. Instead of "A," "B" and "C."

Council Member DuBois: I would second that.

SUBSTITUTE MOTION: Council Member Filseth moved, seconded by Council Member DuBois to:

- A. Allocate \$300,000 from the Budget Stabilization Reserve to fund this project; and
- B. Direct Staff to begin the process of building a restroom at the site and identifying a funding source.

Mayor Burt: Do you want to speak to your Motion?

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Council Member Filseth: Yeah. First of all, I think this is clearly the right kind of thing for the City to invest in. I think the group's done a tremendous job. This is exactly the kind of thing that makes sense for cities to do, and I think we ought to invest in it. I think in general our job is—if something's worth paying for, then we ought to pay for it. I think this is worth paying for. I think we shouldn't muck around with TDRs on it; I think we should just pay cash. It's simpler. We have it. It's the right kind of project. I think that's what we should do. When we use TDRs on something, it's sort of this limbo. We're sort of saying, "It's not really worth spending money on, but maybe we'll use TDRs instead." I think that's not the case. We sort of look at TDRs as kind of this free money thing, and it isn't free. If something's worth doing, we should do it. As to the Ordinance, if we repeal the Ordinance, then that says we can never do another TDR. That seems to me different than should we use TDRs on this project or not or in general, we shouldn't use TDRs. I think that's a bigger step than maybe we're prepared to do right now. I think this is a good project. We should do it, and we should pay for it and acknowledge that we're paying for it rather than trying to hide it and sort of slough off the costs onto residents in some other way.

Mayor Burt: Council Member Holman, are you speaking to the Substitute Motion?

Council Member Holman: (inaudible)

Mayor Burt: Sorry. Council Member DuBois.

Council Member DuBois: I'll keep it brief. Again, I think the City's only used TDRs like this one other time which was for the Roth Building where (inaudible) for a historic property that the City owns. I remember looking in the notes. Council Member Klein asked the question if money had ever been used for a nonprofit to restore a building. At that time, it hadn't happened. Kind of what Council Member Filseth said, just because we have an Ordinance on the books doesn't mean we have to use it. I'm not suggesting we get rid of the Ordinance, just that in this case it's a relatively small amount of money. I think we should live up to that commitment. My understanding is that any sale of TDRs above this has to be restricted again to historic preservation, so we can't just take that money and create a new bathroom. I don't know if we—it's actually a question for Staff. If we built a bathroom in the Baylands Center, could we use TDR money for that or is it restricted to historic buildings?

Mr. Perez: It's restricted to historical rehab.

Council Member DuBois: Is the Baylands building considered historical?

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Mr. Perez: I don't believe so. The Baylands Interpretive Center?

Council Member DuBois: Is that an historical building?

Mayor Burt: Council Member Holman, if you know the answer.

Council Member Holman: I do not believe that there's been a determination about that building. When the—maybe Hillary would know. I don't think that building was evaluated. It's very possible it is, but I don't think it's been determined.

Council Member DuBois: I look at it as we're paying money to maintain a City-owned building. I do have an Amendment. I think the second part of this, the EV asked that they be released from the construction obligations. I think we should add that to the Substitute Motion.

Mayor Burt: That would need to be added to either the Substitute Motion or the primary Motion if and when we return to that.

Council Member DuBois: For the Substitute Motion, I'd like to add a Point C to release EV partners from the construction obligation. That's it actually.

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Substitute Motion, "release EV from the construction obligation." (New Part C)

Mayor Burt: Council Member Holman.

Council Member Holman: Speaking to the Substitute Motion, a couple of things. One, we do have an Ordinance on the books. To abandon it, it seems to me like it would be a broader discussion rather than just changing what we're doing, what our process is. This was already approved in the past, which doesn't obligate us to do it. At the same time, we do have the Ordinance in place that is specifically for City-owned buildings. As to TDRs being sold for another City-owned building involving a nonprofit, no but City-owned buildings have sold TDRs before. The Children's Library is one, and there are TDRs available to be sold off the College Terrace Library. I'm going to be offering an Amendment to the Substitute which would apply to either the Substitute Motion or the primary Motion, if that's okay. For "B" in this Motion or "D" in the prior Motion, to direct Staff to work with the Parks and Recreation Commission to identify a site and a funding source.

Mayor Burt: At this time, it'll have to be just to the Substitute Motion.

Council Member Holman: Yes, but just to save time in case it goes back to the original. Again, for me it's like yes, we made the obligation. We have

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the Ordinance in place. This is not a time to—it's not agendized to abandon the Ordinance. I'm in support of the original Motion.

Mayor Burt: Council Member Filseth.

Council Member Filseth: I accept the (inaudible).

INCORPORATED INTO THE SUBSTITUTE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in Part B of the Substitute Motion, "direct Staff to begin the process of building a restroom at the site and identifying a funding source" with "direct Staff to work with the Parks and Recreation Commission to identify a funding source and location for a restroom."

Council Member Filseth: Can I comment on the Councilwoman's remarks too?

Mayor Burt: Go ahead.

Council Member Filseth: Just briefly. On the subject of the Ordinance, the Ordinance says that we can use TDRs. It doesn't say we have to use TDRs. I don't think we want to be in the situation where the only two choices are we have to use them if we have an Ordinance or we don't have an Ordinance. That doesn't make sense to me.

Mayor Burt: Council Member Schmid.

Council Member Schmid: Question for the Finance Director. \$300,000 from the Budget Stabilization Fund, what does that mean?

Mr. Perez: Right now at the moment, you're slightly above the 18 1/2. There's about \$1.3 million above that. The \$300,000 would be accommodated within the Budget Stabilization pending whatever else you do the rest of the year obviously. It eats away from your reserves and your flexibility.

James Keene, City Manager: May I add to that?

Council Member Schmid: Yeah.

Mr. Keene: We're still in the early stages of updating the estimates for the Fiscal Year 2017 Budget, but we're now more in a potential deficit situation. We'll either be having to make cuts there or we look at the Budget Stabilization Reserve Fund. While we've done a good job, I think, of estimating our potential Infrastructure Plan deficit funding, I think if we have alternatives, we should still be careful about drawing down on the reserve

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because we have a lot of other unfunded needs potentially, which we wouldn't have lots of options towards.

Mayor Burt: Council Member Wolbach and then I'm—sorry. You still have something else?

Council Member Schmid: I still have a comment to make. I think the building is a wonderful building. It's a pleasure to see in the Baylands. Walking by there, I hear people commenting on it. It's a pleasure to go in and see it. It's remarkable that the EV group was able to raise the funding for doing that. I take very seriously the commitment to the public. It's not just the public walking by and seeing it, but having an opportunity to participate in it. I guess with that in mind, I know the City has invested in some of its other properties such as a historical museum and other aspects where there are public-private partnerships. It does make sense the City participate and, rather than having a transfer of an issue from one area of the City to another, it would be cleaner and more direct for the City to have a direct participation in it. I will be supporting the Substitute Motion.

Mayor Burt: Council Member Wolbach, and then I'm going to want to speak because I haven't spoken to the topic, the Motion or the Substitute Motion.

Council Member Wolbach: Speaking to the Substitute Motion, a couple of questions for Staff. We passed up an opportunity for a TDR on another project not long ago. I'm trying to remember off the top of my head how much that was that we decided to spend City funds on instead of using a TDR.

Mr. Perez: About \$2.5 million for Avenidas if my memory's right.

Council Member Wolbach: You add this to that, and now we're getting closer to \$3 million combined if we were to pass on this one. What is the size of the Council's discretionary Budget per annum?

Mr. Perez: I believe you're talking about the Council Contingency.

Council Member Wolbach: That's the one. Thank you.

Mr. Perez: That's \$250,000.

Council Member Wolbach: That's what I thought. We're talking about tonight rather than using the TDR, spending more than our contingency amount per year. I will not be supporting the Substitute Motion.

Mayor Burt: I'll lump together some of my comments on the project as a whole as well as the Substitute Motion. First on the project as a whole, I

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think this building is now a real community gem. The building was both literally and figuratively taken out of the mud of a process and restored to real grandeur and a facility that I think the community will treasure for decades and decades to come. Thank you very much to Environmental Volunteers for just a great project and really in the tradition of a number of community public-private partnerships such as the Children's Library expansion and renovation, the Magical Bridge Playground more recently and even the Heritage Park playground which started off the Friends of the Palo Alto Parks movement. I'd also like to discuss this concept of what Council Member DuBois expressed as a concern about creating a precedent by using and following an Ordinance that we have. I actually would argue the opposite. I would argue that not following this Ordinance would be a precedent on a couple of levels. Not that we don't have discretion as to whether to use TDRs or not, but first there was a prior Council Action that had determined to use the TDRs. That's reversible. I just think it's not good governance to use what may be opposition to a policy and an Ordinance as a basis to change a prior Council Action, and essentially look for ways to do backdoor changes to Ordinances rather than front-door changes. I think that it's entirely appropriate for the Council to be able to reconsider policy at any time. We've had discussion about where we should be going with TDRs, and I think that's completely valid. I don't agree with a process whether on this one or we had a discussion, I think, last week that was similar on a different aspect on the California Environmental Quality Act (CEQA) analysis, to use a specific project as a way to set policy that hasn't been reconsidered as policy. That's the way we should govern. We have a responsibility to govern in a responsible way, not simply our own personal preferences at any given time. I think those are really important governance issues for us to bear in mind in the consideration of this. I would have no problem at all with us looking at a reconsideration of where we go in our TDRs. We already have made one major adjustment of not allowing a parking exemption any longer at the recipient sites. I did have one other question on just this bathroom location. I'm trying to remember whether the duck pond has or had bathrooms.

Mr. Perez: I don't believe there's a bathroom there.

Mayor Burt: And there never was? I seem to have this memory of being a 6 year old and getting relief there. Mr. Berkowitz, I think you were indicating you have an answer.

Mr. Perez: Hamid says there is a port-a-potty.

Mr. Berkowitz: There is a port-a-potty at the duck pond. All previous conversations with City Staff and Parks, etcetera, Community Services, the

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assumption was that a more glorified port-a-potty would be placed where the current basic one is. Obviously that's to be determined. All conversations have been replacing the duck pond port-a-potty with something more permanent.

Mayor Burt: Thank you. I will be supporting the initial Motion and not supporting the Substitute Motion. I think we've all spoken. Please vote on the board on the Substitute Motion. That fails on a 5-3 vote with Council Members Schmid, DuBois and Filseth voting yes, and Wolbach, Scharff, Burt, Berman and Holman voting no.

SUBSTITUTE MOTION AS AMENDED FAILED: 3-5 DuBois, Filseth, Schmid yes, Kniss absent

Mayor Burt: We will now return to the primary Motion. Would the maker and the seconder consider the issue that Council Member Holman raised? There's also a question of—on Page 2 of the Staff Report, Staff had asked for direction on two additional aspects.

Vice Mayor Scharff: Yes, I would definitely accept what Council Member Holman put in there, so we should add that in. Do you want to give the language again? We could have just taken it down from there, but I don't see it. There it is. Is that fine, Council Member Holman?

Council Member Holman: That is it. If I might just add one really quick comment having to do with Mayor Burt's comment about being a six year old. The offices that are currently in the Baylands that were previously the Park Ranger station, it may have been there. It might be a reasonable place to look to locate a restroom, because there's already plumbing there. That might have answered your question, Mayor Burt.

Mayor Burt: Could have been where I ventured.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace in Part D of the Motion, "direct Staff to begin the process of building a restroom at the site and identifying a funding source" with "direct Staff to work with the Parks and Recreation Commission to identify a funding source and location for a restroom."

Vice Mayor Scharff: I would also add in then, Number One which is on Page 1. Basically start with "amend Section IXB of the lease between the City of Palo Alto and the environment to release EV from the development and construction obligations of building a public restroom in the Baylands and authorize the City to assume and manage the construction of a public

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restroom." I would add "2" in as well. Are you good with that, Council Member Wolbach?

Council Member Wolbach: Yes. "2" gives us two different options. It's ...

Mayor Burt: He's just ...

Council Member Wolbach: Maybe we should just do it one at a time.

Mayor Burt: ... done the one, and now he's going to speak on two.

Council Member Wolbach: It wasn't clear. Thank you. Yes, on Number 1, I'd agree to that. I'll hear your thoughts on Number 2.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "amend Section IXB of the Lease between the City of Palo Alto and EV to release EV from the development and construction obligations of building a public restroom in the Baylands Parkland and authorize the City to assume and manage the construction of the public restroom." (New Part E)

Vice Mayor Scharff: I would go with the second option; I don't really have a strong preference. A reduction in the payment from EV to the City for the cost of construction of the public rooms from 75 to 35, giving them the credit. Is there any reason Staff would go with the first option which is just lower their payment? We're just paying them ...

Mr. Perez: I think we could have written it better. I think basically what they're asking for is \$35,000.

Vice Mayor Scharff: Would become their obligation.

Mr. Perez: Their obligation.

Vice Mayor Scharff: I just want to confirm with Mr. Berkowitz that's perfectly acceptable. I would suggest that we do that, that we lower their obligation from 75 to 35,000.

Council Member Wolbach: I'd be fine with that as well.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "reduce the payment from EV to the City for the cost of construction of the public restroom from \$75,000 to \$35,000." (New Part F)

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Vice Mayor Scharff: For Number 3, are you really looking for us to decide what to do with the money now? I would think you'd want to sell them and come back to us.

Mr. Perez: The way the Motion was structured by the Council then, the Council would consider any additional amounts. Obviously we don't know what they will sell for, assuming it does sell. It could be premature to make that call, but that was the way the Motion was structured in 2007, that the Council consider any additional amount.

Vice Mayor Scharff: I just have a question for Mr. Berkowitz and Council Member Holman on this. If we receive more than the \$300,000, that money needs to be used for rehabilitation of historic property, is that correct? The Sea Scout building is already rehabilitated. What are our choices here? Our choices are you can use it on Avenidas, we could use it on other things. Is there a commitment to using it for the Sea Scout building in past history? If the money's over, was that the thought behind it? Is that what you're asking for us tonight? If so, how would you use that money?

Mr. Berkowitz: I believe that ongoing maintenance of historic resources is included in acceptable uses of TDR Funds. Council Member Holman, is that correct?

Council Member Holman: I don't recall that being in the Ordinance. It's for rehabilitation costs. I don't recall it being for maintenance. It's my memory. I don't have the Ordinance in front of me, but that's my memory.

Vice Mayor Scharff: Why don't we just come back?

Mayor Burt: Yeah, we'll come back on that at a later time.

Vice Mayor Scharff: Do you need something in the Ordinance that says come back to us at a later time if there happens to be excess funds? Why don't we just put that in there?

Mayor Burt: Council Member Wolbach, are you good with those changes?

Council Member Wolbach: That's fine.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion, "direct Staff to return to Council at a later date regarding sale price and the use of any excess funding above \$300,000." (New Part G)

Council Member Wolbach: Actually, can I just ask a question about the Amendment? I didn't weigh in before. To "D," suggested by Council

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Member Holman, I just want to make sure I was clear that the change here was merely to add in the collaboration with Parks and Rec. Commission (PARC) and the rest was the same as what we had before.

Council Member Holman: The previous one said to direct Staff to begin building. That was a little premature.

Council Member Wolbach: That's fine. I'm fine with this. Thank you.

Mayor Burt: I see Council Member DuBois. I hope we're going to be able to all wrap up shortly. Council Member DuBois.

Council Member DuBois: I'm just confused on why we're directing this to come back to us again. In 2007, I guess Council Member Morton made a Motion that anything over \$300,000 would come back to Council. I think we can make a decision tonight and not take up more Council time. I think either we put it into a Fund for Historical Preservation. I would actually like to move that Amendment, that any amount over \$300,000 goes into a Historic Preservation Fund. The point is that the minimum sale ...

Vice Mayor Scharff: I would accept that with one thing. I am concerned about how they're going to maintain this building. If the Ordinance allows it, the money to go towards the Sea Scouts to help maintain this building, that would be my preference. If the Ordinance doesn't allow, then that's fine. It was unclear to me whether or not the Ordinance allows it. Are you good with the Fund, if it can't go towards them to maintain it?

Council Member DuBois: I guess we can't get that answered tonight.

Vice Mayor Scharff: I don't know. I've been unclear.

Council Member Wolbach: Can I weigh in on this?

Mayor Burt: Go ahead.

Council Member Wolbach: Maybe we should just add to direct Staff to return to Council at a later date if necessary under the Ordinance. Basically (crosstalk).

Council Member DuBois: I guess, part of my objection is I was actually more willing to put it into a Preservation Fund. If you look at the discussion—this is ancient history—they'd asked for \$250,000; Council capped it at \$300,000. If we're going to sell TDRs, which I've already registered my complaint against, if we're going to raise additional monies (inaudible), I don't see why we wouldn't put that in a Preservation Fund for future City buildings.

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Vice Mayor Scharff: Maybe I could hear from Mr. Berkowitz. Do you need money above this to maintain it? What is the plan for maintaining the building?

Mr. Berkowitz: We commissioned a Reserve Study when we moved into the building, projecting maintenance costs over the 40 years of our lease. That figure comes out to north of \$800,000 over the 40 years. We have the beginnings of a Building Maintenance Fund. We have been—as you've heard and as you know, from day one of this project, it was our assumption that TDR Funds would offset some of our own fundraising, allowing us to beef up the Building Maintenance Fund. Even with the \$300,000, long term our organization still maintains an obligation or will have an obligation to figure out where those additional funds will come from. The short answer is if it's allowable to have those additional funds for maintenance, they will go into the Maintenance Fund also and ensure the building's maintenance for even more years.

Mayor Burt: If it's all right, can I just add a comment on that? The City will continue to own the building and lease it to Environmental Volunteers. Correct?

Mr. Perez: Correct.

Mayor Burt: Out of this entire project, the City will and the community will now own an asset of which \$3.8 million has been invested. Consequently, I think it would be perfectly fair for this relatively small amount of potential surplus funds to go into the maintenance of the historic asset if our present Ordinance allows it to do so. For that reason, I'd support it.

Vice Mayor Scharff: That's the Amendment I'd like to make. I'm going to not accept your Amendment, unless you want to make that your Amendment.

Council Member DuBois: That's Fine. I'll make that.

Vice Mayor Scharff: He'll make that Amendment, and I'll accept it.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace Part G of the Motion with, "direct Staff to transfer any excess funds to EV for the maintenance of the building if allowed by the TDR Ordinance, or if not allowable transfer the funds to a historic renovation fund."

Mayor Burt: Council Member Holman, you need to speak again?

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Council Member Holman: Nope, it's been addressed.

Mayor Burt: I think that does it. Let's vote on the board.

Council Member Holman: Wait 'til it's captured.

Vice Mayor Scharff: He accepted. Did you accept it? You didn't accept it.

Council Member Wolbach: I will, but it's a matter of procedure.

Mayor Burt: We're all good to vote. Please vote on the board. That passes unanimously with Council Member Kniss absent. Thank you, and thank you to Environmental Volunteers for all that you've done. And your supporters.

MOTION AS AMENDED PASSED: 8-0 Kniss absent

5. PUBLIC HEARING: Adoption of an Emergency Ordinance Amending Chapters 12.32 (Water Use Regulations) and 16.14 (California Green Building Standards Code) of the Palo Alto Municipal Code and Adding a New Chapter 16.13 (Water Efficient Landscaping) to Adopt a Local Water Efficient Landscape Ordinance Pursuant to AB 1881 and the Governor's Executive Order B-29-15.

Mayor Burt: Our next Item is adoption of an Emergency Ordinance amending Chapters 12.32, Water Use Regulations, and 16.14, California Green Building Standards Code, of the Palo Alto Municipal Code and adding a new Chapter 16.13, the Water Efficient Landscaping section, to adopt a local Water Efficient Landscape Ordinance pursuant to State Assembly Bill (AB) 1881 and the Governor's Executive Order B-29-15. Mr. City Manager, are you kicking this off?

James Keene, City Manager: (inaudible)

Mayor Burt: Let the record show that Council Member Kniss has joined us.

Peter Pirnejad, Development Services Director: Good evening. Peter Pirnejad, Development Services Director, here to present the Water Efficiency Landscape Ordinance. I know there's been some questions that came from the community and from some Council. If it pleased the Council, if you'd like to decide how you wanted to move forward, if you'd like me to make the presentation first or should we address some of the questions first. I happy to enter into a dialog before presenting the entire proposal to Council. How would you like to proceed?

Mayor Burt: I don't think we want to go into full dialog on the substance of the Ordinance, but I think we want to have an updated presentation on

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alternative approaches that we can take tonight that might allow the Council and the community to address additional aspects of a perspective Ordinance and how we could proceed on that within the requirements of the State mandate.

Mr. Pirnejad: Very well. As you know, this is a State-mandated Ordinance to comply with the recent drought. Originally we had prepared this recommended Motion but, considering some of the concerns and comments that came up, let me jump right to some specifics. The specifics of our changes are to make minor amendments to the Bay Area Water Conservation Board that reviewed the State Ordinance. The State Ordinance is mandated; it's very confusing; it's very long; it's very complicated. Bay Area Water Supply and Conservation Agency (BAWSCA) attempted to take that State Ordinance and modify it. By modifying it, they made it—they consulted with agencies across the Bay Area, landscape architects, hydrologists, etc., and they came up with a revised version of the State-mandated Ordinance that was easier to comply. They had a third-party attorney review it to make sure that it complied with the State minimums. We took that Ordinance, took it to the Green Building Advisory Group, which we had our Retreat some month ago, and we presented to them. They asked us to make two modifications to that BAWSCA Ordinance. Those two modifications were lower the threshold, so it's easier to interpret which projects were exempt and nonexempt from the Ordinance. That threshold basically would require all permits that require a building permit or a planning entitlement to go through this landscaping review. That was the first modification. The second modification was that we would require a separate permit for all landscaping review to ensure that when someone pulls a building permit to, say, build a house, that building permit can be finalized, and the people can occupy that building while they continue to improve their landscaping. That can take still months after they've moved in. Those were the two modifications that we've made to the BAWSCA Ordinance. Just to be sure that we understood all the other provisions about turf and non-turf or planting, that's all in the State Ordinance and also in the BAWSCA Ordinance. To give you a quick rundown of the State's requirement, BAWSCA's requirements and then our requirements is Item Number 3. The State requires that all projects 500 square feet for new construction and 2,500 square feet for rehabilitations be subject to this—basically a Water Budget. You have two ways to comply with their Ordinance: a prescriptive path which dictates exactly what you need to do; and a performance path that identifies a Water Budget, and you can do anything you want within that Water Budget. You can have a desert in one portion of the yard and a rain forest in the other, if you choose to stay within the Budget. That's consistent throughout all three options. The second option, the Regional Ordinance, the BAWSCA Ordinance, just lowered the

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threshold a little bit. As you can see, they kept the 500 for new construction, and they lowered the rehabilitation from 2,500 down to 1,000. The only thing that we did that was different from the BAWSCA Ordinance was lower it so that all projects would be required. Keep in mind only projects that are required to get a building permit are required to get this additional landscaping permit. If you are just remodeling—if you are just re-landscaping your front yard and doing nothing else, you would not be required to get a building permit. You'd only be required to get a separate landscaping permit for a landscaping plan that's in conjunction with a building permit. I just wanted to make sure that was clear. Really, that's the main distinction from the BAWSCA Ordinance. The intent of the BAWSCA Ordinance was to simplify the State Ordinance, which we reviewed, and it's quite complicated. Any modifications that we make to the State Ordinance would have to be reviewed by a third party to ensure that it's consistent and not less restrictive than the State's. Ultimately, the State's Ordinance has to be complied with. Options today, before the Council, if I could just jump to the chase, would be do nothing. The State's Ordinance becomes effective. The cons to that—the negatives to that is that we don't have the ability to track those permits separately and report back to the State. The State Ordinance is very convoluted and confusing to our experts that have tried to review it. The State Ordinance is difficult for consumers to understand. That's an option. The second option would be to come back at a later time and just adopt the BAWSCA Ordinance, which is the exact same as the State with some modifications to simply the language. As you can see, the square footages have just been reduced a little bit. The third option would be to modify some of the typographical errors that we found, thanks to some of the comments from Council, and move forward with our Ordinance which would basically do what I've already mentioned. Understanding that this was a rushed Ordinance, it was an Executive Order from the Governor, so we have very limited time to respond to this. We engaged the public through the Green Building Advisory Group. We had a full day retreat. Water efficiency was a major topic of discussion, focused on the drought. We received a lot of public comment from that. Staff was involved. The BAWSCA effort was also a very public and transparent process, which we found out through various parties that invited us. It seems that this has gone through some public process. There's always room for more, and we can very well go out and do more as long as the Council understands that if we do nothing, the State's Code would be mandated. If, at some time, we decide to change that, we always can—it's just a matter of communicating that to the public and understanding full well that if we make any changes to the State's Code, we would need a third party to verify that it's more restrictive and less than the State.

