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June 16, 2008

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The City Council of the City of Palo Alto met on this date in the Council Conference Room at 6:05 p.m.

Present: Barton, Burt, Drekmeier, Espinosa, Kishimoto, Klein, Morton, Schmid, Yeh arrived at 6:20 p.m.

Absent:

CLOSED SESSION

1. Public Employment
Title: City Manager
Authority: Government Code section 54957(b)

Council reconvened from Closed Session at 7:02 p.m.

Mayor Klein advised no reportable action taken.

SPECIAL ORDERS OF THE DAY

2. Presentation About 2009 Senior Games

Anne Cribbs spoke about the 2009 Senior Games coming to Palo Alto in August 2009. She stated that 13,500 athletes over the age of 50 from around the country would be competing in 18 medal sports and 7 demonstration sports in and around the Bay Area. The Senior Games are held every two years and everyone has to qualify at their state games. This event is free to the athletes and to the public to attend. The event will also include a torch relay with a sustainable torch. This will be a green event, where the use of organic food, limited waste, and each athlete will be given their own water bottle. She spoke about requesting a financial buy-in from the City, a total investment cost of \$500,000.00.

Steve Player spoke about the importance of lifelong fitness and health and the success of the Games in Palo Alto.

Susie Thom spoke of the opportunity for sustainability education for the participants and guests who will be experiencing the Palo Alto difference and she hopes the knowledge will be taken back to their cities.

Vice Mayor Drekmeier asked whether there was a vision involved with the event for the hotels in the area to move up their green program commitments.

Ms. Cribbs stated yes. She had been working with the hotels.

Vice Mayor Drekmeier asked whether the 2009 Summer National Senior Games Local Organizing Committee (LOC) felt the event Palo Alto was experiencing would become the standard for future Senior Games.

Ms. Cribbs stated yes. The LOC had challenged the National Senior Games Association (NSGA) to join them in the green sustainability efforts.

Council Member Yeh asked about their experience in volunteer outreach.

Ms. Cribbs stated there was a need for four thousand volunteers to run the event. There were volunteer registration forms on the website.

Council Member Yeh stated it would be nice to have the athletic youths involved to interact with the senior athletes. He suggested involving the two High School campuses and Stanford University.

Ms. Cribbs stated it was a good idea. She mentioned over the past three years their organization had been doing the Bay Area Senior Games in preparation for this event where they had High School involvement and it worked out very well.

Mayor Klein stated there were 30,000 qualifying persons but merely 13,500 participants. He asked what happened to the remaining 16,500.

Ms. Cribbs stated for one reason or another they decided not to come.

Mayor Klein stated he saw it as a marketing opportunity reaching out to entice the 16,500 qualifiers to join in the event.

Ms. Cribbs stated yes, the organization had thought of that and was working on ways to encourage more participation.

Mayor Klein asked where the Senior Games were going to be held in 2010.

Ms. Cribbs stated Houston, Texas.

Council Member Morton stated with the Senior Games coming, we have the opportunity to make a huge impact for the community.

Council Member Burt asked whether there was going to be an estimated revenue accrual from the event.

Interim Deputy City Manager Steve Emslie stated yes.

Council Member Burt asked for an anticipated revenue range as received after the Tour de California event.

Mr. Emslie stated yes, staff has the capability to project the estimated revenue based on revenue tracking format from the Tour de California.

Council Member Espinosa asked whether there was going to be a website developed for the games and asked how the City could participate in order to draw people to stay in Palo Alto and utilize the amenities.

Ms. Cribbs stated there was a website where a destination company was working with the hotels and scheduling on-line.

Council Member Schmid asked whether there were an institutional means to encourage local seniors to participate in the games in the future.

Ms. Cribbs stated the organization as a whole was working on ways of communicating with the up and coming participants.

2A. Proclamation Recognizing the Palo Alto Humane Society for 100 Years of Service to Palo Alto.

Vice Mayor Drekmeier read the Proclamation and presented it to