Mayor Burt: More restrictive?

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Mr. Pirnejad: It cannot be less restrictive than the State's.

Mayor Burt: That's different from more.

Mr. Keene: We would need a third party to certify that the Ordinance that we adopt is not less restrictive than the State.

Mr. Pirnejad: Correct. I'm sorry.

Mr. Keene: That's it. Thank you. If I just might add to this. I don't want to jump the gun here, preempt the Council or any speakers. I think there's another variation on what Peter was talking about, about options, or maybe I missed one. A couple of things. One is, as is often the case, even our best attempts at inclusion and outreach and maybe particularly when we're under pressure with a deadline, we haven't necessarily cast the net widely enough for our community to, one, feel fully satisfied. Two, the Council could potentially spend a long time sort of getting your heads around not only what the Staff has recommended here but the relationship between what the Staff has presented with what BAWSCA talked about with what the State law is. You also have what I would guess is a pretty involved and complex discussion on your next Agenda Item dealing with the Comprehensive Plan (Comp. Plan) and the meeting with the Citizen Advisory Committee (CAC). In some sense, both as it relates to time management and then the implications of, say, not taking Action tonight, I would just suggest that you might consider with this understanding. At a minimum, the new State law or directive goes into effect, if I understand correctly, in February?

Mr. Pirnejad: February 1st.

Mr. Keene: February 1st. There probably will be things in the State law that folks will not understand or will not like. That being said, any change from the State law that we would make, or the State directive, as Peter has mentioned, cannot be less effective or less restrictive than what they have. I think that it's, at least to my reading, fairly clear that what we have proposed goes further than the State directive at this point. I would suggest that, one, the Council could—it may be in your best interest—consider not attempting to craft a revised Ordinance tonight from what you have; accept the fact that the State Ordinance would go into effect; and then if you hear from folks from the public or however you want to ask some questions, direct us to come back as soon as possible in the right setting for the Council for us to just pour through what the final form should be. It doesn't sound to me like there's a lot of risk in this interim. The real issues sound to be like maybe a little complexity in tracking what happens through the permit process in the short term. I would imagine that we could get back to the Council pretty quickly for your decision on whether you want to adopt some

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regulations that go beyond or take a different form but are not less effective than what the State has proposed. My sense of the nature of the questions that some of you, comments that you all have made in submitting questions and some, I think, warrant comments from community members, folks like Canopy, that I think do need to be respected. I'd be very uncomfortable as City Manager in recommending to you that I thought that we could effectively slog through this tonight and come out with a new Ordinance. I want to be clear in this. I don't think there's a big risk in us sort of taking a little bit more time to put the Palo Alto premium on this next step, but you may feel differently about that or at least want to either hear from some folks in the public or commentaries from yourself. We're happy to answer questions. Thanks.

Mayor Burt: Before any other questions, I think it would be good to just acknowledge that, one, this did come to us and other cities as essentially a short timeframe mandate from the State, having characteristics of an Urgency Ordinance even if it wasn't officially declared so. On the other hand, I don't think it's necessarily a Palo Alto premium to do some of the inclusion that members of the public and, I think, members of the Council are concerned with. In our Staff's best intention to get this through on time, if we didn't include our City Urban Forester and our arborist in something that very much is within their purview as well as the Development Center, and then we have community partners who are ordinarily involved in certainly our tree canopy and also in our landscaping. Whereas, the Green Building Advisory Group is principally involved in physical structures. I don't think it's going beyond the norm to have those participants in this discussion. I think it's what would have been proper. Acknowledging that we can't go back in time, what we have before us is what's the best way to contend with moving forward, having Action. Inaction tonight constitutes action. If we don't take a specific adoption, then by default the State Ordinance becomes our Interim Ordinance. Just to bear in mind that we don't have to take the formal Action for that consequence to occur. What I would suggest is that we, at this time, if we have any technical questions on, in particular, the process and if we are in agreement with what the City Manager just framed that we would not have the time to go into an in-depth discussion and framing of alternative language and composition to the Ordinance tonight and still get on and do our important meeting on the Comp. Plan, then I would suggest that we focus on process, and then give members of the public who came to speak an opportunity to comment on it, so that we'll have that input as well. Let me open it up to any really process questions at this time from Colleagues, if there are any. Council Member Wolbach.

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Council Member Wolbach: First, let me also acknowledge, as Mayor Burt did, that Staff was really under a time crunch here due to State action. I fully appreciate the best efforts by Staff to bring us something in short order. Great work but, as we've acknowledged, we want to see a little bit—at least I would like to see a little bit more outreach. I know we're not doing Motions right now. I wonder if maybe a good process going forward would be to have Staff do a little bit more outreach to the community, have ...

Mayor Burt: Council Member Wolbach, let's do technical questions, then we're going to hear from the public, and then we'll return and we can talk about process, what we want to occur versus at this time questions about the process.

Council Member Wolbach: Here's a question about process. Could Staff—what would the timeline look like? Would it be possible for Staff to do a little bit more outreach to some of our community groups, other stakeholders that weren't included in this drafting, and then bring any further revisions back to Council? What would that look like for Staff workload and also for timeline?

Mr. Keene: One, yes, I think we can do that in a timely fashion. I think we can design that, but I would hope that, by the time you end the discussion on this Item tonight, we've gotten a sense of some of your thoughts about some of the outreach and the participants who do need to be involved. Then, what I would say is we would pretty promptly, certainly by early February, be able to talk with the Mayor and Vice Mayor as we're looking at the Agenda and setting the Agenda to identify a tentative date when we could roughly be coming back to the Council. We could let not only you know, but the broader community know how quickly we would be back on that.

Mayor Burt: Council Member DuBois.

Council Member DuBois: My understanding is we have a February 1st deadline to adopt something. I guess a third option that I haven't heard discussed is we could just adopt the BAWSCA Regional Ordinance instead of the State tonight. Right?

Mr. Pirnejad: We couldn't do that, because we didn't notice that we were going to adopt the State Ordinance. We noticed that we were going to adopt our local Ordinance. We'd have to have a public hearing to adopt the BAWSCA Ordinance without any modifications. What you have are modifications to the BAWSCA Ordinance.

Council Member DuBois: We could adopt the BAWSCA Ordinance, say, at the next Council meeting before February 1st?

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Mr. Pirnejad: Maybe that's a City Attorney question.

Council Member DuBois: As long as we sent out notice by tomorrow or Thursday?

Molly Stump, City Attorney: It certainly isn't consistent with the Council's timeline on publishing the Packet, but it does meet the State law minimum legal standards to agendize that at the next meeting. That Agenda has already been released and the materials have been printed. That would require an exception process by the Clerk.

Mayor Burt: Can I offer two ...

Ms. Stump: Assistant Clerk points out that—I'm sorry, Mr. Mayor. Just to add a public hearing notice requirement in the newspaper, which is a longer period of time. Is it 14 days?

Council Member DuBois: Technically, our options are ...

Mayor Burt: Let me clarify. Inaction—there is another option—that means by default we will have adopted the State Ordinance. We don't have to take a deliberate Action to do that. Second, if the City Attorney will confirm this, I don't see—even though we didn't agendize the BAWSCA Ordinance, what's before us tonight, we could amend that and delete everything that was added in, if we wanted to go through that extensive discussion. I'm not advocating it, because I think that would be a long discussion to do so. That would be permissible under the Agenda, I believe.

Ms. Stump: I suspect that that is correct, that it's within the scope of what has been agendized. I would underline the Mayor's comment that we would caution against that kind of "on the fly" drafting when you're dealing with a complex item like this that affects the public. We would want to carefully review that language.

Mayor Burt: We're saying our real options tonight are to adopt it as-is or to do nothing and adopt the State Ordinance.

Ms. Stump: Two options. To defer the Item for further consultation, community outreach and review, in which case the State statute, which has already been adopted by the State Legislature, will become effective February 1st and will apply in Palo Alto. You then can adopt a local Ordinance that looks exactly like the BAWSCA Ordinance or has some other modifications to it subsequent to that, and that would then be the governing Ordinance in Palo Alto. Option Number 2, you can adopt the Ordinance that's before you and also direct that further outreach and community

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review be done, and then come back with any amendments or adjustments to that Ordinance. In that case, the State version would not ever go into effect here.

Council Member DuBois: Thank you.

Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: Just briefly. Could you come back to us when you do—if we do what the City Attorney suggested, go do the outreach, all of that stuff, when you come back to us, is it possible to explain to us what the Ordinance looks like from a practical point of view? There will be no lawns allowed or yes, you would be able to do a lawn, but it would look—there probably would be no more than this square feet, or if 80 percent plants, if 500 square feet that people are looking at, is it the entire yard that counts for looking at the 80 percent of natural plants or is it just the part that they're redoing? How does it affect all planting and flowers? How does this all work in terms of what is the built environment look like? That's really one of the things I'd like to see if we come back. I just want to know if you think you could do that in a way that seems practical.

Mayor Burt: At this time, let's hear from four members of the public. Catherine Martineau to be followed by Shani Kleinhaus. Welcome.

Public Hearing opened at 7:44 P.M.

Catherine Martineau: Thank you, Mayor Burt, Greg Scharff, Vice Mayor, and thank you also City Manager. I'm going to be very brief because you guys basically are starting debating the questions that I had. I'm actually very pleased that you're considering a new process and not adopting the proposed Ordinance as it is before you tonight. I really think that you should let the State Ordinance rule for now and invite the community members, the stakeholders and your experts on Staff, because you have landscape experts on Staff, to create something that will be much better. Even if it's not very much better, it will at least bring all the explanations. I'm like Vice Mayor Greg Scharff, I don't really understand it. I think we need an understanding in order to get buy-in from the stakeholders and from the community. Thank you very much.

Mayor Burt: Thank you. Our next speaker is Shani Kleinhaus, to be followed by Mike Ferreira. Welcome.

Shani Kleinhaus: Thank you, Mayor Burt, City Council. Shani Kleinhaus with Santa Clara County Valley Audubon Society and a resident of Palo Alto. I think the answer to Vice Mayor Scharff's question of what is this going to

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look like is really in the documents that I handed together earlier. That's how we build a resilient community in Palo Alto. There is a beginning of a discussion that can be built upon by the Urban Forest Master Plan and other resources that the City has both internally and with the stakeholders (inaudible) to actually interpret that into something that is viable, sustainable and really supports everything that we want. The Ordinance that the State imposed upon all of us is important. It also could have quite significant impacts to our landscape and our quality of life. How do we work with that is really in those documents that I handed out, and that's why I handed out those documents. I think it's an opening to a much larger discussion that needs to happen. I thank you for looking into just going with the State mandates for right now and working on this further. Thank you.

Mayor Burt: Thank you. Mike Ferreira to be followed by Hamilton Hutchings. Welcome.

Michael Ferreira: Good evening, Mayor Burt, Council Members. My name is Mike Ferreira. I am here tonight as the Chapter Chair of the Sierra Club's Loma Prieta Chapter. I will be short-winded. I appreciate very much the direction that the Council is taking tonight. I look forward to speaking at the next meeting on topic. Thank you.

Mayor Burt: Thank you. Hamilton Hutchings to be followed by our final speaker, Doria Summa. Welcome.

Hamilton Hitchings: Hi. I'm Hamilton Hitchings speaking as a resident. This is not an issue I've been following closely, but I was reading the *Palo Alto Online* today. A question came up, which is can I actually re-landscape my lawn. One of my short-term goals is to put in some lower-use water, not a bunch of cacti but actually replace it with grass which is water efficient. I couldn't tell from reading it whether that would actually be allowed or whether I'd be required to either keep my old lawn and let it die. That's a question. Afterwards, I have a statement.

Mayor Burt: I'll just add that I think Staff has clarified—it wasn't quite clear in the Staff Report—only if you would be doing your re-landscaping in conjunction with a building permit would you fall under this regulation.

Mr. Hitchings: That's really helpful. My second comment is we have a lovely urban forest and a very vibrant City. I hope that whatever we do, it will continue to support the trees; we don't damage the trees. I appreciate the direction this discussion has been going, towards the State Ordinance. Thank you.

Mayor Burt: Thank you. Our final speaker is Doria Summa.

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Doria Summa: Good evening, Mayor and City Council. Thank you for letting me speak. Thank you, Staff, for responding so quickly to the Governor's Executive Order. Just really briefly, I would agree with the other speakers. I have concerns about unintended consequences from this. In fact, I'm worried the property owners may choose to pave with impervious materials and use fake turf, and it'll happen to such a degree that we will really make an inhospitable environment for insects and birds and really affect the health of our soil long term and also our trees. I thank you for taking a good look at that. Thanks.

Public Hearing closed at 7:49 P.M.

Mayor Burt: Thank you. Let's return to Council for direction. I think what we want to first consider is process direction, and only if we elect to take this up in-depth tonight would we go into discussion of content. Council Member Holman.

Council Member Holman: Actually I was ready to make a Motion. I would move that we take no Action on the Ordinance in front of us. That would be "A." "B," that we direct Staff to come back in—was there a decision about 90 days, 120 days or do you want to ...

Mr. Keene: We didn't identify the timeframe. If you could leave that open-ended, we could do some reconnaissance first to estimate what's a realistic timeframe.

Council Member Holman: Appreciate that. "B," ask Staff to return at the earliest possible time after first convening a stakeholder group to consist of such groups as Canopy, Acterra, Audubon, Gamble Garden—it's not a complete list, just "such groups as"—also after discussion and collecting input from Parks and Recreation Commission and relevant Staff such as Urban Forester and Arborist. "C" would just be a quick note to conduct these review processes in conjunction with and keeping in mind the Urban Forest Master Plan and the Parks Master Plan.

MOTION: Council Member Holman moved, seconded by Council Member DuBois to:

- A. Take no action on the proposed emergency Ordinance; and
- B. Direct Staff to return at the earliest possible time after convening a stakeholder group made up of groups such as Canopy, Acterra, Audubon, and after discussions with the Parks and Recreation Commission and relevant City Staff including Urban Forester and Arborist; and

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- C. Conduct review processes keeping the Urban Forest Master Plan and the Parks Master Plan as part of input consideration.

Mayor Burt: Did you want to speak further to your Motion? We have a second by Council Member DuBois.

Council Member Holman: No—just a few comments. Most of the questions that you see in front of you are ones that I had raised the other day. I just have concerns because, while some things are maybe obvious to Staff who's been involved in this, they're not obvious to me. I went through the Ordinance, so I don't see any reference to Canopy. I don't see any reference to heat island effect. While Staff mentions that that's addressed in the California Green Building Code, I think it's important for an Ordinance to be effective to at least reference that, at least cross-reference it. Otherwise, we end up with unintended consequence or people, who don't have some kind of working knowledge of unintended consequences and what isn't really desirable, could end up doing things that are actually counterproductive to water conservation. There's a lot of landscape that creates habitat, provides habitat, and actually provides cooling for water retention and less water evaporation. I think keeping those things all in mind will be helpful in terms of any Ordinance that comes back. Lastly, when the Ordinance comes back, I think it's going to be helpful to note where the differences are between the State Ordinance and what Staff is proposing. I don't think that was very clear in what was put in our Staff Report.

Mayor Burt: Council Member DuBois.

Council Member DuBois: I'd just echo a lot of these comments. I think you guys are getting a sense of the feedback from the community here. I think talking to some of these groups and experts—I think one of the concerns definitely is the impact on the ecosystem. If it's all native plants, what would nurseries have available? In some cases, it can be a very limited inventory. Do we end up almost with a monoculture in terms of landscaping? I think part of the Palo Alto way here is really looking at saving water for sure, but having a healthy ecosystem at the same time and exploring some of those options. Again, Peter, the way you described it tonight made sense to me, but when I read the Ordinance, I didn't read that you had to have a building permit. Just make sure the language is clear and correct. There's a thing in here that you don't have to apply unless you have new or expanded water service. Even if you didn't have a permit but you were going to use more water, it sounded like it could trigger this. Again, I think being very clear of who's impacted and when.

Mr. Pirnejad: We'll be clearer.

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Council Member DuBois: The other portion that wasn't really—we didn't really touch on at all tonight is kind of the storm water, rainwater retention section of the Ordinance. At the same time, we're having a discussion about basement dewatering. It just struck me, if somebody followed this Ordinance and put in a lot of the groundwater retention, what would happen if their next door neighbor started pumping for a basement. It seems like they would be in conflict, and how are we going to handle that. I think the final point here is just we're in line with kind of green building ideas, but let's also be in alignment with our Urban Forest Master Plan.

Mayor Burt: Council Member Wolbach.

Council Member Wolbach: Something that Council Member Holman said that I just want to build upon a little bit. I don't think it needs to be in the Motion, but when it does come back to us, if it's not too difficult for Staff to put it together, either in table form side-by-side or consecutive lists, just highlighting and comparing and contrasting what's in the State, secondly what's in the BAWSCA, and then thirdly what's in what we're proposing locally, so we can kind of see the three of those all either lined up next to each other or consecutively, the State, the BAWSCA and our local proposals, just to compare and contrast. I think that'd be very useful for the Council, the public consideration.

Mayor Burt: Council Member Filseth.

Council Member Filseth: I think this is the right direction. I was just going to say banning lawns in new houses or in maybe substantial remodels seems a little extreme. I hope that one gets some substantial dialog before we go forward with it.

Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: Thanks. I would definitely support Council Member Wolbach's idea of a table. I think that would be very helpful. I guess I'm also going to ask legal as much as possible to look at the Ordinance and figure out where the flexibilities are, that we could write different ways. That's one of the key issues; what does it mean, at least for me, to be—how did you put it? As restrictive as the Ordinance, it wasn't that language. Whatever the language is and how we interpret that seems to be a key to our flexibility. I guess I'd like some substantial thought put into how that actually works.

Mayor Burt: Council Member Schmid.

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Council Member Schmid: I don't want to underestimate the challenge of coming up with a low-water use Ordinance. One of the speakers pointed out a good way to start is take a look at the book that was handed out. It shows the Bay Area natural environment. Ninety percent of the people of Palo Alto, maybe 75 percent, live in lands that are naturally wet meadow leading to salt flats. We've all seen pictures of Palo Alto in the '20s and '30s; there's nothing here, nothing more than six inches off the ground, wet meadow. Now we've covered a lot of that with concrete, so what is native here that we can plant? We can't replant a wet meadow because there's houses. We've created a canopy; it wasn't here in the 1920s. It has made it a beautiful, peaceful, natural setting that's nonnative. How do we think through ... There's the three goals you list: our plants should be native, low-water use or no-water use. What does that mean in our natural setting of wet meadow? Nothing fits in, nothing native would fit in our current environment. How do you think through creating a drought-tolerant environment that still captures some of the urban beauty that we have? I don't think it's easy. I think there will probably be an extensive dialog of how do we deal with the canopy, how do we deal with what is native here, what is the amount of water that we should be investing in our natural beauty. I think there's some big challenges that won't be easy, but look forward to coming back.

Mayor Burt: I'll just offer a few comments. First, I don't think that there's a misconception that we're going to be able to restore our original natural landscape, but we can move more in that direction over time. That's a really valuable and important action for an environment where we have taken away the natural habitat largely outside of our preserved areas. I want to thank Shani Kleinhaus for providing these materials and the work that the Audubon Society has done with Google in developing what I think is a really important vision going forward. This is going to help provoke a discussion about the convergence between a sustainable water supply and a sustainable natural environment that, over time, will rebuild our natural habitat and help recreate a local ecosystem that is not a foreign one, but more aligned with our natural ecosystem. I'm also looking forward to whatever portion of our Sustainability and Climate Action Summit will be able to discuss these opportunities and tensions that, I think, can be reconciled. Just on a specific level, I want to encourage Staff to include considerations of permeability of hardscape as we go forward and thermal impacts of landscape which are important environmental considerations as well. On that note ...

Mr. Keene: Mr. Mayor?

Mayor Burt: Yes.

TRANSCRIPT

Mr. Keene: Just a clarification. In the Motion itself, I guess under Part B, I'm interpreting that "directing Staff to return at the earliest possible time" would be with a Draft Ordinance. Correct? We're just not returning to just return after we talk to folks.

Mayor Burt: Yes. I hear the maker support that language change. The seconder is fine as well? Yes.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion Part B, "with an Ordinance" after "earliest possible time."

Mr. Keene: If I might add in the same spirit as Council Member Wolbach's points about a comparative chart, Vice Mayor Scharff's comments about sort of clarity of language so that the Council has better understanding, to just reiterate the Vice Mayor's suggestions that we have kind of practical, real-life examples as part of the Staff Report at a minimum when it comes back related to those items. Just so that's on the record, we would be building that in too. Thanks.

Mayor Burt: I meant to add one more brief comment out of concern that we might have monocultures if we adopted a greater portion of our landscaping that was indigenous plants. I don't have that fear at all. We have a number of outstanding nurseries that specialize in native plants, and most of our nurseries already have portions that are devoted to native landscaping. I expect that that's going to be a growing response to the market, not just as a result of our program but the State law. Just as we didn't have the renewable energy supplies 10 or 20 years ago that we have today, but they get built in response to these sorts of mandates. I see that, Council Member Kniss, you wanted to speak.

Council Member Kniss: I was trying not to. There's one issue in this that has troubled me for a long time now, which is artificial turf. I'm sure you will take a look at that. I am so opposed to it. We had an experience with it last summer. It reaches temperatures of 120, 130 easily. Dries clothes very quickly by the way. It truly is—I felt it was absolutely a deterrent to the kind of landscaping that I saw. It looks attractive for a short time, but I hope you will look at that carefully. I'm not sure that we can come out totally against it, but I can certainly as one Council Member register my opposition.

Mayor Burt: Thank you. Let's vote on the board. That passes unanimously. We look forward to this process going forward and returning to the Council at a future date. Thank you.

TRANSCRIPT

MOTION AS AMENDED PASSED: 9-0

Mayor Burt: Let's take a five minute break.

Council took a break from 8:05 P.M. to 8:16 P.M.

6. Joint Session With the Citizens Advisory Committee for the Comprehensive Plan Update: Introduction to the Comprehensive Plan Update Draft Environmental Impact Report & Review of Next Steps in the Planning Process.

Mayor Burt: At this time, we'll be starting Item Number 6 which is a joint session with the Citizens Advisory Committee (CAC) for the Comprehensive Plan (Comp. Plan) Update. It will entail an introduction to the Comprehensive Plan Update Draft Environmental Impact Report (EIR) and a review of the next steps in the planning process. I think our first step is our Planning Director Gitelman will kick this off.

Hillary Gitelman, Planning and Community Environment Director: Thank you so much, Mayor Burt, Council Members and Citizens Advisory Committee Members. Happy new year. I wanted to start off by introducing Jeremy Dennis, who as many of you know joined the City in the course of the last year and jumped in with both feet. Both he and the Citizens Advisory Committee have gotten up to speed incredibly fast. They've had a very productive six months or so, and we're looking forward to a very productive 2016. We hope that Jeremy's presentation will kick off a good discussion this evening. We're really hoping first and foremost that we have an opportunity to look each other in the eye and make sure that we have a process for this year that is going to be productive and get the Council what the Council needs in terms of information to make wise decisions and provide sufficient direction to the Citizens Advisory Committee to really have a great and thorough review process this year. Jeremy.

Jeremy Dennis, Planning Manager: Thank you very much for the introduction, Hillary. Mayor Burt, congratulations on your election to Mayor. Happy new year everybody. There's so many more of you up there now. It's impressive.

Mayor Burt: We thought we were going to reduce the Council.

Mr. Dennis: Something has changed. I am certainly excited to be here tonight on behalf of the long-range planning team and the CAC to introduce you to the Draft EIR booklet that's in front of you and the concepts within the Draft EIR. Let's take you through our presentation. Most of you are familiar with what the Comp. Plan is. For us, this is really exciting. This is a

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once in a lifetime generation undertaking. It's the primary tool for guiding future development. As you know, this process was rebooted in 2014 with extensive Council direction. That direction included development of an integrated collaborative process between the community, the Council and a representative body of residents to build a new Comprehensive Plan. We expect to present the updated Comp. Plan back to you at some point in early 2017. Familiar with this structure here. What you see is the State requirements behind organization, what our Comp. Plan has and what the new one has per your direction. It's worth noting that there's general consensus right now that the current Comp. Plan or the existing Comp. Plan is actually sound and doesn't require an extensive rewriting, so that's the way we have been pursuing our business. This is another graph that you're familiar with. It's a representation of the nature of our ongoing processes developed under your direction. As you can see, there's many opportunities for check-in updates as well as public participation. Not listed here is the tool that we've employed to gather broad community input, the digital commenter. To date, we've had thousands of unique views and hundreds of comments on elements placed on line for review. It's been a very successful tool. With you tonight is the CAC in the first two rows. It looks like mostly over here. I can't say enough wonderful things about this body. The CAC has spent countless hours of their time on the update process, sharing their expertise, offering new and exciting suggestions and even on occasion having spirited debate. All of them are true citizen advocates, and I wanted to thank them personally for their outstanding contributions to this process. Special thanks goes to our Co-Chairs who are up in front of us tonight, Arthur and Dan. You've both made this a much better and much more fun process. I thank you as well. If you can't read the placards that are behind us, here is the full list of those members of the Citizens Advisory Committee that this body has appointed. Not everyone could be here tonight, but I'm sure a few of them are watching from home. One additional thing I do want to say is that there is one missing name from the list here. It's Jared Jacobs who actually resigned from the CAC last week. I wanted to mention that Staff is going to be recommending that, instead of making an appointment to add someone who would be very much behind in their workload, continuing with the existing group, we think, makes some sense. Pretty self-explanatory description here of what the CEQA process is. The first two bullets provide some basic, general information about what we do under CEQA. The next four are a reflection of the process that this Council has adopted related to the Draft EIR moving forward. June 2014, there was a scoping and Notice of Preparation. In December, this body authorized a Draft EIR to study impacts from the land use scenarios that we'll be talking about in a moment. In 2015, there was the—authorized the development of a fiscal analysis. We concluded the set of outreach activities with the Summit as the Draft EIR preparation continued. Our Comp. Plan Draft EIR,

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it's coming to you in a couple weeks. It's a legally required document to analyze and mitigate these impacts that will be discussed therein. It's going to inform along with the fiscal analysis the critical choices ahead. One of the things I'm sure you noticed about the Packet was there was not a Draft EIR in it itself. Tonight, really what we're doing is we're just introducing you to what the Draft EIR does and shows. A little background on that. We'd scheduled this meeting coming forward on the Draft EIR a few months ago. When we realized that the EIR itself would not be ready, we wanted to preserve this opportunity and start with a high-level concept conversation with you. Given the Draft EIR's nature, we fully expect some confusion on how to use it, so we wanted to use tonight to have that conversation. A couple of high-level issues we wanted you to note. Really, Number 2, the second bullet, is the most important for us. The heart of the Draft EIR is this concept of the four scenarios that the Council requested, that Staff developed to provide quantifiable data on a suite of potential land use decisions that could be made in the Comprehensive Plan and in our Zoning Code. It's important to note this. These land use decisions are not prescriptive. They could be interchanged with similar decisions to generate the results. In fact, Staff fully expects that none of these scenarios will be adopted or implemented as is. They could be mixed up; they could be combined; new ideas can be introduced. We could create a final scenario that would be used in the blueprint moving forward. We do ask that no one get tied to any specific element related to the land use concepts you'll be hearing. This is just a map of what the sphere of influence is in our area. This is a concept that you'll see reflected in the next few slides. It's essentially Stanford University included with the City. There are four scenarios. This is the first one. What you see is a small chart showing what the anticipated additional growth would be under housing units, population and jobs. The City and then the City and Statement of Intent (SOI). Really this is the no project alternative, if you've followed Draft EIRs before. This is as if nothing changed. We'd keep going under the existing Comp. Plan. There's no new significant zoning changes. We implement the City's infrastructure plans as is, and we don't implement any new growth management strategies. Fairly straightforward, it's required under State law and CEQA. Scenario 2 we dubbed "slowing growth." You can see here that the numbers have changed a bit; they're smaller than the previous slide. I'll have a summary slide at the end of this, so you can see them all compared to one another. This is the most aggressive job growth slowing that we see in our four scenarios. A whole set of potential Retail and Development (R&D) and office limits, other mechanisms explored. There's some discussion related to smaller housing units, keeping existing densities, though; that's important. You can see the other elements here. Scenario 3, we call that "housing tested," because this is the first opportunity within the four scenarios to start moving housing around, particularly those housing

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sites in the south that the Council has deemed they want to have some conversation related to seeing that changed, some higher densities, encouraging smaller units. We're also testing the idea of a Caltrain grade separation using a trench, which you're all very familiar with. This also includes some growth management measures in Downtown in particular, a couple other areas but not as aggressive as Scenario 2. The final Scenario, Scenario 4, "sustainability tested." What's interesting about this Scenario is that we're actually not testing any real aggressive growth management tools. In fact, there really isn't any. Instead, what we're doing is we're testing the maximum amount of sustainability measures as possible. There's a whole suite of ones that you could consider within here that would get you to these numbers. It does also do the housing—moving the housing sites from south El Camino and adding some additional sites. Here are the summary tables that were listed in the last four slides. Above is City only, and below is City and SOI. You can see growth from left to right and from Scenario 1 to Scenario 4. Most of you are familiar with the Draft EIR and what it studies. These are the 18 different issue areas studied within the Draft EIR we're required to do. For those who aren't familiar with this process, each of these elements are tested against a set of thresholds to determine the level of impact and potential mitigation needed. That will be reflected in the hundreds of pages that you'll see in a couple weeks in the Draft EIR. I want to just give you a sample of some of the metrics that are considered within the Draft EIR. These are just a few that we picked. We'd have a dozen slides if we tried to put them all up there. This is the level of detail that we go into and that you'll see reflected throughout the upcoming document. This is a short summary of some of the key findings. I think it's important enough to kind of read through these very quickly. Association of Bay Area Governments (ABAG) is projecting new residents, growth of new residents, 310,000, and 14 percent job growth Countywide by 2030. We see in our findings that shifting housing sites north and increasing residential density along El Camino Real would not dramatically alter impacts. Vehicles Miles Traveled (VMT) per capita will decrease with significant regional and local investment in transit. A programmatic mitigation can require enforceable Transportation Demand Management (TDM) plans and payment of impact fees to address peak hour congestion. We do see a decrease in the ratio of acres for parkland per resident. We do see actually a pretty significant decrease in Greenhouse Gas (GHG) emissions, and we'll be able to meet the State's goals in that regard. The Draft EIR will have obviously some pretty lengthy descriptions of the impacts and mitigations within, but we're not getting into any level of detail on those this evening. I did want to point out Bullets 2 and 3 here. The vast majority of impacts can and will be mitigated. Those mitigation measures will be part of our discussions with the CAC and this body and getting them included into the Comp. Plan moving forward. We have a lot of work ahead of us. This is just a small

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smattering of some of the upcoming meetings that we have. Discussion next week related to the Sustainability and Climate Action Plan (S/CAP), and there's a relationship obviously between the Comp. Plan and the S/CAP. There were some handouts that we had out earlier discussing that relationship. We've got a joint meeting with the CAC regarding housing in February. You will be seeing the Draft EIR fiscal analysis coming up next month as well. We have a number of other meetings with the CAC, the Council, and the subcommittees, which aren't listed up here, over the course of the next year. I would like to note at the bottom that we are planning some future meetings with the Council, partially reflected here, most importantly in June bring back L-8 for consideration by this body, because you guys didn't get to finish the last time we were here. I know Hillary wanted to make some brief comments, but that concludes my presentation. At this time, we'll turn the conversation back over to you and what we'd hoped to hear from you tonight, any questions you might have about what we've done, the process so far, and any thoughts or suggestions you have as we continue this process into this new year. Thank you very much.

Ms. Gitelman: Thank you, Jeremy. I really don't have anything to add at this point we're, of course, available for your questions. I'd just say again we're not really expecting Action this evening. We're hoping to get questions and comments from you, particularly about looking forward in the process. I want to acknowledge Council Member DuBois provided some comments, which we responded to, making clear that we do expect to schedule more meetings with the City Council than was shown in the attachment to the original Staff Report. Jeremy talked about some of those related to housing, growth management, policies. Also a hearing on the Draft EIR, and at some point we'll ask the Council to identify the preferred scenario that will ultimately move forward in alignment with the Comprehensive Plan Update. That would happen after the public comment period and everybody gets a chance to weigh in on the our scenarios, what they like, what they don't like, what they'd like to add, what they'd like to change. The Council will get the enviable opportunity to synthesize all of that input and come up with a final scenario to move forward in the planning process. Thanks very much.

Mr. Dennis: I had one last thing, just to remind the CAC Members here. This is a joint meeting, so we're hoping for participation from you as well. You're not just listening. If you have any questions, please feel free to ask those. Thanks.

Mayor Burt: Thank you. I also want to thank the CAC Members for both being here tonight and for all the very extensive work that you're doing. One of the reasons that we're particularly looking forward to this discussion

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tonight, and it will be less formal than we often have because we want it to be a dialog with the CAC, is because we view you as advisory not only to our Staff but to the Council directly. This is one of the few opportunities that we have to have that discussion with you. That's why we tried to work the rest of our Agenda so that we would be able to have adequate time to have dialog. In that vein, what I'd like to do is ask and encourage the Co-Chairs to provide us with any remarks that they would like to do to help frame things on behalf of the Committee, both in terms of any questions that you would like the Council to try to respond to as well as information and guidance that you think is important for us to receive this evening as well. As I understand it, Co-Chair Garber, were you going to kick things off?

Dan Garber, Citizens Advisory Committee, Co-Chair: Yeah. Thank you, Mayor Burt. I want to thank the Council for establishing the CAC. It's a very important Committee. It's filled up with community members which are very serious about this, with a great work ethic and are rather enthusiastic about participating in it. I will briefly introduce them, as one of the other Council Members had suggested. You can just raise your hand; I'll read off your names. Len Filppu, Annette Glanckopf, Jennifer Hetterly, Hamilton Hitchings, Shani Kleinhaus, Lydia Kou, Stephen Levy, Don McDougall, Julia Morgan, Mark Nadim, Bonnie Packer, Lisa Peschcke-Koedt, Alex ...

Mayor Burt: You're going too fast.

Mr. Garber: I'm going too fast. Alex van Riesen, Amy Sung, Doria Summa, Jason Titus, Elaine Uang, Elaine Uhrbrock and Bob Wenzlau. Then, there are three nonvoting members: Whitney McNair, who's here this evening, Adrian Fine from the Planning Commission, and Heidi Emberling. That is it. Both of the Co-Chairs are committed to make our meetings a safe place for everyone to express themselves, both members of the Committee as well as the community. We've also committed to making sure that all views are aired. Before I go on, I just want to also thank my Co-Chair who I have really enjoyed creating a very strong and supportive working relationship with. It has been a privilege to be working with you, and I think it's been great so far. The CAC—I'm going to speak briefly about the Committee itself, although, not specifically to the DEIR. The Mayor, just before this Item, had asked if there was a little status report that we could give. I'm going to talk just briefly about our process that has evolved and how we are addressing the various elements of the Comp. Plan. Then, my Co-Chair, Arthur, is going to talk a little bit about the things that are sort of beyond our scope that we're looking for some help from the City Council on. We have a very compressed schedule. Where the previous Comp. Plan had four years to deal with these things, we've got a year and a half. The previous

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Comp. Plan also wasn't constrained by the Brown Act. They often met in their own houses. By necessity, we are constrained, and so all of our meetings have to be public, have to be recorded, etc. Thus, the more iterative and natural debate that most of us would like to have on these issues tends to get stretched out and segregated into separate meetings. For the sake of time, which we don't have a lot of, we are trying to keep to larger issues than smaller ones. For example, although we'd very much like to talk about housing with each element because it's such an important piece, we're trying to save up those questions for the joint meeting that we're going to be having in February. The process that has evolved has six steps, and it has been helped in large part by the Council allowing us to create subcommittees. The critical subcommittee that crosses all the other elements is the Sustainability Subcommittee. It is charged with meeting before the Committee actually has its first discussion on a particular element. They are to identify the key sustainability policies and programs and then bring those to the Council for their first discussion as recommendations. Then, the second piece is that the larger Committee meets, and then there is an opportunity for everyone to weigh in and brainstorm things that they want to change, add, support, etcetera. The third piece, then, is those findings are then collated and cataloged by Staff who brings them to the subcommittee for that particular element, who then reviews and synthesizes those to determine where there are areas of consensus and importantly where there are areas of disagreement. Those areas of disagreement are then brought to the Committee so that those areas can be discussed and debated. We are going to have our first of those meetings coming up very quickly here. Once the larger CAC Committee has had an opportunity to debate the items brought to them by the subcommittee, the subcommittee then goes back and catalogs those pros and cons in the areas of disagreement that will then be brought to the Council for resolution. Finally, the Sustainability Subcommittee takes that information and the draft element that Staff has done to cross-index the important pieces to that back to the sustainability cross-index that they will be in charge of, working with Staff on. Those are the six very basic process steps that each of the elements will go through, with the exception of the first one which was already in progress and we didn't have the process evolved to that degree. The other thing that I'll emphasize is that it is a learning process. The process gets modified slightly every meeting that we have as we learn, to try and incorporate all of the different ideas that come in as well as the opportunities to improve the process that the various Committee Members have. Arthur.

Arthur Keller, Citizens Advisory Committee, Co-Chair: Thank you. I've also enjoyed working with my Co-Chair, Dan Garber. We've had the opportunity to work together also on the Planning Commission, so it's a reunion of sorts

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for us. There are a number of issues that have to do with things that are difficult for the CAC to deal with because they're sort of cross-cutting. Perhaps either the Council deals with them or maybe there's some way that the CAC could deal with them sort of to figure out how to deal with this. It was mentioned that there was interest on dealing with the Housing Element of a number of members of the CAC. In particular, there was a discussion about the school capacity issues and school enrollment issues is going to be studied. The interaction of that and the types of housing are something that hasn't really been considered. When the Housing Element was approved last year, there was no consideration as far as I understand about the impacts on schools. Here's an opportunity to do that. In fact, our Comp. Plan actually requires that when we have legislative acts by the Council that affects schools, that we consider those impacts on schools. The next thing is the interaction between housing and parkland. You're going to have the community services coming back. Obviously there's a constraint in land, so the consideration of how much land there is and how you build houses without having the same kind of ratio that we have typically had for parkland per 1,000 residents. There's going to be pressure on that. Part of the issue of that is that when you're a City that has lots of single-family residential units, people have backyards with single-family residential units. Therefore, there isn't nearly the same pressure on parkland as there is when you build a lot more multifamily residential. There will be a need for things like more private open space in order to deal with the fact of the compression of housing. I think that we haven't had an opportunity to address issues like that. It'll also be interesting to the extent that the fiscal analysis—I noticed that that's coming forward, and I think that's very important. The question is the extent to which the Council is looking at that and the extent to which the CAC is looking at that. As far as I understand, we're not considering that at all. I just wanted to make sure that that's the desire of the Council. Not that we need any more things on our plate, but I want to make clear about that. The other issue is that in some sense we're looking at these things in sort of silos of individual elements. The only cross-cutting issue that we're looking at is sustainability in terms of making suggestions for things that should be added to the Comp. Plan that makes sense with sustainability. The Comp. Plan is going on for the next 15 or so years. It's hard to predict; my crystal ball is pretty cloudy, and I think most people's crystal ball is pretty cloudy. It's not clear—we didn't know six years ago that we were going to have a boom right now. It was hard to tell that in the depths of the recession. The issue is how do we set up things in such a way that there are adaptation to the amount of growth. For example, if there is success in addressing parking and traffic, then you relax and allow more growth. If there's a lack of success in dealing with traffic and parking and City services and those are more constrained, then you slow down growth. How do we make things so that they're more automatic? Typically, the City

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Council—it's hard for the Council when it's ongoing to address these issues until it's kind of after a lot of the impacts have happened. How do we set up things in sort of an automatic process? Is that done through the Comp. Plan? Is that done through implementing Ordinances? I think that that's the kind of thing that it's not clear how we address that in our modeling. I think that that's the kind of thing we're going to have to think about, because the amount of growth and the amount of impacts and how much parking we need and things like that, that's going to—it's hard to predict that right now. Addressing it terms of feedback loops I think is an important consideration. Thank you.

Mayor Burt: Thank you. From here on we're flying loose on how to proceed. What I would think we might encourage us to do is first have the Council frame any questions that they would look for hearing feedback tonight from the CAC Members, and then let the CAC Members as they see fit come forward and provide that. At the same time, ask the CAC Members for either questions that they have of the Council or particular considerations that they want to make sure the Council is thinking about. Why don't we start off that way and try not to spend very much time by us on this first cut in asking those questions, but just identify one or two succinct questions that will tee-up a kind of tentative list. If I could ask the City Clerk to try to capture some of those questions so that the CAC Members and the Council Members can just—it's not like a Motion, so you don't have to capture it perfectly—so that we can all kind of look at a rolling list. Once we accumulate a few of them, we can have the CAC come up and individual members can respond to the ones that they are most interested in responding or have been engaged with the most through their subcommittees or whatever and have a little bit of a informality to how we'll go about that. Council Member Schmid and then followed by Council Member Kniss, I believe, if I got all the buttons right.

Council Member Schmid: I would turn to Page 2 of the Staff Report where it says the key policy questions that must be examined and resolved in the coming year relate to the amount and pace of nonresidential growth between now and 2030, the amount and location of housing growth in the same period and to potential incentives and regulations necessary to receive the desired results. I think that is the question presented tonight in the Draft Environmental Impact Report (DEIR) scenarios. It is, I think, the key question we need to deal with tonight.

Mayor Burt: Thank you. Council Member Kniss.

Council Member Kniss: Maybe not too far off that mark. Again, I'm now on this—do you all have this that they handed out, that's a summary? It looks

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like Comp. Plan Update and DEIR. The one that we went over tonight. You'll know what I'm talking about. It deals with the scenarios. If you look at Scenario 1, which is business as usual, Number 2 slowing growth, Number 3 housing tested and Number 4, the one that I think we initially were a bit troubled by but now I think probably are looking at it more significantly than we were before. That's the main issue I'd like to hear you talk about. I have a feeling that you probably come down in many different lily pads on this. I'd be interested in knowing why and what you support. It also would be helpful to know, when we hear from you, what your background is in the City to give us some more flavor for this. Also, I in particular want to say thank you to all of you. There are hours that you have spent on this. Thanks particularly to Arthur and Dan as well. I don't know if this is truly a labor of love or a labor of something different. It certainly is a labor. I know all nine of us really appreciate your doing this. Thank you. Did they ever put any food out at your meetings?

Mr. Dennis: Yes. It's very good food as well.

Mayor Burt: Maybe we'll show up then.

Council Member Kniss: That's very attractive, I think. Thank you.

Mayor Burt: Not seeing other Council Members at this time, I'd like to toss out one other. As the Chairs explained, you've been looking at kind of the sustainability overlay to the various other chapters. A question would be in addition to essentially indexing or however you go about identifying how different policies and programs relate to our sustainability, we currently have a natural environment chapter. Should sustainability and the natural environment have both a standalone chapter that has a cohesive set of policies and programs around sustainability in addition to the indexing mechanisms that show how different other chapters relate to that? That's a question I would have. We've identified a good number of big issues that for the most part the Staff had done a great job of capturing. We would welcome any members of the CAC who would like to come forward and just offer input. Now I've got a bunch more lights. I guess I talked long enough, and the lights come on. Why don't we take a few more minutes, and we'll capture some more input from Council Members. Council Member Holman.

Council Member Holman: Thank you. Consistent with one of your comments, we also have mentioned, but I'm not sure if this has been conveyed to the CAC or not, that also we have as a Priority Healthy City Healthy Community. While I don't think we talked about that as being a separate chapter, but how that's integrated also into the various chapters is an important one. Also, one that we haven't really talked much about is arts

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and culture. I note that—City Manager Keene and I have had conversation about this over time. Also, I note that on the tentative Agenda on February 1st, there's a Study Session about national, State and local trends on the impacts of art and culture. It is, referring to the City Manager again, a comment that I made one time that he razzed me about. I said I thought we could have a higher level and degree of arts and culture in this community. There are many benefits, cultural, intellectual, economic benefits, to having arts and culture integrated into the community. Currently our Comprehensive Plan doesn't really accommodate much for that. I know any time that I mention creation of an arts district in Palo Alto, whoever I've mentioned it to, whatever group or individual, it's always received very favorably. If we can look at incorporating that. Something else that I was glad to see, either in the Staff Report or in tonight's presentation, was both Level of Service (LOS) and VMT are referenced. I think we've heard the Council Members say before—I don't want to speak out of turn here—that the Council is interested in using both of those. Not abandoning LOS for the sake of VMT. Using both of those, I think, is important when we do analysis.

Mayor Burt: Council Member Holman, just for everybody's benefit, can you explain acronyms?

Council Member Holman: Thank you for that. That's appropriate. LOS is Level of Service. It's a measure of intersection performance. VMT is vehicle miles traveled. CEQA recently changed their recommendation to use only the vehicle miles traveled or VMT. It's only one measure. I think it's really the combination of the two gives us a much better measure of how our streets and intersections are performing. Thank you for that. I could say a lot of things, but I won't at this moment I do think that it is important—since we're talking now about the DEIR, it's critical that we establish and bring forward very transparently to the CAC and to Council how especially, I would say, traffic is being calculated. I say that because I look at how our intersections are performing now, how traffic's queued up. If we look at the current Comprehensive Plan's EIR, we have impacts that were not anticipated. What happened? If we use the same methodologies, we could end up with the same results and further degradation of intersection, queuing of traffic, air quality, noise, frustration, quality of life, any number of things. I look forward to Staff and the CAC bringing forward very clear criteria for how we measure traffic impacts. I could say more, but I think I'll stop right there, and give others an opportunity.

Mayor Burt: Thank you. Vice Mayor Scharff.

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Vice Mayor Scharff: Thanks. I also want to thank you for your work on this. I know it's substantial. I actually wanted to say that I thought Arthur really hit the nail on the head with his comments. I think these are really a lot of the issues you need to think or at least we need to think about. How do we adapt any growth management strategies to the situation as it's occurring? How do we create flexibility and how does that relate to impacts? How do we build in a flexible Comp. Plan that shows a vision that changes with the circumstances as things go and that's a little more proactive than the last one? I think that's sort of where I am. On the other hand, I think we have to also decide and look at how prescriptive should the Comp. Plan be versus flexibility, and what does that mean. When we read what it says, do we want it to be that this is a particular statement that everyone agrees what it is or is there differing interpretations of that based on difference circumstances? The United States Constitution, for instance, is a very flexible document over time, and so is The Bible, depending on who's interpreting it. I think that's a question that we want to really look at the Comp. Plan. What does it mean? What kind of vision and how prescriptive is it or how flexible is it? I also think when we do this we want to think a little bit about quality of life. I think that's all we want here, quality of life. How do we relate that to the Comp. Plan and make it further Palo Alto quality of life, and what does that mean in terms of impacts? Are we basically impact oriented? When we look at new development, when we look at what kind of developments we approve, is that primarily what we're looking at or are we looking at other things as well? If so, what are those other things we're looking at? Define a little bit the thinking behind that. You could, for instance, say, "We'd be willing to have more housing in Palo Alto if there's no cars involved with it, it creates no traffic." On the other hand, some people might say, "No. If we had more of a population growth, we'd lose our small town feel." I guess, if we have those kind of visions, I think it's really helpful to articulate the thinking behind it and what we're trying to achieve. I know that's difficult, but I think the more the CAC can say to me why we're looking at this particular aspect of something, the more helpful that is for me. Thanks.

Mayor Burt: Thank you. Council Member DuBois.

Council Member DuBois: I too would want to sincerely thank all of you. I know it's a big job, a lot of time. Thank you for doing it. I had a question about kind of data availability, if you guys feel like you have enough data on which to base some of your discussions. I had recused myself last week, but I watched the discussion about 1050 Page Mill, and there was, I think, an interesting discussion about our assumptions for job growth and which numbers we're using there. Council Member Holman just brought up traffic measurement. I'd like to see us add a session just on traffic measurement

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maybe in the spring. We've also really early on—when we kicked off this process, we had a little bit of discussion about a quantitative model tied to the Comp. Plan and how do we think about priorities and goals in various elements. I'd be really curious if you guys think we should have some kind of prioritization mechanism for goals. One of the ideas was thinking that the highest priority would be kind of existing conditions, infrastructure, quality of life type issues. A second priority after that would be new programs and new services. Maybe there's another tier of things that have to do with our regional reputation or being a regional destination. Some kind of framework like that, because when you look at the Comp. Plan, if you look at individual elements, there's something in there for everybody, but how do you weigh things off relative to each other. When we get to the Draft EIR, I'm really curious on some feedback in terms of obviously the scenarios, but also the number of scenarios to consider. As we go through this process, the public gets to comment on the EIR. If we have a large number of scenarios, it becomes very difficult for the public to ask questions. It's clearly a work in progress. I have a question that I'll ask, and I'm curious if anybody shares the question. Is the timing right to do the Draft EIR? It feels like we still have a lot of open questions. I fully support the idea of doing some kind of planning study to look at the impacts of these various scenarios, but I'm wondering if we should just do that as a study, and do the EIR when we're a little bit more honed in on viable options.

Mayor Burt: Thank you. Council Member Wolbach.

Council Member Wolbach: First, let me say thank you to the Staff and to the CAC. Comparing where we are now—as much as we have some flexibility left and some unanswered questions about how we go forward and how we finish up this process, I think where we are right now compared to where we were a year ago and the level of comfort that we feel as a Council and a community about the process of finishing and developing this updated Comprehensive Plan and making sure that it really reflects the community, I think we're in a much better place. If any of my colleagues disagree with me, please speak up. I think we've really made a huge amount of progress. There's clearly still more to do. I have a couple of big questions, maybe a couple of sub-questions, but a couple of big questions about the process. A couple of them might be rhetorical and kind of hints for the CAC and for Staff. I also have a couple of questions about the content. On process, I guess my big three—each has maybe some nuance to it. Is the direction and the guidance that the Council has provided, that we provided at our various meetings, like when we talked about the land use element on November 2nd, when the direction from Staff comes through and gets to the CAC, is it seen as limiting and constraining or is it seen as guiding and encouraging? Is it "here's the direction we want you to go out in the

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wilderness, go look at stuff in this general direction," or is it "here's the room and the stuff in the room, make something work out of what you're given here"? Is the Staff and are the Co-Chairs and is everyone really feeling like, when a crazy idea is thrown out there, is it "Council didn't want us to talk about that" or is it "let's take time to think about that"? This kind of ties into the next. Are we really facilitating deep-diving discussions or are we just scratching the surface? Some of this was hinted at by the Chairs. The third big question is why is sustainability the only cross-cutting thing. Was Council not clear enough in our comments, in our direction previously that we wanted to encourage overlays, cross-cutting discussions about anything that the CAC identified as worthy of that? Maybe more specific questions under these. Are consultants able to come in and talk to the CAC? Is there a process or an opportunity for sub-subcommittees? Maybe small subcommittees, three to five people, that could really dive deep and not have to notice their meetings and have Staff present, so they could just really dive deeply. If there are suggestions and ideas from the CAC about larger-scale changes to the organization of the Comp. Plan, are they able to offer those? Are they encouraged to offer those? I think I'll leave my—that's a lot of questions already. I'll save my questions on the content for later. Those are some of the big thoughts on my mind right now. I'd love to hear feedback from anyone on the CAC about that.

Mayor Burt: Council Member Filseth.

Council Member Filseth: Thanks very much. I want to add my thanks to everybody there too. Thank you very much for working on this long and complicated process. Thank you very much to the two Co-Chairs for managing and stepping up on this, to do this. A couple of comments and then I have sort of a nuts-and-bolts question. First of all, thank you very much for putting numbers on the scenarios, the growth drivers, jobs and housing. I think that's a big step forward, and I think that's a seminal part of what we need to do here. I think that's wonderful. We're sort of talking about the DEIR tonight. I think something that is really important, and I think you guys are approaching this the right way on that. The DEIR, which is part of CEQA and so forth, is really a subset of what the community needs to understand about where we're going. I think Karen's example of VMT versus LOS is a really good example of that. VMT, vehicle miles traveled, is a proxy for greenhouse gas emissions. Level of service is a proxy for traffic. I think traffic is way up high on people's priority list of what they care about, even though it's not specifically part of a greenhouse gas emissions kind of thing. I think you're doing the right thing to look at both those kinds of things. I think it's important to look beyond just the definition of the DEIR as the criteria for what we're measuring. I think you guys are doing that. I think that's really good and thank you. Now I have a nuts-and-bolts

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question. What is the sphere of influence beyond just Palo Alto? It looked like it was Stanford. Is there anything else in there?

Mr. Dennis: It's actually only a part of the Stanford campus. There's not much else.

Council Member Filseth: It's part of the Stanford campus, so it doesn't include like Menlo Park or anything like that? Thanks. (inaudible) tax base there.

Mayor Burt: Let me just go back to—in part respond to some things that colleagues have brought up. We have both the Sustainability and Climate Action Summit coming up this Sunday. We hope we're going to have a very broad community participation. Because sustainability is this overlying aspect to what you're considering, what's discussed at the Summit will have a big influence on where we head within the Comp. Plan. This goes to how do we integrate some of the things going forward. The Council will be taking up the S/CAP subsequent to the Summit as a separate Item from our consideration of the Comp. Plan, but we're going to be very cognizant that the two things have a great deal to do with one another. We'll be struggling with how to address that. In the same vein, we had—Council Member DuBois and others spoke about traffic and even the traffic methodology. We're going to have the following Saturday our City Council Retreat. Because we largely anticipate that we'll be carrying over our priorities that we set last year with this same Council, we'll be able to discuss some other things including, I believe, prospective Study Sessions that we'll be having, Study Sessions or a Committee as a Whole, where we might have Actions on some of these higher-level topics that are not reactionary to a given proposal or project or whatever. The Council will likely be agendizing certain of these topics, and a number of those are likely to have a relationship to what you're considering. That's part of what we as a Council will be thinking about. We wanted to make sure that you were aware of that potential. I also wanted to add just on the transportation aspect, we have what the EIR will address, which is prescribed largely by legal requirements of what an EIR does. The Comp. Plan EIR is much more broad than a project EIR. We have some discretion as to how we would go about it. The EIR establishes baseline conditions. I'm not sure that the community wants to be limited by the present traffic conditions as the baseline. One question would be what we should look at in terms of the—what would constitute the quality of traffic and transportation in our community that we would want to set forward as our objectives in the Comp. Plan. I added the transportation because not only reduction in congestion may be a goal, but also what's already referenced in the current Comp. Plan but maybe is not emphasized enough, which is expansion of transportation options for residents. I know

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it's there, but how prominent should that be going forward? Before hearing from Chair Garber on one of the points I raised—after he gets done, I wanted to give our Staff an opportunity to respond to the question about is the time ripe for the Draft EIR and, if there are concerns as to whether additional alternatives may be identified through the CAC, can the Draft EIR, as we presently have it framed, be able to accommodate those additional alternatives. I think that's a concern that many people share. Co-Chair Garber.

Mr. Garber: Thank you, Mayor. Broadly, many of the Council Members have brought up a question about the role of the CAC relative to advising/supporting the Council in their decisioning. There is tension between the time-table that we have to perform, that Staff is, needless to say, struggling with. They have to make things happen. There is tension between that timing and the amount of involvement that the Committee might like to have. Before I make any further comments, I would really like the members of the CAC, who I know have opinions on these topics, to speak to them. Mechanically, should they be filling out a card, should they be raising their hand, how do we get them up to the speaker?

Mayor Burt: The CAC Members—we're going to do this informally and not treat them as anonymous members of the public who have come forward, but as part of our collective body. If you want to raise your hand and come forward—yeah, maybe grab your tags. I can't read it from here anyway. We'll try and do that. Dan, why don't you go ahead and acknowledge members of your Committee as they flag that they'd like to come up on successive topics. Before we begin that process, I wanted to give Staff the opportunity to give a little more of the context of how they see the EIR fitting in with where we are in the process. After we have this feedback from the CAC and before we adjourn this Item, we're going to want as a Council to give Staff at that time more of our feedback on the EIR, which is one of the key subjects tonight. Hillary.

Ms. Gitelman: Thank you, Council Members and Co-Chairs. So many good comments and questions. We could probably have a Study Session of both bodies on any one or two of these. Just to get to that question about the Draft EIR, first we have designed this document in a pretty innovative way to try and use high-level planning scenarios to define a range of possible outcomes for the planning process. This was something that the Council endorsed in December of 2014. We spent the better part of last year working with our consultant team to prepare the document which is all but ready. It'll be on the street in three weeks. I think it would be hard at this point to recalibrate or reshape that in a significant way. In the good news category, we have designed it such that we hope we can accommodate

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additional scenarios. The whole idea of putting out a document that has these broad planning scenarios with different combinations of land use and transportation investments in them is we want to elicit Council, CAC and public comments on just those characteristics of each scenario. We are expecting that people will bring forward their own scenarios or hybrids or variations on the scenarios that we've analyzed. We're also expecting that the scenario that we end up with at the end of the day, that the Council adopts or selects as their preferred strategy or approach for the Comp. Plan Update will fall within the range that we've described with these four scenarios. We could be wrong. Stranger things have happened. We've tried to be a little forward-looking and broad in our definition of these scenarios so that we hope where we end up will fall somewhere in this range or close to it.

Mayor Burt: Can you add what your intention is on when we get the—an EIR follows legal guidelines as well as being a tool for what we're doing. What are your intentions on public comments, both the process and the period for the Draft EIR and then the final EIR and how it compares to legal requirements?

Ms. Gitelman: Happy to answer that. The legal requirement for a public comment period for a Draft EIR is 45 days. We're proposing double that, a 90 day period, for public comments. During that public comment period, we'll be scheduling opportunities for the City Council to provide comments at a public meeting. Also any of the Boards and Commissions that are interested in providing their comments and if the CAC is interested in providing comments, we will schedule a meeting for them to do so as well. Our obligation is ultimately in the final EIR to respond to all the comments we received during the public comment period. Any substantive comment will be slavishly recorded and responded to in the final EIR. We also hope, as soon as the public comment period is over, after the 90-day period, we'll be able to bundle up all the input we've received, bring it to the Council, and at that point ask the Council for their direction on what they think the preferred scenario would be. In other words, based on their own comments and on what they've heard from the public and the Boards and the Commissions, how do they think we should evolve these four planning scenarios into the one scenario that will be the Comprehensive Plan Update at the end of the process?

Mayor Burt: Dan, turn it over to you and the Committee.

Mr. Garber: Committee Members? Lisa and then Bonnie. Please come up to the mike.

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Lisa Peschcke-Koedt, CAC Member: First of all, I really appreciate that you formed the CAC. I'm also very honored that I got to be one of the members of a really great group here. I wanted to address several of the points that the Council Members raised, if that's all right. I just took notes as you were doing it, and I'll just kind of go down through that. First to Council Member Kniss' question, just my background. I'm actually born here. I was born in Palo Alto almost 60 years ago, went to school here, went through all the schools here, from elementary school through college, then went off to grad school. I work in the area; I work for Sysco Systems, which has nothing to do with my involvement in the CAC. It's in San Jose. It's something that I've always cared about, and my mom was actually involved way back in like the '70s and early '80s in a very early version of the Comp. Plan. It's just really fun to get to be part of this. I'm truly grateful and very honored that you let me be part of it. That's kind of my background. Also, I came into the CAC—I don't have a particular agenda. It's not like I'm looking for one particular answer. I don't know the answer. I have some thoughts now that we've had a lot of different discussions that I'll kind of address as we go through. Very much would like to talk about the role of the CAC. As Dan said, we've had quite a few discussions that are also with Hillary and Jeremy, have been great. I would love to have, if possible, the CAC have a more active role in the broader policy, even input to the vision and really thinking of those broader and how things connect. I do think so far we've been more focused on giving feedback on specific elements, specific programs. That's certainly interesting and useful, but if there is that opportunity to do something broader that would be useful to the City Council, I would love to do that. It goes partly to your point too, Council Member Wolbach, what is that role and the direction that we're getting from the City Council and how can we best support you and give you what you're looking for. I think we could do more than we're doing. That's not a complaint. I think it's good, but I think there's more there. Any direction you have there and if you open it up to more, again my guess is we would all welcome that. As Dan said, it may get into the timing and how often we meet and things like that. To the next part is around the flexibility and the goals. I think that was—Vice Mayor Scharff, you had asked about that. Again, I didn't know coming in and I still don't know, do I want a particular option, one of the four or some combination. My personal view and, I think, maybe growing up here, when I was a little kid, we were much more diverse in Palo Alto. My parents didn't have much money. We were definitely lower middle class. I'm very fortunate now. I make more money than my parents did, my husband and I, so I get more flexibility. I miss some of that, and I don't want to lose that. The idea of having seniors and kids and people with less money and housing for teachers and police and all that, I think that's a good objective to have. Whether that means more housing or different housing, I guess I believe that we probably need more growth, not more

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than we're having, but not be stagnant and stuck. Rather that there be growth. Going to, I think, several comments that it be very planful and it be very integrated so you have growth along with transportation along with parks along with environment. All those things have to fit together; otherwise, we shouldn't grow. That would be stupid to me, if we don't grow. We need to just pull that together which is what I'm assuming the Comprehensive Plan is about. Of the four options, I think I'd probably go more toward the middle, to the left really. Some growth rather than stagnant, but very much would want it integrated with how are we going to do that in a very planful way. Again, that's my view. I think we found in the CAC we often have common views, but we also each have our own. I'm hoping you'll hear from other people obviously as well. The offsets, I really like the mixed. There's been some discussion of smaller units and subsidized units and things like that. I think would all be good ideas. The final part, I think, is around what we want to do on the broader policy and how everything reconnects. I'm not sure when we're going to do that. Kind of stepping back again, the housing and the land use, I think, covers everything. It's so integrated with everything else, and you can't really take one element and not address the others at the same time. We're approaching it piecemeal, but at some point we'll pull those back together. How do we put it together, I think, are your comments too. How do you have that planful—if we have this growth and we also need these other elements, are there offsets, how does it fit together. That's where I would love to see this go. Whatever you would want our role to be, would love to do it. Again, thank you very much. Anything else for me? Otherwise, I'll ...

Mr. Garber: No, you're great. Thank you, Lisa. Bonnie, and then it was Julia, I think, and then Bob and then Elaine.

Bonnie Packer, CAC Member: Good evening, Council Members, Mayor and Co-Chairs. As some of you may know, this is my second time around on the Comprehensive Plan. It's really neat to see how we were thinking in the '90s and how things have changed now. I was just explaining to somebody we were struggling when we looked at the community services element with the term "customer service." We all went, "That's not right for now." We thought it was great in the '90s. That's just an example of flexibility and times, etc. On the DEIR, I'm looking forward to this draft, because I'm really not sure how—I'm sure it's going to give us a lot of information that we can use. I'm hoping that Staff will figure out a way when we have a meeting on an element, which aspects of the DEIR we should really be thinking about when we're thinking about commenting on the element, so that there's a structured tie-in that will help us. I think I can speak for my fellow CAC Members who—I want to say by the way I'm just enjoying so much meeting these intelligent, perceptive, wonderful citizens. It's really

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great. Having this Committee is great for the City, because it gives people the opportunity to learn about our community. Anyway, what I'm saying is when we have a meeting—Jeremy can understand this—we say, "Now we're going to talk about transportation." That's huge, and there's so many issues. Where do we begin? We have the existing element we start with; we have the Planning and Transportation Commission (PTC) draft that was done a couple of years ago. What do we talk about? There's 25 of us in a room. How do we have a conversation with 25 intelligent, interesting people and come up with something. It's a challenge. I think Staff is doing a great job. I'm hoping the DEIR will be integrated into our discussions in a very constructive way. I just want to say a couple of things in response to some comments I heard tonight. Quality of life as a term is a very slippery one. What's quality of life for somebody who lives in the dense, more suburban parts of Palo Alto is different from those who live Downtown and live in a smaller place and like the excitement of the night life such as it is Downtown. There are different qualities of life. We need to be flexible and step outside our own boxes and the way we think. We have to think about the people who aren't living here yet and what their quality of life would be. We do need to go beyond that. I wanted to say something to Karen. Arts and culture, you'll be seeing in the Community Services draft February 1st we tried to put more emphasis on that. Feel free to add more, but that's what we worked on. It's going to be a nice draft; I think you'll like it. As to Cory's comment, is the direction from Council prescriptive or—I'm not sure yet. I think sometimes the direction from Council has been high level enough that we've been able to use it. I think we got some from transportation, and I felt, "That's high level. I can live with that." It seemed a little like the cart before the horse. I think our Committee's supposed to advise this Council, and yet the Council is giving us directions. We have to make sure that it's still a two-way street until the final draft is set before you. The other thing—I want to say I do echo Lisa's comments; I agree with everything you said. The other thing is that when we're struggling with things like transportation and transit, we're probably going to assume that money is no object, if we're going to be visionary. I don't know to what extent we can do that. Since we're a high-level Committee, we're thinking high level. That's it for now. I'll give somebody else a chance to talk. Thank you for your time.

Council Member Kniss: Mayor Burt, could I just find out why "customer service" has gone away?

Council Member Berman: The term.

Ms. Packer: We wanted to use just "good service." We're residents; we're not customers. You're not selling us something, I don't think.

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Council Member Kniss: Thanks, Bonnie.

Mr. Garber: Thank you, Bonnie. Julia, then Bob, and then Elaine, and then Hamilton. If you guys would end up lining up so we can reduce our time here. Go ahead.

Julia Moran, CAC Member: Hi. My name's Julia Moran. I think I'm probably—I've probably lived here the shortest amount of time of all of the people on the Committee. It's nice to meet all of you. Thank you for appointing me. My background, I moved here a few years ago with my husband. He has a startup on East Bayshore office area. Before this, we moved from New York. I used to work in finance at an investment management firm, and now I am home with two very young kids. That's who I am. I think my other Committee Members kind of echoed the same thoughts I have of the general issues we have with the difficulties with delving deeply into each of the topics, articulated better than probably I can. With the scenarios, my one main concern. It looks like all four scenarios have significantly more jobs than population. Given that we are, if I'm understanding that correctly, already the City doubles during the day. I think that a lot of the cultural issues that we have, the small town feel that a lot of people want isn't necessarily the amount of people here; it's that gap between people working here versus living here and then what services, what retail comes into the City and who that serves. I would like to see a scenario where there's more housing compared to jobs. Also, I like the idea of pursuing smaller units. I know that Arthur said that we aren't looking at the fiscal impact, I think, if I got that correct. I'm wondering with smaller units, I would assume there's bigger turnover and what the impact of that is on our tax base, as once those units are turned over our property taxes are reset. I think that could have some long-term effects on our base. That's about it. Thank you.

Mr. Garber: Julia, thank you. Bob and then Elaine.

Bob Wenzlau, CAC Member: Hi, I'm Bob Wenzlau. My background, I'm an environmental engineer and resident of Palo Alto for 20 years and also run an environmental company in Palo Alto. Where I wanted to drill into a little, not unpredictably, is the sustainability topic. One is I want to remind maybe the group what is sustainability, because I had to kind of look it up. On one level, you take the word sustainability as a cliché, and you think it means solar panels or something like that. It's a measure of the economy, the environment and social equity and basically creating well-being. It's a surprisingly broader term. To Karen's point, as much environmental health—I think environmental health is obviously very important in the community. There is a challenge that I've been having with this. This

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process does not allow deliberation and deep dives. Trying to figure out how we tie sustainability as a cross-index measure into the document is very challenging to do in the notion of having 20 people sitting around a room with three minutes to talk. Where, frankly, we need a group up at a white board drawing lines and creating concepts that could actually come into the Comprehensive Plan to bring some innovation. The notion of popping off in three minute sections is not bringing the innovation. The movement towards creating the subcommittees holds promise. The challenge again has been the burden that these subcommittees pose to Staff. As we've talked about, the Sustainability Committee is this core Committee. Unfortunately, because of logistics, the Sustainability Committee has not been allowed to meet yet. We haven't been called to duty, so we haven't had that opportunity to do that hard thinking that, I think, is absolutely essential to crack this nut. It's kind of a nut. I didn't mean to be quite so melodramatic up here. One thing I'm seeing about the—there was a question of you get to do sustainability as a cross-index, why don't we do other cross-indexing? One of the things I'm realizing and I think we should capitalize is there's alignment between the metrics and the measurements in terms of sustainability and the S/CAP and what we're doing in the EIR. In many respects, the EIR is a document of metrics, of projections towards the environment. With the breadth of the terminology of sustainability, I think we have the privilege to kind of create some plumbing between sustainability and the Draft EIR so that the Draft EIR not only works as a one-time document that we do when we draft it, but it maybe becomes an idea for the ongoing metric of our Comp. Plan. Sometimes we call it an evergreen document. As the Comp. Plan comes forward, we look towards the idea of wiring the EIR measurements so that any time the Council would ask, they'd light up this document, and we could start seeing our sustainability. One thought for us to do is to consider that. Another frustration—Gil's gotten my wrath, when you write emails too late at night, I guess. It is a total drag not having the S/CAP to work with. How can we be writing the Comprehensive Plan and not have our S/CAP? It's like we're driving blind. My vision and my hope is, again, that the S/CAP and the Comp. Plan can start aligning a little bit once we see it. A good example is time horizons, that we set time horizons in the Comp. Plan, and the Comp. Plan and the S/CAP ought to be aligned in their dates so that the two documents actually work in synergy rather than being disparate documents. That would be something that I'd ask the group to think about. I think I've dumped enough, but I hope to focus with a passion towards sustainability, not as an advocate but more as a tool for the Council in this space. The challenge has been that the format to date has not accommodated this type of thinking, be it the Brown Act or whatever, but we really need to get small group thinking so that we can come up with these concepts. Thanks for—I don't know. I just wanted to give you my nickel on this thing.

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Mr. Garber: Thank you. Elaine, Hamilton, Adrian, Don and then Amy.

Elaine Uang, CAC Member: Good evening. Thank you so much for preserving this discussion and this forum. My name is Elaine Uang. I am a resident of Downtown North. I am an architect by training, and I am still practicing. I also have two very young kids. I think the first time I came to Council and I addressed this body, I was very pregnant a couple of years ago. She's now two. I'm really enjoying this process. I'm actually wishing it would happen a little bit more quickly, but we are operating in the constraints that we're operating in. I hope that this room is also a safe space, as Dan started his comments with, for us to share ideas and to acknowledge differences of opinion. I want to start off by just sharing a couple of high-level thoughts on the content primarily. I'm really glad that Bob mentioned the definitions of sustainability. To your question, Mayor Burt, I think that the nexus between the Sustainability and Climate Action Plan that you will probably hear more about and the Comp. Plan is a really important one. To your specific question about whether it should be a separate element, I think if there's a Sustainability and Climate Action Plan, that in essence serves as sort of a guidepost, but I would love to see and we are in our discussions putting sustainability across the board, linking them to Community Services and facilities to transportation and to hopefully land use when we get to that. I do see so far we've been stretching the sustainability tentacles, even if our Sustainability Subcommittee hasn't been meeting regularly yet. I also am glad Bob mentioned the financial health. I think one thing that's not clear to me, again, is this sort of financial—how do the City finances work, what do we need to help craft this document so that we maintain our excellence and the services and the financial health of the City or maybe not health. It's not been clear to the body as a whole how we operate and how we should continue to think about operating. Bonnie mentioned we're assuming that the sky's the limit when it comes to the checkbook. That's not obviously how it's going to be in reality, but it's not a data point or a thought process that, I think, is woven into this process yet which may to some degree be helpful, however that can be helpful. Another thing that's really come to the forefront is data-driven planning. I think a lot of people have expressed enthusiasm for this. I think many of you expressed some enthusiasm for this. I don't think that that's quite coming true yet. We have a lot of pieces of information. I'm not entirely sure that we are operating on the right ones. Just a couple of things that stand out for me. I think we're not even clear ourselves on the demographics of our City. Do we know how many renters? We know broadly across the City what the distribution of renters are, but neighborhood by neighborhood. Nextdoor actually has some very good data, but it's not been made part of the existing conditions data. There are some neighborhoods that have much higher home ownerships, some neighborhoods that have much higher

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rentership. We have no clue what that is. We don't know the age breakdown of these individual neighborhoods. When people talk about things like we need resources in this part of the town and this part of the town, we actually don't have that data-driven engine behind that to make those good decisions. This has come up several times in transportation as well. We—Julia has alluded to this—know that there's a huge spike in population. We don't know where these people are going to. Is it 50,000 people going to Downtown or is it 50,000 people going to Stanford Research Park (SRP)? Is it 10,000 people instead going to Downtown and 50,000 going to SRP? We have no sense of what that distribution is. That's really important when it comes to transportation, to land use. We're not equipped with those tools yet, I think, to really make those decisions. That goes to a point that you have all brought up, the flexibility. If we are able to really better drill down from a data perspective, then that allows us to have the flexibility, to not have blunt force planning tools, but to have much more finely calibrated ways and mechanisms to really think, "Do we dial up growth here? Do we dial up housing growth here and turn down commercial growth here? Do we dial up housing growth of a certain type somewhere else?" We just don't have these tools and mechanisms. I know the Comp. Plan is supposed to be this broad, 30,000-foot-level thing, but we're not there yet. I don't mean to grouse; I just want to put out some of these bigger, broader issues and, I think, challenges that we're all facing. On the point of housing, which a lot of people have talked about, they've already alluded to—I don't mean any disrespect, but I do want to just share a slightly different point of view. I think we already have a lot of unintended consequences of housing policy for the last 40 years. People have already mentioned this. It's the lack of diversity; it's people being pushed out of their communities even though they've lived here for a long time, because they can no longer afford it or they don't have options. We're talking about seniors. We had so many people come to our body and talk about the disabled adults who are in our City and are placing a significant burden on their senior and aging parents because they have nowhere to go or their aging parents have to care for them. We know that teachers and our first responders, our emergency responders, the police, the fire, they've long struggled to have a place in our community. Other members have shared the fact that when their kids were growing up, they would walk down the street and see their kindergarten teacher. I have absolutely no hope that my kids are going to walk down the street and see their kindergarten teacher. I'm sorry; it's just not going to happen. They just can't afford to live here. I think that we really—traffic is the primary unintended consequence. As more people have come here to work and seek new opportunities, we haven't—some people might live here for a couple of years, but then they get forced out because of rent or family situations change and not necessarily because they want to, but because they don't see those options. I think that's another unintended consequence

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we really have to think carefully about. You all on November 2nd did have a really long and lengthy discussion about a bunch of land use items, for which I thank you. What I understood from that outcome was that housing should be something that we all look at and housing for everybody. I'm hoping that we can kind of look at the Comp. Plan with that lens through your direction. The other thing I just—two more points. Karen Holman, thank you and Liz Kniss for your leadership on Healthy Cities Healthy Communities; I think that's being woven in, in a lot of different places. It's been mentioned a couple of times through Community Services and also transportation. I think that, again, is another kind of facet of the sustainability that we should be all weaving in. On process—the one last thing I'll just leave you with—I would love to see a much quicker feedback loop. I think sometimes your group will make a decision on direction, goals; it would be nice to have that come back to us much more quickly so we can kind of start thinking about them and really talking about them in our groups. Thank you.

Mr. Garber: Thank you, Elaine. Hamilton, Adrian, Don, Amy.

Hamilton Hitchings, CAC Member: Hi. Long time no see. I'm Hamilton; I've been a resident almost 25 years. I'm a parent, an emergency services volunteer and a startup entrepreneur. Democracy is hard, and I think the Staff has been doing a great job trying to get their arms around this. I've been very impressed with the work products they've been producing. I've also been really happy with the openness and listening and positive and many great suggestions from the CAC. I think we've managed to get a group of thoughtful people who are really all trying to build a better Palo Alto together. I really appreciate my co-members here. I wanted to address Council Member Scharff's comment, which really resonated with me, and also answer Council Member Schmid's question about livability. As a resident, clearly that's one of my concerns. I do represent a resident's point of view because I live here. Not just preserving Palo Alto, but making it better. I think that this is a great opportunity. If we look at the business as usual scenario, we all know we can do better than the business as usual scenario. I think that some of the concerns have been around and a reaction to the impacts, which is really a result of the phenomenal economic growth we've had and the Silicon Valley technical miracle which has put a lot of growth pressure on this City, because all the companies want to be here. Many residents have pushed back because the existing conditions have not been fully mitigated and continue to get worse. For example, traffic has a poor level of service at many intersections and has continued to go down. There have been, according to one estimate, 2,000 parking space shortage in Downtown. A lot of large office buildings have not felt in character with existing aesthetics. I think there's an argument to be made about what's the right balance between existing compatibility and forward-looking

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architecture. I think a place like Stanford has done a phenomenal job with that. As we look next door, they're a great example. The cost and availability of housing is an issue. I actually believe we can do more with availability than we can do with cost. We really do want to continue to have a vibrant—we want to have an economically diverse City, and I think that takes a lot of conscious effort, and there's a lot of support from the Palo Alto community. Buena Vista is just one example of how we really want to maintain that and how far we're willing to go. This Comprehensive Plan is another opportunity for us as well. I think the office cap has in some ways been misinterpreted. I think the office cap is really about the fact that because our business environment is so successful and the companies have so much money, I mean, just look at Palantir. They're a home run company, and they're just doing phenomenally well. What happens is, with all this economic success, it means that when there's a site that can be developed, office is being put there instead of, let's say, multiunit housing where we can put more elderly, where we can put more workers. The rate of workers, as we can see in all these scenarios, is growing faster than the number of people who will be living in Palo Alto over the next 15 years. One thing I challenge all of you—I think you'll all be very popular if you do this. If the Comprehensive Plan Update ends up with a scenario where we think we will add more people than jobs over the next 15 years because of creating high-quality housing, I think you'll all be very popular. Just as an example of mitigating, something you guys just did which I think is a great example of that, Stanford Research Park is an office park. It was meant for office. Residents are concerned about the traffic. When you approved 1050, you approved a beautiful building, but you asked them to reduce the traffic—I think you required, which is what we believe is necessary—from the existing levels, because the existing levels in many ways are not satisfactory. We want to actually improve a little bit from where we are today over the 15 years. I want to thank you for that. We need smart growth. I believe together we can all make this happen as part of the Comprehensive Plan Update. Thank you.

Mr. Garber: Thanks, Hamilton. Adrian, Don and then Amy. Anyone else? Shani?

Adrian Fine, CAC Member: Hello. Thank you all very much for this opportunity to convene. My name is Adrian Fine; I'm a member of the Planning Commission, born and raised here in Palo Alto. I'm professionally trained as a City Planner, but I currently work in a tech company. I've got a range of comments. Excuse me as I look down to read them. First of all, the CAC, it's really an honor to serve with all my fellow Committee Members. There's really a high level of engagement and intellect on this Committee. If you get the chance, I'd encourage you all to come. I also want to thank our

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Co-Chairs and especially Staff. They've done a great job organizing an extraordinarily complex and long process. I think the feedback from Council is really helpful, but just to couch that, there are 20 members on the Committee, so we kind of take it in different ways. I want to answer also some of your questions on Council. I've got some feedback for you guys, (inaudible) questions answered. Let's start with some of those. My first is are we using the correct measures. There was a discussion about VMT or LOS. I think it's important for the City to kind of benchmark ourselves in the right way. There's a few other things we should consider maybe, such as County population growth versus Palo Alto's population growth. Should we take an equal share? Should we take a greater share, less of a share? Kind of look at those measures. Quality of life measures, should we build those into the Comp. Plan? Some places we might be able to. In terms of the jobs/housing balance, is there a target we want? Do we know if we want to get higher, lower? What's that number? I think that's a question we could answer in the Comp. Plan. Vice Mayor Scharff asked if we need to include flexibility. I kind of think of it in terms of are we moving quickly enough in the City. I think Palo Alto does a really good job of building and developing and growing our City and keeping it a great place to live. I'd like to see something in the Comp. Plan that kind of puts that into a goal or policy where the City embraces flexible urbanism, new projects that can be taken on in a lightweight manner, that might test ideas before we actually build them out, particularly with regards to transportation. I think there is a need to prioritize. One Council Member had a question about that. The Committee has brought it up a number of times in terms of how we would prioritize goals, but we don't really reach a consensus on what that priority would be. Maybe that is left to Council in the end, if there is a prioritization of different Comp. Plan goals. I think there's been an excellent focus on sustainability as a cross-cutting issue that touches all elements. My personal opinion is maybe it should be encapsulated in a separate chapter but, as Elaine mentioned—I think she was pretty persuasive—it is getting its tentacles in all the different sections of the Comp. Plan. Another element that might be a good cross-cutting one is transportation. It touches land use; it touches public safety; it touches our parks. That might be a helpful way to think of it as well. Council Member Holman, you asked about Healthy Cities and arts and culture. I think we've touched on them. I don't feel we've dug deep enough. Particularly with arts and culture, we've lost a lot of that over the last 10 or 15 years in the City, and I'm not sure we're quite there or what we want from it actually. That might need to be better defined. There was a question about the scenarios. I think they're all good and they're helpful. Is it the right number of scenarios? I'm not sure. I think ultimately it'll be a mixing and matching. Two of the scenarios had trenching Caltrain; that seems to be a consensus this community is reaching and maybe it should be across all of them. In terms of whether we prioritize

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jobs or housing, that's another balance. I think the Council has the opportunity to pick and choose different elements from each scenario and kind of craft one that is right for this community. Otherwise, I think it's been a really good Committee. I would encourage any of you to attend. As Council Member Kniss asked, there is food. It's a really great opportunity to see Palo Altans come together, share ideas that may be down the middle of the road or out of left field. That's how we're getting things done. Thank you.

Mr. Garber: Thank you, Adrian. Don, then Amy, then Shani, then Doria, then Len. If you would come and line up behind there. Not yet. Is there anyone else? Annette or Lydia?

Don McDougall, CAC Member: Thank you very much for a chance to address the Council. I'm Don McDougall. I'm on the Library Committee as well as the CAC and, as you know, a participant in the Environmental Volunteers. Just a slight digression, I would invite and welcome, be interested in hosting anyone who wanted to spend time inside the EcoCenter at any time. I'm going to do a random walk through several—got a taker—comments and start with actually what Tom was talking about and, I think, Arthur mentioned in terms of data and measurement. I think there's a great deal of enthusiasm that we need more data, whether that data comes through references or consulting. We need to make sure that whatever data we're using, we're at least identifying that data—to make this decision, we used this data—so somebody later on can look at it and say, "That was the wrong data." At least they would understand why we used that particular data as input. As Elaine said, a real interest in data driven. A second comment which is slightly different in terms of cross-referencing things. We'll be coming to you with the Community Services Element draft. In that we even started to discuss cross-referencing relative to how often did we include seniors, how often did we include teens, so we could subdivide and make sure that we're addressing the various constituencies in the community. Quality of life was mentioned. That's something the Committee talks about all the time, but then there's a question of how do you measure quality of life. One of the things I think the CAC needs to do, and maybe Council can even give us direction on, is some idea of what leading indicators. I don't know that there's a number that says quality of life is 3.2 or 4.7 or whether there's a Richter scale that goes with that or whatever. Maybe there are some leading indicators. I think the CAC has a responsibility. A digression from that, there's been talk about whether we should be prioritizing goals. I don't think the CAC should be prioritizing goals. I think goals are the milieu of Council; you should be providing us with goals. I think we should be willing, and you should be willing to entertain, if we come back and say, "That was a really good goal, but we've got a better idea of how to modify or

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improve that goal." In terms of policies and programs, I think we should be willing to look at prioritizing. I think policies could easily be programmed—maybe not easily programmed—if we could address programs with data. I think there is some confusion on the CAC of how specific programs should be. Should programs be general statements or should they have measurements in them? That doesn't mean the measurement has to be "the VMT should be 7.2," but maybe the program should say that the VMT specifically needs to be measured. I think it needs to be measured and reported. Maybe there's a percentage change or percentage improvements in there; maybe not specific. I think programs should specifically address it. We've also had discussions where we said the existing documents that use available data, where we're saying that would be really too easy because we could say there is no available data, so we satisfied that requirement. What we're trying to say in the document is to make sure that we generate and look for and create data if data's not available. In terms of sub-subcommittees, I know that Staff—I have great respect for what Staff does. I have great respect for the rest of my CAC Members. Having more committees is not something—I'll stand back as I ... Maybe the idea that there could be something that was a task force. When Council said, "Let's have subcommittees," they said, "Let's have subcommittees but let's be consistent, maybe not totally following Brown Act, but consistent with making sure that they were noticed and so on." Maybe we could be allowed to have task forces that were on a specific deep dive, like was suggested, in a room with a white board that could come back and present to the public in a noticed kind of environment. That would allow us, I think, some—on data and structure, I think we need to, as the CAC and Council needs to participate, look at the granularity of some of the things we're doing. By granularity, we talk about transportation, we talk about public transportation. Public transportation, that is Caltrain, is getting people in and out of the City versus public transportation that is buses around the City to move people around are really two different things. I think we need to be much more specific in granularity in terms of what we're talking about. In Community Services the other night, we actually talked about having visual arts and performing arts as two different topics to make sure that when we said arts, we weren't just burying the whole thing and being too general so that we weren't paying attention to the topic. I would say that that's the various things. I think the idea of not only using data to drive our discussions and conversations and conclusions, but making sure that we're putting data into the results of our work product is really my biggest interest. Thank you very much.

Mr. Garber: Thank you, Don. Amy, before you go, I'm going to ask Annette to come up and speak, if she'd like to, because she needs to take off. And

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then you, Amy. Following Amy is Shani, Doria and then Alex, who will be our last speaker.

Annette Glanckopf, CAC Member: Good evening, everyone. I think the real issue that we're looking at with the Comp. Plan which everyone has touched on, so you'll see a lot of similarities, is our vision of the City. Do we want to keep it really a small community, very urban or do we want to have the City become a big City? My preference obviously is with the former, but I do believe when we look at these scenarios, we should do something sort of in the middle and a hybrid solution. The comments about data-driven planning, I really resonate with. The focus tonight seems to be on the elements of the Comp. Plan that we've looked at. There's lots more there to come, that we haven't even touched on, business, safety, environment, etcetera. This is sort of front-loaded. Most of you know that I like to think about things before I just come up and make some off-the-cuff comments, and I'm never going to be as eloquent as Hamilton and maybe Elaine. Just a couple of comments on what you said. I think one of the real issues among everything else is the issue of housing. Actually I think it should be a Council Priority. That's driven people to Council in absolute droves. My own preference is we should try something really different than other cities have done, build housing for a specific population like public employees, like teachers. We have never managed to make that happen. I know it's really a challenge. I think that would alleviate a lot of the housing. We're never going to have enough housing; I absolutely believe we'll never have the right housing. It's all driven by economics, that's why people are leaving the City, and we can't really do that much about it. Unfortunately, the economics have forced diversity out of our City. I also support new forms of housing, and I know we'll talk a lot about that. This is really an area to me that has a potential for unintended consequences, more density, more cars, more people in second units, more noise. I'm really concerned with second units, especially in lot size. This is just a real vehicle for Airbnb. Maybe you disagree with me, and I know that's coming up for Council. Hopefully we'll be able to address that. Arts, the soul of the City. That is something that has really always been one of my priorities. I think that there's going to be a lot coming out in the Art Master Plan. I would like to see a lot more detail there. I really appreciate the comment on flexibility that Council Member Scharff said. For me, when I look at what we've done so far, I see many of the policies and programs should be—they look more to me like Action Items, which means they're not flexible, they're not high level. I would like to see a much more general comment rather than the discrete, Action-level Items. I've mentioned that before. Just my final comment that addresses something that was asked, I believe, by Council Member Wolbach. I would like to see a lot more discussion, even though the process keeps changing. Maybe this will happen in the subcommittees. We've all shared our views,

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and Staff has done a wonderful job of trying to sort of balance and pull it together, but we really haven't taken and dove into any particular topic. We could really at this point, at least in my interpretation, we could really thrash out what the majority and the minority opinion is. I look forward to more of that. Those are some random thoughts.

Mr. Garber: Thank you, Annette. Amy.

Amy Sung, CAC Member: Hi. My name is Amy Sung. I have been living in Palo Alto for 15 years. My background training is in software engineering, but I've been doing real estate in Palo Alto in the past eight years. I come to—I shouldn't say I come to. I was really, really excited when I was chosen to take part in the CAC. Of course, it really was seeing how this City is changing that makes me feel that there's something that in this Committee that I can participate. I'm so glad that one of the Council Members asked what kind of flexibility that the Comp. Plan should reflect. I remember the cell phone phenomenon is less than 20 years old. There's a lot of talk about these auto-drive vehicles right now that most talked about subject is the traffic. I think that should be something that is like in our immediate problem-solving. When we talk about Comp. Plan, I am thinking that's in 2030. The landscape at that time might be very different from what we look at today. I just try to be mindful when we talk about the Comp. Plan we are not designing a City that we are trying to solve right now or in the next two years, but I just think that we are designing a City that is like 10 years from today. I envision our City should be like a 24-hour kind of City that during the daytime is flooded with people coming to work here. When the sun sets, people go home. That would be homeowners come home and the City would like to see a lot of people coming out to walk in the street, enjoy the entertainment and restaurants and retail. That kind of creates this vibrant City and that, in fact, is that so often I have people that coming to town to look for, to buy a house without understanding any difference that we would show them all different cities around Palo Alto. They all looked at Atherton, Menlo Park, Portola Valley, Mountain View and Sunnyvale. At the end, I say, "What do you think?" They like to come to Palo Alto. Not everybody can afford Palo Alto. It always boils down to Palo Alto is like full of energy. I think that is the question of quality of life that we all think that we want to preserve. I really think that our City needs to have a plan to continue to grow and not lock into what we have today. When I moved to Palo Alto 15 years ago—prior to that, I was living in Ohio. I must tell you this kind of traffic problems that we have here in Palo Alto that Ohio would love to have. Last year, my association invited Larry Stone to come and give us a presentation. He mentioned something that I remember was like so true. Every day he drove to work, and he said that it would take him 20-something minutes to get to work, driving down to work. He said during the

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downturn it took him a lot less time to get to work. He said while he was driving there was no traffic and it was not backed up. He could count all the empty buildings. He said maybe in a way we should manage the traffic in a smart way and not to hope that it goes away. That is really what I'm looking for. We are not trying to build in all this problem-solving in our Comp. Plan. Instead, I think it should be a guiding, kind of like really high level. When we constructed this kind of like bible-like book, we did not take into consideration of where the money comes from or the finance decisions, and yet we constantly put traffic that we face today into that book. That is something I think that is important for we to take into consideration. Housing, we have all these huge front yards and backyards. From talking to so many people that are considering selling and buying, we have so many young people, and these are high quality people. They really are just looking to move in and continue their busy lives, concentrating building their careers. They are not looking for a front yard and backyard or a long commute. I think that a smart growth in building that will accommodate the young people that wish to move in. In a way the area that is most identified by the young people and the older people that they wanted to live along the corridor where the transportation is. I think that is the way that I would advocate. The other one I really wanted to touch upon is that I have two children, and they have gone through Palo Alto school district. One couldn't wait when he was 16; he wanted to have a car. He reminded me he was about to be eligible for his driving license. My second one who is now 20 doesn't want to drive. I see that the young generation really, really do not believe that car is an inevitable part of their life. Cell phone is. With a cell phone they can in a tap have a Uber come to take them. I think that is something to build into our Comp. Plan. Thanks.

Mr. Garber: Thank you, Amy. It's actually Shani and then Doria and then, Alex, you're the last speaker.

Shani Kleinhaus, CAC Member: Thank you. Good evening again. I appreciate being here. I think Staff is doing a fabulous job trying to herd cats and deal with people who speak in very general terms and others that have very specific issues that they want to bring up. I think they've been very patient with us and very good at actually trying to integrate a lot of what is said to the best of their ability. Having said that, we haven't seen a complete product yet. It will be interesting to the Community Element when it comes out, and we actually see what the product of our work is. Some of the questions that you have asked of how does it work, where is it going, I don't know that we have answers yet, because we haven't seen a complete product of what we've been doing. Still, it's fun doing it. I'm going to try and answer some of the questions, and then bring a couple of issues that I think are important. About the housing and where it belongs, that was Greg

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Schmid's question. I think we are a little too prescriptive here, and perhaps it's because of sustainability. I would like to see examination of housing along West Bayshore, for example. I don't think that's anywhere in this plan, and maybe East Meadow Circle and maybe south of San Antonio. I don't know that we should not revisit those areas given what we know today that four or five years ago when we discussed it previously those areas were not up for discussion. I don't know that they shouldn't be now. Looking at amount and location of employment and growth, I think we need to look at some possibilities to mix those a little more or replace employment with growth in some areas or employment growth with housing growth in some areas. I don't know that these options that we have in front of us are doing that. We don't have enough information in what we've been given to know if that is happening or not. I would look at the assumptions of how many jobs will be created here and the assumptions of how much housing needs to be created; maybe we can do some tradeoffs that we've not examining. To the question of Liz Kniss, who left, about the alternatives and Scenario 4, I'm still concerned with that. I think it's a good study, and it would give us really important answers about mitigation measures and whether or not they're going to achieve what we want. I don't know that this should be the basis to a general plan. I'm still not comfortable with that alternative beyond a study and information that it's providing. I wouldn't call it an alternative; I would just call it Study of Mitigation Measures or some sort of standards. About the sustainability overlay, I want to read what sustainability is defined as by the Environmental Protection Agency (EPA); maybe that would help understand why I always talk about how do we integrate nature into the sustainability. I lost it now, I think. There it is. The definition of sustainability according to the United States (U.S.) Environmental Protection Agency: sustainability is based upon a simple principle; everything that we need for our survival and well-being depends either directly or indirectly on our natural environment. To pursue sustainability is to create and maintain the conditions under which humans and nature can exist in productive harmony to support present and future generations. It includes the word nature specifically. I think that a lot of what we've been doing in looking at sustainability in general has not looked at nature specifically. When we are looking at how do we do climate change and a sustainability program, we need to really look at that very, very seriously and not just assume that everything that we do can be mitigated. It really can't, so we need to look at all of that, not only at the human anthropocentric focus but really a harmonious view just like the Finnish is asking for. Whether there should be an index or a separate chapter in the natural environment versus over the entire document. We have a lot of programs that the City is doing, whether it's the Art Master Plan or Parks Master Plan or Urban Forest Master Plan or Bike Master Plan. All these Master Plans are mentioned and integrated in some way into the general

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plan. I volunteered to be on the Sustainability Committee because I think it's important that nature does come through. I don't know that we really need one. I think that all of us are taking care as we work through this that sustainability is there and we're also looking to integrate all those other plans into it, the Urban Forest Master Plan and the Parks Master Plan. All those things have reference. I don't know that we need a sustainability overlay because we have so many other ones. Frankly, we don't have time to go through all of these things; we just don't. I have a job to do as well, and I'm a volunteer, and I do as much as I can on this. I'm sure everybody else here is limited in time and every one of those committees takes time and effort. It might be better to just have the general plan and then invest some time in those other planning processes. To Karen's questions about Healthy City and arts and culture, I think those were answered. About the LOS and VMT, I agree. About creating flexibility over time, I think that is important, and I don't know just how—we are being quite prescriptive here. That's part of the nature of planning, I think, in many ways. I'm not sure how to build flexibility, but I'll be thinking about it moving forward. Part of what I think is, whether we're looking at impacts or what's happening to the City, do we really want to just look at impacts knowing that a lot of them cannot be fully mitigated or do we want to say, "How do we not lose our trees or not lose our small City feel and yet achieve what we want to achieve in terms of growth or no growth." I don't want to get too much into that right now. The question of the directions from Council and the EIR and the appropriateness of doing an EIR at this stage. I'm going to read something from CEQA Guidelines, Title 14 and so on, about project description and why this confuses me so much. Project description, the State Court of Appeal declared that an accurate, stable, finite project description is an essential element of any formative and legally sufficient EIR under CEQA. What I'm expecting to see—I comment on so many of those documents through my job—I'm looking for a stable job project description which means a preferred alternative that you have all discussed with the CAC's support and came up with a final plan with alternatives that can be discussed and that the public can actually provide good comments on. Right now, it's a planning process, and I support this planning process. I think it's wonderful, but I don't think it can provide a CEQA document because there is still not—just like Staff said, it's a fluid process. They're looking for input. The final result will come out of that input. That's not a CEQA process; it's not exactly legal. How do you do that? You do a planning study now with all those alternatives and have people participate and have comments provided. Then, select an alternative that moves forward and so that we the public can provide really meaningful comments. Right now, we'll have to comment on everything. That's not very helpful and not fair to people who are trying to provide constructive comments. It's too much. Also, after 30 or 60 days, that's it, no more comments. Then, we have to wait until everything is finished. How

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do you incorporate all the things that are moving forward? How do you incorporate the flexibility that you're looking for? If we wanted to add—I don't know—East Meadow Circle housing, how do we do that? It's not going to be analyzed, then you have to do another CEQA process. I think there's a problem with calling this a CEQA process. You could do a study and, after that study, which is not subject—the study is not subject to CEQA, so you develop everything to really and continuously get public engagement to the level that people want to engage. I support what Elaine and Don and Ann said about data-driven planning, because I think we do have not enough location-specific data to provide good comments. Thank you.

Mr. Garber: Thank you, Shani. Doria and then Alex.

Doria Summa, CAC Member: Hi, good evening. Thank you to everybody, Staff and everybody. I won't go through it all, the thank you's. It seems like the big issues are housing and traffic and the impacts associated with those. I wanted to say that I'm strongly a proponent of putting a certain amount of housing, but we just have to be realistic. There is an end to how much housing—there's a finite amount of space here, and not everybody in the world is ever going to be able to live here. I don't think it's possible to close the jobs/housing gap completely, but I think we should try to be more fair in our housing and building some housing of different types. I think the best opportunity for housing of smaller units and whatnot would be in mixed-use zones where we would have retail only on the ground floor, no office, and housing above. I think that would add a lot of the needed housing without changing drastically the quality of life for existing neighborhoods. Many neighborhoods like mine, where I live—I live in Two-Unit Multiple Family Residence District (RMD), very close to El Camino—so some of the cheapest housing available in Palo Alto is very close to me. I worry a little bit about wanting to tear everything down and build everything new. Those people, when there's a new building, even if it is small units, won't be able to afford to live there anymore. There's a certain amount of displacement that comes with urban renewal. These are existing neighbors, so to me they mean more maybe than every potential future neighbor. I did want to talk about the four scenarios. I'm definitely probably at the beginning of Scenario 2 interested in that, because I would like to see some housing in the right place that doesn't have unmitigable negative impacts. Then, I get down to the bottom of that scenario, and it's missing all the great stuff from Scenarios 3 and 4, significant investments would be made in transit services and incentives and grade separation for Caltrain and all those kinds of things and trenching. I think we need those things now. We need improvements to public transportation and the grade separations now. We don't only just need those, if we have a huge amount of more workers and populations. I think that these scenarios, the way they are presented,

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will be confusing to the public. I know that Staff has said we pick and choose and mix them up, but I don't think that will be as clear to the public. It kind of looks like you can't have any of those great public transit and Caltrain improvements unless you go for the big growth scenario. That is two of the most important things to me. I'm also very mindful of the discussion that the Council had earlier about water. There are not a finite amount of resources. We're contemplating a City where people can no longer eventually—I guess lawns will be amortized out. Is it really the case that we can actually have unmitigated growth? I also worry when people start mixing items up from the different scenarios. I wonder how, under that mix and match scenario, the impacts and mitigations would be properly evaluated for the final EIR. I'm also very interested in pursuing a more creative use of the Research Park with Stanford. I think that maybe it's an opportunity for housing, and it's probably—as the largest employment center in the City, I think it's also an opportunity for Stanford maybe to provide a regional private bus service that they fund. Even if we go forward and let them develop all the office that they have left there, nearly another million square feet, we should be mitigating the single-vehicle trips to the Research Park already. Stanford knows how to do that really well. I'm not sure what the answer is there, but I think we need a more creative approach to what's going on in the Research Park. Since so many of colleagues touched on so many other important things, I think I will just leave it at that. I wanted to mention something. I really appreciate the need for data-driven planning, but I also think there's an old phrase in planning that you plan for what you want. I think that is true also. I'm also mindful of the fact recently I went through a lot of really old documents, older planning documents from like the '70s. In the mid '70s, Palo Alto thought it was a built-out City with a traffic problem. I think we better start doing something on that. Thank you.

Mr. Garber: Thank you, Doria. Alex, the last speaker.

Alex van Riesen, CAC Member: Good evening. I'm guessing I'm your favorite guy, because I'm the last one. I just thought I'd close by reiterating every comment that every other person on the team made. I think you'd all ...

Male: (inaudible)

Mr. van Riesen: Yeah, exactly. As you can see, we're a timid group, and we don't have many opinions. I think almost everybody spoke. There are a few who didn't. That is very indicative of our meetings. I have lived here for 17 years; I went to school here, went down to Southern California where I grew up for 13 years, came back in the late '90s. I'm the pastor of a local church. I'm also a professional—part of the church rents. We both rent our facility at

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Cubberley Community Center, and we rent our offices on San Antonio Road and are currently in the process of considering being bounced from both of them, given certain economic realities here in Palo Alto. I can talk about that in a minute. One anecdotal story about traffic. I remember when I moved up here in 1999. Being a lifelong Angeleno, I thought driving here was going to be cake because people drove like just complete wimps up here. I was from Los Angeles (LA), and we knew how to drive. Let me just tell you, people up here are driving like maniacs now. I don't know if you've noticed. Either it's getting worse or I'm getting soft. I just wanted to communicate that I think this group exists in a tension. I think we have too many in the group to have a very engaging conversation. The meetings are run very well. Arthur and Dan are hamstrung, I think, by what's being asked of them. I think the Staff do an excellent job giving us what we need. Primarily when we meet as a group—this is echoed from what Annette and some others might have said—we throw our thoughts out there, and we have an opportunity to speak, but we don't have enough of an opportunity to grapple, to really like, "What are you really saying?" and "How are those different from what I think and how are those different from the other people who have spoken?" I would like to see more of that; I don't know if it's possible, but I believe it would make the process more impactful. I've not served on a subcommittee yet, but it feels almost impossible to do deep dives. I heard some requests for that; I don't even know how that would happen, and I don't know how much the Committee could even handle the extra time for that. I know that would be a real press for me. My big problem is that I came in assuming that we were all being called to comment on policies and programs, that the document's started and now we're revising them. Some of the comments I heard from the Council, particularly from you, Council Member Wolbach, was is there bigger aspirations for this group and do we want to have—I don't know exactly. Maybe it would be helpful to have a re-articulation from the Council. What is it that you want us to do? Do you simply want us to limit comments to policies and programs or do you have bigger aspirations for what we will give to you in a final report? It's not clear to me, at least at this point, what you would find most helpful at the end of our process for us to give to you. It seems to me—I agree with Don and others—that some of our biggest data needs—we do have big data needs, but for me they come along the lines of impacts of different proposals and policies. We talk a lot about we should do this or we should do that, but how do we get the data of what those impacts of executing those policies would be? For example, I think it would be interesting to take Cubberley Community Center, probably the largest piece of land left in Palo Alto that hasn't been developed—I know it's coming up on the whole issue between the School District and the City. Something's going to happen there. It'd be interesting to model different scenarios for how to use that property, sort of like what Doria said, to plan for the City that you

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want, and to see what the impacts of that would be on that part of town. I think we need to have some sense when we're actually giving these ideas that we're also aware of what the impact of that will be, both on the individual policy and program, but also on the whole Comp. Plan as a whole. I don't think I have a sense of that. I echo concerns too for the measuring of quality of life or even how do we care for parts of the community that do not have adequate resources or ability to voice those concerns. I know this Council has been privy to that with issues like Buena Vista and other things. It seems to me that we are quickly on a path where, unless you are part of the ultra-rich, you will not be a part of this community. I don't know how we will plan for having representatives. I think Elaine said to see your teacher down the street. Another community that I would just mention are people in the faith community. The people leading most of the spiritual communities here in Palo Alto, I would bet, are very hard-pressed to buy a place, maybe even rent. You might find this hard to believe, people leading faith communities do not make a lot of money. Don't believe what you see on television; it's not true of all of us. I don't want to be fatalistic, but it feels like there is something happening, and it seems to be happening quicker than this process. I find that when we go to the meetings, there's always something new, like with something we haven't considered before, like all of a sudden now everyone's renting their houses out to families that have come down for the day and now how is this going to matter. I also raised at the last one, I noticed there's not much about hotels and facilities like that in the plan and how do we understand those. I know they're huge revenue makers. For example, for us, we're going to be booted out if a hotel is built on San Antonio Road. There's 22 small businesses there that service Palo Alto that for sure will not be able to find another place to be in Palo Alto if we put that hotel there. Bottom line, I just want to say this is a group of a lot of passion, intelligence. I learn something from everyone every time I go. I really appreciate it. It would helped by having our views more clearly expressed in some way so we can begin to put the main pieces—my main thing is I'd like to grapple with them more directly so we can put the main pieces on the table. I think I concur with Council Member DuBois' suggestion of the possibility of a prioritization. Some kind of what goals are we hoping to achieve so that we, when we're meeting, can actually hold each other accountable to that, so that there's some sense of where are we headed and how do we get there together. Thanks for the opportunity to do this. It's been great for me. Appreciate all your work.

Mr. Garber: Alex, thank you. I believe my Co-Chair has a few comments before I pass it back to the Mayor with his patience and the rest of yours.

Mr. Keller: Thank you. I'm pleased to be working with such a thoughtful and distinguished group of citizens on the CAC. I think it's been a very

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thoughtful discussion. I'm just going to mention a few comments that haven't come up or a few comments in response to some of the comments that have come up. The first is that there's a lot of talk in this about trenching Caltrain underneath East Meadow and Charleston, which is great. I wonder where the thoughts are about trenching Caltrain north of Oregon Expressway and California Avenue. I think that needs to be revisited, and continuing on into Menlo Park and Atherton. The second thing is that I think that the prioritization of goals is the purview of the Council, not the CAC. I also think that there are things that can be done to minimize conflicts, (inaudible) in policies. For example, this may get into a slight bit of minutiae, but consider differences between promoting building projects that have childcare versus promoting projects to have childcare. That one word, "that" to "to," actually makes a difference in terms of how you deal with conflicts of multiple Comp. Plan policies. Therefore, I do think that the language could be scrubbed to try to advise future Councils when policies are in favor of something and policies against something, that that is more clearly understood. I think the Council has decided that policies that are not in favor of a project should be mentioned as part of a Staff Report. There's a lot of talk about millennials not having cars. I read an article in "The Atlantic" the other day about how millennials are starting to have cars and starting to move into the suburbs as they have kids. Maybe it's just that they're getting married and having kids later than they did in previous generations. That's a transition that's happening. The reason that there's only one cross-cutting Committee of sustainability and no subcommittees and partly the Brown Act, no sub-subcommittees, if you have multiple cross-cutting committees, there's no time for them to meet. Dan and I came up very carefully with an arrangement of subcommittees in such a way that we didn't violate the Brown Act for the overall CAC. It would be nice to have some notion of negative traffic growth. Maybe whenever you add a job, you take away a car. If you add a car on the road, you take away two. Think about that especially for Stanford Research Park. Otherwise, keeping things the way they are is not going to be good. We need to have—actually get better. Otherwise, if you think about how that worsens our quality of life, and certainly the quality of life is going to be different in an Single Family Residential District (R-1) neighborhood than in a neighborhood that's more urban, more Downtown. We need to think about what the quality of life is on a per neighborhood basis, and not worsen it in either scenario. I think that sustainability should not have its own element. I think that it should have a description in narrative that as a cross-reference to sustainability throughout. In some sense, it works better sprinkled throughout. I think that in many ways we're constrained by Staff resources. The subcommittees, the meeting times are constrained by the need for Staff to meet (inaudible). The ability for us to have extra meetings, if we decide that that makes sense, is constrained by Staff resources. That's an issue. In

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fact, it seems that we don't really have enough meetings in our schedule to complete things by the 2016 end deadline. That's a consideration. One of the things about the kind of housing. As was mentioned by somebody, we can't have housing for everybody. We just can't. If we did have housing for everybody, we'd have to have schools for everybody. You can build two-story school buildings, but you can't build two-story playing fields. As long as we decide that we want to have playing fields and schools, which I think we do, and as long as we want to have enough square footage for that, that's an important issue. One of the things about this is that we want a diverse community. One of the things about a diverse community is having housing for low-income housing and below market rate housing. Right now, even as we as a City increases its housing impact fee on office space to \$20 a square foot, that equates to one housing unit for 100 new jobs, which is I think too low. We need to think about how many housing units we do add as we add new jobs. That ratio is not very good. In terms of thinking about where we want housing, I've been long talking about housing needs to be near services, and transportation is just another service. If you put housing near West Bayshore, that means more cars on the road, because there's no transit, there's no services, there's no shopping, there's no schools. It's just cars. Therefore, we need to think about not putting housing—distributing it around as Don Wheaton talked about in his talk a few years ago, "Winds with Change," but really putting them centralized near services where things go and so that we can do a better job of having those housing units not have to add so many cars to the road, but they will add cars to the road and they will have cars, a lot of them will. We can't stop people from having cars. We don't have a real way of saying, "You can live here, but you can't have a car." Maybe that works in San Francisco because there's no place to park and there is great public transit. It doesn't work as well in Palo Alto, so I think we need to think carefully about the kind of housing we put and what the scenario is. Thank you.

Mayor Burt: These were really thoughtful comments. I think the Council really values not only the time you've been putting in but the thoughts that you provided us this evening. I think that's really why we opted to extend the time for your comment period. On the one hand, five minutes times 15 people is a lot of time. On the other hand, five minutes for all the time you put in and five minutes to share your thoughts with us isn't a lot of time. I think this was really valuable. Now we have to figure out how we wrap up tonight. That's tonight as opposed to tomorrow morning. Part of what the Staff really needs is some additional feedback on what we're doing on the EIR. One thought that came to me is perhaps it would be helpful to explain some distinctions between project and program EIRs. I know that I've got some colleagues who want to wade in, in particular Council Member Berman passed on the first go-round, so I want to let him go first. I did want to just

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mention there was a lot of interest in greater data. I don't know how much our census data has been really broken down for purposes of the Comp. Plan considerations. I'll tell you that when we did South of Forest Avenue (SOFA) Plan and as I thought back on it, this was actually performed by grassroots data hounds in the neighborhood. We had great information from the census tract analysis. People really dove into it, and it was extremely informative. That was the late '90s, so that data was seven years old at the time that we used it. It wasn't more current than what we would have today if we drew off the 2010. We certainly recognize that that's imperfect, but it was very informative. Council Member Berman, let me let you go next. I think we're going to need to try to have Council Members focus on the CEQA part. In fact, before you go, can I let our Staff just provide a little more context on project versus program EIR, so that when we discuss EIRs we'll have that in mind.

Ms. Gitelman: Thank you, Mayor Burt and Council Members. I'll just draw your attention to the orientation booklet we put together. There is a page in here, Page 11 that has a brief summary of what a program EIR is. A program EIR is what was prepared on the existing Comp. Plan. It's a technique that's used generally when you're looking at a large programmatic or planning document. As the name suggests, it looks at the potential effects of that program as a whole just out of necessity at a higher level of detail than you would be able to do on a—I'm sorry—a lower level of detail than you'd be able to do on specific project. The theory being that development will occur during the life of the Comprehensive Plan that development will be subject to its own CEQA review. That's the point at which you can get into detail on site-specific impacts of a specific project. At the present time, the programmatic analysis lets you look at the overall impacts of growth that will happen under the Comp. Plan over the next 15 years and allows you to assess and mitigate those overarching impacts. I'll draw your attention to that too. I'm not sure—I'll take the opportunity to say I'm not sure we explicitly referenced this handout that was prepared about the interlinking of the Comp. Plan with the S/CAP, but that's available in the back of the room for people who don't have a copy. Thank you.

Mayor Burt: Council Member Berman.

Council Member Berman: Thank you very much. Like my colleagues all said earlier, thank you all so much for participating over the past six months and for the next year. It's a remarkable amount of work. You guys had a lot of suggestions tonight on how the process can be better, whether it's more data or deeper dives or more meetings or having a role in different elements. Even with all those suggestions for improvement, I'm actually amazed that the process is working so well so far. Eight or nine months

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ago, when we first started this new iteration of how to update the Comprehensive Plan, I was skeptical that we'd be able to get 25 people together from the community to meet quickly enough to meet a very tight timeframe on such a complicated and nuanced and broad document as the Comprehensive Plan. Yet, so far, it seems to be going really well and close to on time even as we throw new wrenches into the process. I'm not going to give answers to every one of the questions or issues that you guys brought up tonight. I think there's an ideal world and then there's a reality we live in. We face this on the Council also, that sometimes we just have to make decisions and move forward on things based on things like our time constraints or Staff constraints or just the fact that we might not have all the data we want. I fully think that we should get as much data as possible. For you guys just to keep in mind as you're going through this that the perfect can be the enemy of the good sometimes. I just came up with this kind of analogy in my head, as folks were talking and I was really appreciating everyone's comments. This might not work at all, and it could totally fall flat. Traffic is to Palo Alto as carbon emissions are to the global community in the sense that we got to a point in the world that we realized we had far too much carbon emissions and we needed to lower them, but we didn't also shut down the world and stop moving forward. It was how can we continue to move forward and reduce carbon emissions at the same time. People will have different viewpoints on this, but my attitude with Palo Alto is how can we continue moving forward as a community but also reduce our traffic. Somebody made the point of Ohio, and I usually talk about Detroit. We could easily be that, but that's not really the community we want. That's just something to keep in mind as we try to address some of the challenges that we have living in such a really desirable part of the world, part of the State, part of the region. I love the fact that Lisa kicked us off talking about socioeconomic diversity. Having grown up in Palo Alto myself in the '80s and '90s and wanting to hopefully raise a family one day, when I get time to have one, I really worry about the fact that we're losing our socioeconomic diversity as a community and what that means to our quality of life. I think that's a quality of life issue for our children as they grow up. Who they're interacting with and how they develop their value systems, I think, are very much based on who they grow up around and who they go to school with and who they play basketball with and soccer and these types of things. As we're looking at these issues and as we're looking at the Comprehensive Plan, to the extent you can, keep that big picture in mind of yes, there are all these different elements, but at the end of the day, what do we want Palo Alto as a community to look like. That's not just traffic, and it's not just jobs, that's people, and that's our neighbors. That's something that I'll be keeping in the back of my mind once you guys kick this to Council, and we start playing a larger role. I don't want to talk forever, because it's already 10:45, 10:50. What were the specific things

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that Staff needed us to weigh in on? I didn't totally follow on what they need guidance on from us and what I should weigh in on.

Mayor Burt: One fundamental question is whether we endorse going forward as is proposed by the Staff on the EIR. Jeremy or Hillary, are there any other ways you want to frame what you're seeking from the Council on the EIR subject?

Ms. Gitelman: Thank you, Mayor Burt. I think this evening we wanted to provide you with an orientation and an opportunity to ask us some of the questions that you've posed. It might be beneficial at this point for you to actually get this document and the Fiscal Study that's going with it. We're three weeks away from having it available to you and to the community at large, and then we'll schedule a meeting for you to dive into the document, to ask the questions that you have about it. We'll have ample time for a lot of discussion about the data and analysis it includes.

Mayor Burt: Let me frame it this way because of how late it is. If colleagues have a strong concern and wish to do something significantly different from what Hillary just described, then maybe speak up. Otherwise, let's focus our comments, and we'll be as succinct as possible because we have no choice if we're going to get out of here at any hour.

Council Member Berman: I'm good.

Mayor Burt: Council Member Kniss.

Council Member Kniss: Thank you, Mayor Burt. I have Sacramento in the morning, so I'm going to leave after I make some comments. There were three things that I noticed that kept jumping out. One of them is data; almost everyone of you mentioned data. I then thought back to my statistics class in graduate school. You're all smiling, aren't you? I'm watching. You remember how you manipulate those statistics, beautifully. Nine out of ten use Pepsodent. You gave it to just ten people and told them you'd pay them if nine of them used it. I think we have to be very wary of data. Data is as manipulated as statistics are. It's how you get those data points. I Wikipedia'd it while we were listening to you, and it's a very detailed description of what data is. I think you all know because, as I said, I can see you smiling. I also know that we're not all going to agree on the data. We don't up here, and I doubt that you will either. One of the things that I heard Amy say was you don't know what the future holds. That is so true. If anyone had told me 10 years go Airbnb would take over our community and that I would be calling people on my smart phone with an app to get a ride and that I wouldn't have to pay for it, I would have thought they were—brave new world. Doesn't that still seem amazing? I could pick

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this up now and call Uber or Lyft, and I'd get a ride home from here without driving. I'm noticing more and more and more people are using that. I think that comment, Amy, was so apt. If we could guess what was going to happen in 2025, 2030, we could go home right now and just bet on the futures. The last is to just comment on all of your dedication. Each one of you has spoken. You've spoken thoughtfully. You've spoken insightfully. I know that each one of you really cares about what's going to happen in Palo Alto. I too wish that we had a magic wand and we could have more housing, we could have the kind of housing we want. It's going to be difficult. I think we can work towards some housing. As somebody has said, you cannot house everyone as much as we might like to. Thank you all for all of your comments tonight, for all of your work. The last Comp. Plan went on for six years, by the way. Not intentionally, it just happened. I hope none of you are thinking of leaving town soon. Thanks again.

Mayor Burt: Council Member Schmid.

Council Member Schmid: It's been a very special night, opportunity to get together, exchange ideas. How do we create a decision? We're not trying to make one tonight. Also, though, it's the first time Council has had a chance to sit down with hard, quantitative data around key decision points, jobs and housing. I'm upset that associated with that was the term that it's close to final form, hard to change it at this point. I guess tonight we need to talk about changes. Are there need for changes? Tonight we heard a lot about traffic, housing, jobs. Citizens Survey just came out, shows that Palo Altans are very concerned about traffic, about parking, about mobility, about moving around, about changes in the quality of life, ask about priorities. The Citizens Survey is a good way to think about priorities. How do we keep a community that we have? Let me just make three points about the data. Number one, Palo Alto is in a unique situation. It has three jobs for every employed resident. Makes it a commute town. As a matter of fact, if you look at all cities in the United States of over 50,000, Palo Alto is up there near the top. The other names in there: Washington, D.C., Manhattan. We are in a situation where the traffic comes from this 3:1 ratio. You look at the four scenarios we're presented, and what do they say? Scenario 1 says let's have a 4.7:1 ratio of the new coming. The Second Scenario, let's have a 3.0. The Third Scenario says a 3.1. Fourth Scenario says 2.9. In other words, each of the four Scenarios said let's keep doing what we're doing or do it a little faster, a little more commute. Point number two, if you translate those numbers into the annual nonresidential or commercial growth in town, Scenario 1 says it will be 258,000 square feet per year; Scenario 2, 165; Scenario 3, 213, Scenario 4, 258. All of these are at least 50 percent or higher than what we've been growing over the last 15 years, about 110,000. These scenarios say let's grow faster. That's because

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they're based on Plan Bay Area, each one of these scenarios. Point number three, if you look at the commercial growth in all four scenarios, add them together over the 15 years, they exceed the development cap limit set by Program L-8 in our current Comp. Plan. In other words, all our scenarios are saying let's grow faster than permitted under the old Comp. Plan. There has to be a scenario that gives an alternative to becoming an ever-growing commute center, one where you begin to balance or move toward a slightly better balance of housing and jobs in the community, that drives toward having a community where the growth is amongst those who pay taxes to the City, to the School District and to the County. Palo Alto is an open space in the heart of Silicon Valley. It helps Stanford and it helps Silicon Valley, not by building giant enterprises but through the mobility of jobs and people, by experimenting, by cooperating, collaborating, people who play with each other, who move. That's the essence of Silicon Valley and Palo Alto's role in it. We should have at least one scenario that helps us keep that open, collaborative center, heart of Silicon Valley operating effectively.

Council Member Kniss left the meeting at 10:54 P.M.

Mayor Burt: Council Member Wolbach.

Council Member Wolbach: I'll try to keep my comments brief so we can get out of here at a reasonable time after this conversation. Just a couple of closing thoughts from me. One, I think, was answered which is that we're able to pick and choose. What I'm looking for—it's probably not going to be able to be included in the documents that you're putting together, but maybe in the Staff Reports, the presentations around them. I think I'm not alone in looking for a scenario that envisions slower job growth but is open to housing growth with a focus on mitigating the impacts of such population growth. Essentially maybe something like Scenario 2 or 3 on jobs and Scenario 3 or 4 on housing. As I think somebody else pointed out, it might not be really clear to the public, if it's drafted and shared just like we saw it tonight, how much picking and choosing we might be able to do as we move forward post-release of the Draft EIR. I'm also concerned that the largest population growth scenario is only 15 percent. We have a do nothing option, which we're clearly not going to choose. I think at the other end of the spectrum there should be an option—also there's Option 4 on jobs, I think, we're clearly not going to choose. I think there should be an option, at least for comparison's sake, around housing that would be more than we're likely to choose. The Council already unanimously on November 2nd said that we were in favor of housing supply for diverse ages and income levels, etcetera. I think that would probably be in keeping with Options 3 or 4 on the housing side. I'd be interested in seeing what the next step would be. I think some cities very close to us are considering 30 percent increases in housing. If we

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think about population growth in the region over the timeline of this Comprehensive Plan and whether we want to meet our, as I think Alex pointed out, share of housing growth—was it Alex or was it somebody else—do we want to meet our share of the County's population growth or do we want to do more than our share of the County's population growth because we've spent 40 years restricting population growth here? I would like to see an option that is maybe more than we'd end up picking so we can at least see what the impacts would look like. There's an assumption that's been pretty clear that parkland per resident must decrease, that that's inevitable. I don't buy that. I'm not convinced of that. I'd encourage, whether it's Staff, the CAC, the Council, exploration of whether that is truly inevitable. It might be inevitable, but I'm not convinced yet that that's the case. I'm not convinced that there aren't developers or coordinated area plans that we can put together—developers that are willing to say, "You know what? I can take these two one-story buildings and put them together. I can turn one of them into a park or a school space or something like that." I'm not yet convinced that there are some inevitable, unmitigable impacts like loss of park space or loss of adequate school space if we add population, but we need to be thoughtful about how that happens. My last point is, I think, being data driven is very important. Data tells you how much you can do. It tells you how you can do something, but ultimately we're value driven.

Mayor Burt: Council Member DuBois.

Council Member DuBois: I think a real quick answer to Alex. He asked about goals, policies, programs. I think Staff set up a process; we're six months in. I'd say let's stick with it. You guys are focused on policies and programs. If you guys have ideas or feedback on goals, I guess talk to a Council Member before we have our sessions on it, and we can get your feedback that way. I'm really concerned that we're repeating what the 2014 Council did. Like I said early on, the scenarios—I think the Staff Report says it's a work in progress. It feels very much that way. I am still worried that we're moving forward with a programmatic EIR prematurely. I'd like to see us go to a Draft EIR when we had a preferred option and maybe two viable alternatives. I think it was a key point from the audience that we are asking a lot of the public to comment on four wide-ranging scenarios at the same time. I think we'd get better public feedback if we had a narrower EIR. In terms of measurement in policies, I would like to see metrics with the idea that one of these scenarios would offer improvements. I think we heard that from several people. I think specifically Council Member Schmid and Council Member Wolbach mentioned a scenario that basically shifts that balance of commuting, shifts the jobs/housing scenario. None of these scenarios do that. My other concern is we're going to get to the end of this process and—I think Hillary said it earlier—if we don't have a broad enough range, we may

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prefer an option that we haven't tested which is this option of improving the commuting situation overall. I also think we should eliminate scenarios we'd never consider. It kind of feels like these four scenarios are kind of looking at a moderate growth to high growth. I'd like to see us looking at kind of a lower growth to moderate growth. My proposal would be we eliminate Scenario 4 as it's outlined here. I think we could keep the appealing elements like improving transit, but I think the community's already told us pretty clearly that they don't really want an unfettered growth scenario. I'd like to see Scenario 4 replaced with a scenario that shows the improved housing/commuting ratio and maybe potentially some dedicated housing for school staff, City Staff. It would be a scenario that basically shows a decrease in people commuting to Palo Alto. What would a 2.5 jobs/housing scenario look like? I was thinking exactly along the lines of Council Member Wolbach, something like Scenario 2 for jobs and Scenario 3 for housing. Continuing some of those growth management ideas for the commercial side, but looking at maybe some smaller housing units and increasing some housing. In terms of the Comp. Plan process, I asked the question about more meetings. You said yes, we'd have them. I'd like to see an updated schedule pretty soon. I'd like to see the feedback loop tightened up. Originally, I thought the idea was it'd go to the CAC, it would come to us, and we'd be somewhat in sync. I think we've kind of gotten out of sync. If we needed to have a special meeting to kind of get back in sync, I'd be in favor of that. I think we've also talked about a lot of other issues, park space per resident. I also didn't necessarily buy into the need to decrease that. I think data would help us understand that. We talked about growth management, traffic measurement, Airbnb impacts on housing, potentially residential/retail mixed use, kind of how do we balance mixed use so it's not predominantly office. This is an Action Item. I'd actually like to propose a Motion that Staff present an updated schedule as soon as possible with check-ins in April, May and September, with a goal of delving into key decision areas on job and population growth, growth management and traffic and the final DEIR. That we move forward with various scenarios, but we replace Scenario 4 with a scenario that shifts the job/housing balance by eliminating office expansion and replacing some commercial use with housing. I don't know—again, this is the first time we've gotten to weigh in. Again, I think we have some concerns about these scenarios.

Council Member Holman: I'll second for discussion, but I think you need to repeat it for Staff. I didn't want it to die for lack of a second. If you could repeat it please.

Council Member DuBois: David, I'll just email it to you.

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MOTION: Council Member DuBois moved, seconded by Council Member Holman to:

- A. Direct Staff to present an updated schedule of Citizens Advisory Committee for the Comprehensive Plan Update (CAC) and Council meetings relating to the Comprehensive Plan Update, as soon as possible with check ins in April, May and September with a goal of delving into key decision areas on job and population growth assumptions, growth management, traffic, and a final Draft Environmental Impact Report (DEIR); and
- B. Direct Staff to move forward with a Draft Environmental Impact Report (DEIR) of various scenarios, replacing Scenario Four "Sustainability Tested" with a scenario which shifts the jobs/housing balance by limiting office expansion and replacing some commercial use with housing.

Mr. Keene: I think the Motion, if it's going to go anywhere, needs some more clarification ultimately then on what we present and when and more specificity about how we would determine what the alternative is in order to be able to be expeditious. Again, there's nine of you up there; there could be nine different Motions pretty quickly.

Ms. Gitelman: Mayor Burt, may I interject?

Mayor Burt: Go ahead.

Ms. Gitelman: I'll just say that we as a Staff and consultant team have really been trying to follow the direction that was given to us by the Council in December of 2014. I know that some of you weren't there at the time, but it was a long meeting like tonight's meeting. It was a multipart Motion that went on for I don't know how many sub-points. The outcome of that was to set us in Motion to prepare the Draft EIR that is going to be available in a few weeks. We've spent a lot of time and a lot of money preparing that document based on the four scenarios, with the expectation that they would not be the four scenarios that anyone would like or want to embrace, that all of you would have some different ideas about how those scenarios could be blended or altered. The nice thing about the CEQA process—we are using it in an innovative way to serve our needs in a way that you don't usually see. The nice thing about it is you produce a Draft EIR. It's a draft. We get to take your comments. We get to analyze those comments and respond to them and prepare a final. If we guessed wrong in the scenarios and there's something that ultimately the Council would like to pursue that falls outside the range, the worst thing that happens is we prepare a supplement to the Draft EIR, and we let people comment on that. This is a process that lends

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itself to the exercise we're going through. I guess I'm hoping that you'll let us get to the—realize the investment we've made over the last year in the process so far and recognize that you're going to have changes, you're going to have scenarios and alternatives you'd like to see. Council Member Wolbach, I think you're going to see in the alternatives section a discussion of how Scenarios 2 or 3 could be blended with Scenario 4 to get a hybrid. Council Member Schmid, you're going to see our calculation of square footage having to do with each of the scenarios. You're going to see that not all of the scenarios violate the Land Use and Community Design Element (L-8) limits. There's a lot of data and analysis of the four scenarios in this document that we hope to get in your hands shortly. I think you can use it to leverage and leverage it to get to a scenario that's closer to what you think you'd like the Comp. Plan to represent at the end of the day.

Council Member DuBois: Appreciate that. If I could just comment. Even though I wasn't on the Council, I did attend that December 2014 meeting. Again, that's exactly my concern, that we're going down that path where there was a bit of a reset, I think, at that meeting from four other scenarios. We've been asking what are these scenarios? This is the first time we've gotten to see them. Again, my concern is that if we're outside of that range as you've said, we're going to have to do this supplemental EIR. If we can identify a better range tonight, can we just do it? That's really what I'm trying to propose here.

Mayor Burt: If I might wade in for a moment. I think one of the concerns—tell me if I don't capture this—is that amongst the four scenarios, we don't have one that has less job growth and population growth. It seems that we are at least going to want to consider that scenario. It's not amongst the four; it's outside. It's not within them either as far as I understand. If that is a scenario that we're going to want to look at and if you say that to do so it would have to be in a supplemental, rather than wait until we're further yet along, if we authorized going forward with the DEIR with the four scenarios we have and request that in parallel a supplemental be initiated to provide a Fifth Scenario or something to that effect, how would that work?

Ms. Gitelman: Of course, Mayor Burt, we can add to the analysis and we can initiate that at any time, analyzing additional scenarios. We have, as I think the brochure indicates, an alternative section in the Draft EIR that starts this conversation about how the scenarios could be blended, specifically the scenarios with low employment growth with Scenario 4 with the Sustainability Measures. We've always thought about the Sustainability Measures as transportation-related, but the truth is that high-density housing like envisioned in Scenario 4 is in itself inherently (crosstalk) Sustainability Measure.

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Mayor Burt: What that is, is a scenario where we're trying to accelerate the housing growth even more to catch up to the job growth as opposed to further restraining the job growth. That, I think in the minds of many, is chasing our tails.

Ms. Gitelman: We probably should have a conversation about job growth and how realistic it is to—that we might develop a regulatory and policy regime that could slow growth further than in Scenario 2 and Scenario 3. Scenario 2 has been crafted with the idea of an annual limit or some kind of other growth control mechanism that is more stringent than the one the Council has adopted on an interim basis. Scenario 3 has been developed with the idea that that interim approach would be adopted on an ongoing basis.

Mayor Burt: That's new construction which is not synonymous with job growth.

Ms. Gitelman: That's true.

Mayor Burt: There lies, I think, the distinction.

Ms. Gitelman: We've had to make assumptions in each scenario about employment densities and the relationship with new construction to job growth that gets to Council Member Schmid's point. I just think we're going to be able to have a much more informed discussion about these things and land on that new scenario for analytical purposes once you have the data and analysis in front of you.

Mayor Burt: I think I'm hearing from a number of Council Members and varying degrees from a certain portion of the CAC that we at least need to have this other Scenario become part of the mix. The longer we wait, the more problematic that could be. I'm looking for how to get it—that's the weightlifting upstairs, I think—in the mix sooner rather than later.

Mr. Keene: Without getting too unscientific about it, do you think that Council—I mean, if we were to just look at these four groups of quadrants here, the Council might give us even an indication of what sort of the right numbers, ratio themselves would be as a quick way to kind of cut to the chase and identify that, rather than talk about which way to blend and ...

Mayor Burt: I would be hesitant to try to do that tonight.

Mr. Keene: I'm not saying tonight.

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Mayor Burt: Yeah. I think that that may be the follow-on to this meeting. If I'm hearing a takeaway, that's what we need to grapple with.

Council Member Berman: Can I ask a question? (inaudible)

Mayor Burt: Tom, we're trying to figure out how to ...

Council Member DuBois: I understand.

Mayor Burt: We could let you plow forward with the Motion, but I'm not sure it's going to ...

Council Member DuBois: I appreciate it. I'd actually like to hear from Council Member Holman kind of what her opinion is as the seconder of the Motion.

Mayor Burt: Okay. Then Council Member Berman has a question after that.

Council Member Holman: I appreciate much of the Motion that Council Member DuBois put forward and comments that we've heard from the CAC and comments that Pat was making, capturing both of those. To satisfy perhaps some concern of Staff, the "B" part of the Motion, I think, could go ahead and leave Scenario 4 since they've already put that out there but just create a Fifth Scenario.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace Part B of the Motion with, "direct Staff to move forward with a Draft Environmental Impact Report (DEIR) of various scenarios, adding a fifth scenario which shifts the jobs/housing balance by limiting office expansion and replacing some commercial use with housing."

Mr. Keene: They're just weightlifting. It's next door, not above us.

Council Member Holman: I know. Some people might not; I do know.

Mr. Keene: It's a machine in there dropping them. They don't really have guys lifting that much weight.

Council Member Holman: Anyway, Tom, if you were amenable to adding a Fifth Scenario which is what you describe here and let them keep the Fourth Scenario, are you good with that?

Mayor Burt: We need to address the timing of that fifth one too.

Council Member Holman: Yes, exactly, getting to that. What I see in "A" is—maybe I'm just not tracking the timing that Council Member DuBois is

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proposing. I would actually rather see Staff come back with a definitive schedule for the Council. What we have as next steps on the presentation on Page 20 is sort of definitive but not really. I'd actually like to see the "A" portion of this with Staff to come back with a definitive schedule for when Council would be reviewing X, Y and Z aspects of the EIR and the various chapters and include when we would be having our next interactions with CAC if you'd be amenable to that. Have them come back with a calendar that we could actually review as opposed to trying to decide something on the fly here.

Council Member DuBois: I guess the point of my "A"—I mean, we do have a calendar in the Staff Report. We've had a calendar every time. There's only four times in this entire next year. I was looking at this calendar and suggesting these months as kind of—there's a pretty big gap from say March through June, I think. I don't remember. If Staff's okay with these months or if you want to soften it some way, but I really wanted to commit to a number of sessions. I think we have enough topics piling up.

Council Member Holman: The calendar that you're looking at is on Packet Page 276?

Council Member DuBois: 275-276, yes.

Council Member Holman: If you could help me just for a moment here. You picked April, May and September because ...

Council Member DuBois: Those were large gaps in the schedule.

Council Member Holman: There's an April, April 19.

Mayor Burt: That's not coming back to Council. The far right column ...

Council Member Holman: That's the CAC, sorry. What do you want to have happen in April, May and September then? What do you want to see happen on those calendar dates?

Council Member DuBois: I've listed a few things here, and I've said a few things verbally. Again, there are enough topics here that, I think, Staff has a good idea.

Council Member Holman: When would you see the next check-in with the CAC?

Council Member DuBois: That's up to Staff.

Council Member Holman: I'm not seeing that.

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Ms. Gitelman: It's already scheduled for February.

Council Member DuBois: That's the housing, I guess the housing meeting?

Ms. Gitelman: Yeah.

Council Member Holman: Regarding the DEIR?

Ms. Gitelman: There's a joint meeting with the CAC scheduled in February to discuss housing issues, and then it will be as desired by the Council and the CAC whether you want to schedule a subsequent joint meeting after that.

Council Member Holman: Those will all be—here's another thing. Will these subsequent meetings all be Action Items as opposed to Study Sessions? This one's an Action Item, so we can actually take Motions. Would you want these to all be Action Items?

Council Member DuBois: Yeah, ideally.

Council Member Holman: I would be—check-ins in May and September as Action Items with a goal of delving into key decision areas. Then, I think I'm okay with this. Then, I do have a couple of questions. Are you okay with that?

Council Member DuBois: Yep.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to add to the Motion Part A, "as Action Items" after "May and September."

Mayor Burt: Let me make sure and check-in with Staff. If I'm understanding this right, for the most part this would mean we would have a major Council agenda item every month on the Comp. Plan with the exception of our vacation month in August. Every month that we're in session except August. Right?

Mr. Dennis: Mayor Burt, if I can comment on that. Once we got some indication that there may be some interest in adding some additional meetings, Hillary and I sat down about a week ago and started looking at the calendar and seeing how that would fit in. That was our basic analysis, that we were seeing a meeting with the Council every six weeks or so except for some breaks during the summer. In addition, what it does do is that the current calendar as you see on the right side shifts everything down related to the review elements. We would not be coming back to the Council in March to review transportation. We would have to shift that down in order

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to accommodate a traffic conversation. There is ongoing work that is happening on each of these elements. For instance, next Tuesday, we're planning to go back to the CAC with a draft Transportation Element based on feedback that this body gave and the goals and vision. There is a domino effect related to moving forward.

Mayor Burt: I'll add that at our upcoming Retreat we may be scheduling certain Study Sessions or Committees as a Whole that would have an overlap with what's going on in the Comp. Plan. I'm just not sure that if we schedule these on the Comp. Plan, then how might we fit in what we haven't yet decided as a Council we want to agendize for Study Sessions or Committees as a Whole. I have that apprehension about being specific at this time. I think on these high-level subject matters, whether they be as Comp. Plan specifically or as policy issues related to the Comp. Plan, we're wanting to move aggressively on having more substantive discussions as a Council in the coming months. I would just say as this Motion is drafted, in some ways it might preclude some of the other alternatives.

Mr. Keene: May I add, Mr. Mayor? I really understand the intention here. I sort of read it as trying to do two things. One is trying to ensure that there's a definite expectation that the Council will be engaged more over this next year than the current schedule says. Then, it attempts to identify, let's sort of say, the big, high-leverage issues. Not being critical about it all, but a pretty quick way to identify what those high-level issues are right now in one Motion right here. I would be concerned we'd go away and try to put together a schedule just trying to make sure we understood this as opposed to, one, clearly the Council wants to have more engagement in order to help really prioritize and give clear direction. I do think it's premature to try to set out when that should be. We can easily come back to Council along the way and set those meetings. I understand the desire to not want to have these big gaps where it's not clear when we're coming back. It seems it's more important that you identify what are the outstanding big things that really matter first, and do we have those three or are there ten. Then we start to figure out how we can align the schedule with that, with all the other things that we do. I'd feel much more comfortable getting some general direction and we'd be able to sit down with the Mayor and Vice Mayor when we're planning the Agenda. Then, we could even come back and get the Council's endorsement on something.

Mayor Burt: We're at 11:30 now. We have in a week and a half an opportunity under our Priority setting to have a thoughtful discussion on these related issues. I don't see, for instance, our discussion on a policy level how we would go forward with fulfilling what we had in the post-Housing Element direction to shift more of the units Downtown. I don't see

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that necessarily even occurring within these check-ins. The traffic impact analysis methodology, I don't see that necessarily fitting within this. I see those as high-level but discrete discussions that, once we've had those as a Council, then that helps guide the Comp. Plan.

Council Member DuBois: We're having this discussion in the context of the Comp. Plan. Two things here. One, we had a Priority last year, and I was looking at the amount of time we met last year. We haven't had our Retreat yet, but it looks like we're going to have similar Priorities. Again, part of the thinking behind this proposal was to meet a similar amount that we did last year. I'd be comfortable saying these are, for example, these topics It wasn't meant to lock in only to these topics.

Mr. Keene: Housing is not on the list, for example.

Council Member DuBois: We have housing scheduled; we didn't have these things scheduled. These are Items that have—we either started the discussion and haven't finished. They've been on the docket; they just weren't scheduled. Again, not meant to be overly prescriptive or restrictive. I'd be happy to say these are example discussion areas, but I wanted to get that concept that we were going to make this as much a Priority this year as last year in terms of how often we had discussions.

Mr. Dennis: Mayor Burt, if I may. One additional element that I want to be very explicit about is the CAC was charged last year to start moving immediately on elements. They've been doing their work for now six months and making sure that the work that they've done, how to incorporate that into the thinking of the Council moving forward. When they first signed up, I don't think they anticipated working through this year. I think we had something a little shorter than that. We've already added six months to their lives, so I want to make sure that we incorporate that piece.

Mr. Keene: If I just might—again, I really understand the intention. I'm just concerned that after 6 1/2 hours here we're rushing to put together a direction that clearly is saying the Council wants a clearer timeline and alignment of the key discussion areas you want to be able to delve into. I find it hard to believe that every one of the Council Members let alone anybody in the public understands what that array of those things are and how that fits in what we already have scheduled and what needs to be plugged in. I'd rather get a directive that has us come back even in some way and identify what are all the issues that are either programmed to be talked about or are lacking, and then have a thoughtful discussion about what the schedule should be, rather than doing that right now.

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Mayor Burt: I think I would welcome that discussion after the Council Retreat, two weeks or so after the Council Retreat.

Council Member Holman: As seconder, I said I had a couple of other comments to make on this.

Mayor Burt: Go ahead.

Council Member Holman: At this point in time, though, I actually would ask the maker of the Motion to change "A" to direct Staff to come to the Council Retreat with a more definitive schedule of when the variety of issues that have been presented this evening can be addressed, so that we can take action on it at that time.

Council Member DuBois: If we had the schedule at the Retreat and if we perhaps had time to discuss the list of topics at the Retreat, that would be ... Again, I am concerned about delaying this process and pushing it out, so I'd like to resolve this fairly quickly. I was actually suggesting could we discuss those issues at the Retreat and come up with a list.

Council Member Holman: We can, but if Staff comes with a tentative schedule, then we have something to start from. We're not going to be just throwing things against the wall.

Mayor Burt: Let me try and answer that question on what I think we can discuss at the Retreat. I don't think we can go into the substantive discussion of those Items, but we can talk about what are the Items and which we want to agendize, whether they be Committee as a Whole discussion, Study Sessions, Action Items, whatever.

Council Member DuBois: I would accept that as a replacement for "A."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace Part A of the Motion with, "direct Staff to come to the City Council Retreat with a more definitive schedule of when the variety of issues discussed this evening will be scheduled for Council consideration."

Council Member Holman: I also had a couple of questions for Staff. It's just not clear to me how—we're adding this fifth scenario. If we need to mix and match some of the scenarios and we've got a 90-day window for the DEIR, I'm just not clear how that process is going to work, how we're going to identify within that 90 days what the other scenarios are, and then how we're going to get a DEIR response to the impacts of a blended scenario. I'm really not grasping how that's going to work.

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Ms. Gitelman: Thank you, Council Member Holman. We were just talking about that same thing. Our thought was in publishing the Draft EIR, we would make available to you a lot of data and analysis that you don't currently have. We're all conjecturing about the impacts of these various scenarios. When you had the information, you could use that information and analysis to help you formulate what that fifth scenario is. I guess, based on the Motion, we're trying to understand whether that's the way you want to proceed or whether you'd like us to basically hold off publishing a Draft EIR until we've heard from you what that Fifth Scenario is, had a chance to analyze that Fifth Scenario and add it to the document. Those are two different ways to get to the same outcome. We would have to prepare a comparative schedule for both of those ways and probably look at the budgetary implications of each compared to each other, if you really wanted to weigh those options. We could bring that back to you at some future meeting as well.

Council Member Holman: I think we've identified a Fifth Scenario here as a part of the Motion.

Mr. Keene: If I just might add again. I feel the same way a little bit about "B" that I did on "A" as far as process. I'm not sure that even "B" is specifically enough articulated. The Mayor, for example, said having one that explicitly had job growth slower than population. That's not necessarily captured in the way this one is identified. The other concern I have is that the Staff had a different concept of how to move forward that also was based on the work that has been done by the consultants and others and the necessary components of the Draft EIR and Budget. There's the potential that a Fifth Scenario injected one way versus another could have a big impact on time and costs going forward. I don't feel like we're having the conversation with you all about the implications of that. I think we'd be better served doing that not now in 10 minutes before we end. Again, saying you clearly want an alternative potential that you're feeling isn't presented in the way we've laid out in the four scenarios. We have to be able to have a thoughtful conversation with you about what that would be more specifically and what form we should take to have that be accommodated and what the consequences of that are.

Mayor Burt: We have the DEIR that you said was going to be ready in about three weeks. Is there a date set that the Council would begin discussion on that? What I'm leading to is that the right time to continue this discussion.

Ms. Gitelman: We were looking at a March date for a Council hearing on that document. We haven't selected the date.

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Mayor Burt: If it comes out in three weeks, is there a reason that it wouldn't be able to be late February?

Ms. Gitelman: It could be in late February if you think everyone would have had an opportunity to delve through the document.

Mayor Burt: Maybe that's the right time and place to—at that time you'll have had an opportunity to think more about this fifth scenario. Right? We'll perhaps have some opportunity at the Retreat to give a little more discussion about it. How does that seem to people?

Vice Mayor Scharff: It seems reasonable to me.

Mr. Dennis: Mayor Burt, one additional element is that we have scheduled on February 22nd the joint meeting with the CAC on housing issues, whether or not that would be per Council direction disrupted by this. A lot of work has gone into it, but it hasn't been completed yet. If we need to focus on that Item that we're discussing tonight.

Mayor Burt: Or if, depending on that, how clear we could make that Agenda or special meeting whether we put the two things in one meeting and it's a Comp. Plan meeting. Maybe that's an alternative. Maybe it's a separate meeting that's just devoted to these two aspects. We're back to a question of can "B"—are there any changes to "B" to respond to what we've heard from Staff and what might be a way to go forward?

Council Member Holman: The one thing that I would think would be important to add to "B" was on my list, and one of the members of the CAC mentioned it too, which was that the last bullet under Scenario 2, which sort of seems like a false choice, no new transit or transportation initiatives except County expressway Plan. It seems like that should also be added to this alternative.

Mayor Burt: Now we're getting into specifics of the alternative versus the concept at a higher level. I think that's going to open up a longer conversation tonight, because we'll have various people with various notions the more granular we get. I'm really looking for a modification to this that would give us some—be less prescriptive tonight on how we would move forward on that Fifth Scenario. Council Member Berman's been waiting.

Council Member Berman: I was hoping you'd take a crack at an Amendment. I'll take a crack at an Amendment to "B." Let me know if I don't articulate what you just kind of encapsulated a second ago. Direct Staff to return to Council with the DEIR—is that what we're saying?—as well

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as a possible Fifth Scenario and the implications that will have on the timing and the process of completing the Comprehensive Plan Update.

Mayor Burt: I think we'd want to carry down the general guidance of what that Fifth Scenario would be addressing.

Council Member Berman: I'll let you—please.

Mayor Burt: I would add a Fifth Scenario which shifts the job/housing balance. I would simply leave it at that.

Council Member Berman: I'm fine with that.

Mayor Burt: The question is are the maker and the seconder okay with it.

Council Member DuBois: Just so I understand this, are we saying that ...

Mayor Burt: I'm sorry. Maybe we should have—change "shift" to "lowers the job/housing ratio."

Council Member Berman: Yeah.

Council Member DuBois: Are we saying that we would proceed with the DEIR as is and possible at some later date we would look at a Fifth Scenario?

Council Member Berman: Yes, essentially.

Mayor Burt: Yes. I think we've heard pretty clearly from Staff that that DEIR is virtually ready to come to us. That work is done. What we're looking at is what we want to add to it as a Supplemental Scenario.

Council Member DuBois: Just so I understand. When you say it's coming to us in three weeks and the work is done, an external consultant has already analyzed the impacts of the four scenarios. In three weeks, we're going to get a report on the impacts of those four scenarios.

Ms. Gitelman: That's correct.

Council Member DuBois: I think I'll accept this in the Motion.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to replace Part B of the Motion with, "direct Staff to return to Council with the DEIR as well as a possible fifth scenario which lowers the jobs/housing ratio and the implications that will have on the timing and process of completing the Comprehensive Plan Update."

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Mr. Keene: Just to speak. We would expect—we would make our best effort to put as much kind of clear definition into this possible fifth scenario that would allow the Council to more specifically modify it as you would want to, so that we get an even better sense of what that jobs/balance or what those population to jobs numbers might be, as far as drivers.

Council Member DuBois: To the degree you did with the other scenarios, right. I guess we're not going to see details on those until three weeks from now.

Mr. Keene: I think that these numbers allowed people to draw up all kinds of conclusions really quickly. We ought to at least get to that point also.

Ms. Gitelman: We won't have analyzed the Fifth Scenario, but we'll try and bring you enough information and dialog about what elements it could contain to make sure that we get a consensus or direction from a majority of the Council.

Mayor Burt: Vice Mayor Scharff.

Vice Mayor Scharff: That was actually the question I wanted to clarify. The way I see this—I just want to clarify we're on the same page—is you will move forward, get us the DEIR on the same schedule you were planning before. We may come earlier in terms of a meeting at the end of February. In terms of a Fifth Scenario, you're not going to delay the DEIR for this. You'll do as much work as reasonably possible—I don't mean you're going to spend all night—with whatever information you can. Once we get the DEIR, I was thinking there may be other scenarios rather than this Fifth Scenario that we want to look at. I think this is one of the scenarios we look at as a fifth. After we read the DEIR, there may be other scenarios we want to look at, and I don't want to limit us and say we're only going to do these five scenarios. My vision of this always was we get all of these, and then we mix and match to some extent. I noticed and I think the whole structure of this—Council Member Holman's question seemed to misunderstand that actually a little bit, when you mentioned in the one scenario there is the—what did you say again that was? I don't want to put words in your mouth. There was the one scenario where you were concerned that it says we do something.

Council Member Holman: The Second Scenario, for instance, seemed kind of a false choice to me because it doesn't talk about any grade separations.

Vice Mayor Scharff: That's the part I want to adjust. They put a bunch of stuff in different scenarios; the point is we study it in a programmatic EIR. Therefore, it's not a false choice because you're not going to accept a

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scenario in just this. You're actually going to mix and match. Staff told us that back in 2014, when we scoped this out. We had a long meeting, if you recall. We scoped it out, and we said we would mix and match eventually, but we wanted to study all alternatives so we had the—frankly, the next Council had the broadest array of options. At least that was the goal. It did seem that we should have probably had a fifth scenario in here in terms of the jobs/housing imbalance. I agree that's possible, but there may be more. I think it's great that we're going to look at that, but I don't want to delay the process.

Mr. Dennis: Vice Mayor Scharff, I think you're hitting the nail on the head from this perspective. Sitting back here—I think I can speak for Hillary—I think we're pretty delighted that this is the kind of conversation that's going on. This is exactly what we'd hoped would occur related to seeing some of these numbers for the first time and getting the Council to think about if you make these suite of decisions and that lever gets pulled, this is the result so we're going to think now differently about the various land use decisions that we can make to further pull that lever, if you will. I'm excited to hear this, because this is exactly what we'd hoped would occur. We'd hoped that this discussion would drive that.

Vice Mayor Scharff: That's what I had to say to this Motion. I did want to make some comments before he made a Motion. We were all making some comments on it. Should I make those now or should I wait until we finish the Motion?

Mayor Burt: Let's go ahead and wrap up the Motion, and then we can do rapid fire final comments. Let me just clear this and see if anybody wants to speak to the Motion only. Council Member Wolbach.

Council Member Wolbach: I've three or four questions here. The first is why do we need this Motion. What is in this Motion that Staff wouldn't do, couldn't do without the Motion? I'll be honest. I think that tonight frankly should have been a Study Session. I don't think we need this Motion to move forward, but maybe I'm wrong.

Mayor Burt: Council Member Wolbach, this Motion is for a scenario that is outside of the four that are otherwise going to be considered.

Council Member Wolbach: I understand. The problem ...

Mayor Burt: Then I don't get why your question isn't answered by that.

Council Member Wolbach: I think we still have the opportunity to discuss Fifth, Sixth, Seventh Scenarios without this Motion. We already have that

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opportunity by, once we get the Draft EIR, saying we want the job limitations of, say, Option 2 or something like that, and we want the housing growth of say Options 3 or 4 or, as I suggested earlier, maybe something even more. I'm at a loss to understand why we need the Motion (crosstalk).

Mayor Burt: In the interest of time, let me try to answer your question. If I don't do it, then I don't. The difference then is that we are specifically telling Staff what we want them to address in that next scenario, so that we won't lose more time before that proceeds. They will have, at this next meeting on the EIR, come back with having given some thought and something moderately concrete for our discussion of what that Fifth Scenario would look like.

Council Member Wolbach: To be clear, I'm supportive of that kind of direction. I'll probably end up going that way. I just didn't want to throw again another wrench into this process. I'm worried that in the interest of trying to speed up getting the conclusion we want, we might actually delay it. Also, there's nothing in here about direction to the CAC. A lot of the discussion we had tonight, before we came back to this scenario stuff, but the core discussion tonight was about our interactions with the CAC. Is there anything that we need to do to empower the CAC to be more flexible, to have Committee meetings that aren't Brown Acted, to have subcommittee meetings ...

Mayor Burt: Council Member Wolbach, just a second, just a second.

Council Member Wolbach: I'm working ...

Mayor Burt: I'm controlling the meeting now.

Council Member Wolbach: I wasn't ...

Mayor Burt: What we're looking for is comments specifically on this Motion.

Council Member Wolbach: I'm considering an Amendment to the Motion. That's why I'm asking a question of Staff, that might lead me to offer an Amendment, hopefully friendly, to the Motion.

Mayor Burt: At this hour, we need to not be too round-about.

Council Member Wolbach: In order for members of the CAC—if they decide and the Chairs decide it's a good idea to meet in small groups, do they always have to have Staff present? Do they always have to be Brown Acted in their meetings? Do they always have to be publicly noticed and staffed?

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Mr. Dennis: A couple of comments really to that. First of all, we understood the direction to be pretty specific on what the subcommittees were going to do related to Brown Act-like regulatory scheme, so we designed it in that way. We always understood that Staff would need to be involved in order to have some modicum of control related to the process. I also understood that the previous process related to the Comp. Plan prior to the rebooting in 2014—one of the criticisms was that it was done in a non-transparent way, without Brown Act controls. We wanted to make sure that this was as transparent as possible. When the CAC, (inaudible) candidly, has brought up these very similar points, I think, Staff has pushed back and said, "No, Staff needs to be involved on some level. We need to be able to draft some Staff Reports, provide you the information you need, and be there to answer any questions that you have." This is not a process that we saw that three or four people will go off in a room and come back with a product. We wanted it to be transparent and open to the public. That being said, I certainly welcome any changes. I just wanted to provide that background, as I understood it. We've shared the concerns related to this truncated timeframe to get a lot done. When the Council directed us to add subcommittees, we realized that we doubled our work at that point. We're making it happen; it's working. As long as we work within the timeframe that we understood has been the timeframe all along, it's challenging.

Council Member Wolbach: I'd like to offer a friendly Amendment which is the Council empowers the CAC, if it so chooses, to establish and hold small subcommittee meetings which do not require Staff.

Council Member DuBois: I'm sorry. I don't support that. I actually support the process the Staff has set up. I'm trying to—I'll just say that. I support the process they set up.

Council Member Wolbach: I'll offer it as an unfriendly Amendment (crosstalk) second it.

Mayor Burt: Just a moment. The reason that I was interjecting before is because this Motion was responding to the primary question of Staff around this meeting, which is response on the EIR. There are other Comp. Plan-related or CAC-related things that we may yet consider, whether tonight or in the future. That's why I was trying to keep the Motion focused on that subject. Under that guidance, if you want to make a separate Motion after we consider this one, we can take it up at whatever hour. This Motion needs to stay around the EIR subject.

Council Member Wolbach: That's fine.

TRANSCRIPT

AMENDMENT: Council Member Wolbach moved, seconded by Council Member XX to add to the Motion, "Council empowers the Citizens Advisory Committee for the Comprehensive Plan Update (CAC) if it so chooses to establish small sub-committee meetings that do not require Staff support."

AMENDMENT WITHDRAWN BY THE MAKER

Mayor Burt: Council Member Schmid.

Council Member Schmid: Just in Section A, previously after a variety of issues, there were four or five concrete examples that we have been involved in. That was generalized to issues discussed this evening, which is a lot vaguer. I guess I would feel it'd be more appropriate to leave the specific references in there.

Council Member DuBois: I appreciate that. We'll have our Retreat in a couple weeks, so I'm going to trust Staff to come back with those specific examples and maybe some other ones. If they don't, we'll bring it back up at the Retreat in two weeks.

Mayor Burt: I see no more questions or comments on this Motion. Please vote on the board. That passes unanimously with Council Member Kniss absent.

MOTION AS AMENDED PASSED: 8-0 Kniss absent

Mayor Burt: If we have any other Motions that Council Members want to make that would be clear-pointed and able to get done quickly, then we can do that. Council Member Wolbach.

Council Member Wolbach: I'd like to move that the Council empowers the CAC to hold small subcommittee meetings that do not require City Staff to be present.

Mayor Burt: That appears to fail for lack of a second.

MOTION: Council Member Wolbach moved, seconded by Council Member XX to add to the Motion, "council empowers the Citizens Advisory Committee for the Comprehensive Plan Update (CAC) if it so chooses to establish small sub-committee meetings that do not require Staff support."

MOTION FAILED DUE TO THE LACK OF A SECOND

Mayor Burt: Vice Mayor Scharff.

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Vice Mayor Scharff: Thanks. I don't have a Motion. I just really briefly wanted to comment—there's a few members of the CAC left—on the good data, because a bunch of people talked about good data and a deep dive. I think one of the things we should think about is in general hotels, for instance, create less traffic than either housing or office. In general, housing creates more traffic than office. Housing placed Downtown in small units, where you basically don't give a Residential Parking Permit (RPP) parking permit, would probably create less traffic than office or possibly hotels. The question that I want people to think about is what matters in terms of all the traffic in all of this is where we place the housing, where we place the office. Office next to the Caltrain station, it seems that close to 50 percent of the people take Caltrain; it creates very little. Office placed not near a Caltrain station creates more. I'm just saying when we talk about good data, it's really data specific to what we're thinking about. As we go through this Comp. Plan, we should think about what we want to achieve. We want to obviously have less traffic. We want to have more housing. We want to think about how we achieve that in a site-specific way that's data driven. That's what I want—I'm hoping we'll get some of that information as we go through this process that actually deal with it on a granular basis like that. If we're actually going to make this work, then we need to be granular. If we just say we're going to put in 15,000 new housing units, we could make traffic horrible in this City frankly. If we place those housing units in the right place, there may be no traffic impacts. That's what I'm saying, we have to think about this really carefully. I just wanted to get that off my chest.

Mayor Burt: Council Member Holman.

Council Member Holman: Not a Motion either, but just a comment to Staff. We have made lots of comments this evening about data. I mentioned earlier about the need for understanding how traffic analysis is done. Just bring everything you could possibly think of that has been incorporated in how the analysis was done both for current conditions and assumptions going forward. For instance, how many employees per 1,000 square feet, those sorts of things, and what projects are being included and not in terms of current conditions and projections. There was another thing about that. There was another thing about data which it seems to have escaped me at the moment. What data is being used for school impacts, like, what the assumptions are for that, because the Comprehensive Plan is where we can address that. I think those are my comments. Just clarity about how the data was arrived at.

Mayor Burt: I just have a couple of quick wrap-ups. One is on the traffic impact analysis methodology. I certainly think that's going to be something

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that we'll be talking about at the Retreat, whether we want to schedule a separate Study Session on that. A couple of other points of feedback to the CAC. Maybe the diehards who are still here can carry this to your colleagues. Money is an object. It's a Comprehensive Plan; it's not a comprehensive dream. I just wanted to give that feedback. That doesn't mean that it's just—it's also a plan that has a vision and a set of goals. I don't mean to be saying that it's all fiscally driven, but we don't want just airy-fairy dreams out of this. I didn't get that from most of you, but I just wanted to offer that clarification. There was also really a question on whether the CAC was being limited to policies and programs. I think Council Member DuBois said something along the lines of what I would say. That is the primary request, but if you see goals that you think we should reconsider what we have adopted as a Council, then I don't want you to be shy about saying, "We've discussed this, and we really think you ought to reconsider this for the following reasons." I would certainly welcome that, and I hope others would too. Co-Chair Garber.

Mr. Garber: I apologize. The Co-Chairs and Staff are trying to be extremely careful to be responsive to the directions that Council gives us. We believe that we are arms and legs of the Council. It has been made clear to us that there are two things which are very important to the Council. One of which is that our auspice be in the policy and program world. The second of which is that we identify areas of disagreement, so that we can bring them to Council for resolution. Those are sort of the two driving things that we are really focusing our process and the conversation around. There is plenty of interest to talk about other things in the CAC. I would caution Council to—if they are looking for the CAC to get in front of a topic that they are considering talking about, it needs to be very explicit so that we can find ways of structuring that conversation so that it doesn't obstruct our opportunity to get our other work done. Not that we don't want to talk about stuff; we love that. It would be helpful in that way.

Mayor Burt: I'd like to add one more thing in the CAC process and the subcommittees. Although, I wasn't comfortable in going as far as Council Member Wolbach suggested and I have not witnessed how the subcommittee meetings are structured and run, I would be open to less formality than perhaps is there. While the Committee—my impression is that it might be fine for the Committee to have a meeting that isn't kind of driven by Staff, but Staff is in attendance. That's the distinction that I would have made there. Maybe we can take that up going forward rather than at this hour. That would be my—we haven't had a chance to have that discussion. I frankly haven't seen how they are being run. I've had a sense that maybe the CAC and the Council would be open to those subcommittees being CAC-led and initiated and that kind of thing.

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Mr. Dennis: Staff would be too. We just would like to have the direction before we go down that road. Thank you.

Male: (inaudible)

Mayor Burt: Yeah. Frankly I'd find that within the prior guidance that the Council had given, as we had said that we didn't want it to be—those Committees to have to be Brown Acted. I'm not sure what the interpretation was.

Mr. Keller: The subcommittees are not Brown Acted; they're noticed. They are subcommittees of a Brown Act Committee which has its own constraints. Secondly, there is no problem with ad hoc, self-forming committees being formed to have discussions out of—being not with Staff. However, that still has to be constrained with not having Brown Act violations overall. With that being said, the Staff process, as I understand it, with respect to subcommittees is they're gathering data so that the subcommittee can discuss it. Also, they're collecting information that the subcommittee puts together so that the subcommittee doesn't have to do all the processing. I think that is working reasonably well. Let's see how the process proceeds before we figure out how to change it.

Mayor Burt: This is something that we don't necessarily have to resolve tonight. We may need more information on it to see whether there should or shouldn't be any tweaking. On that note, once again thank you to everybody. Welcome to our world.

Inter-Governmental Legislative Affairs

None.

Council Member Questions, Comments and Announcements

Mayor Burt: Our final matter is Council Member Comments. I gladly see no lights. On that note, the meeting's adjourned.

Adjournment: The meeting was adjourned at 12:07 A.M.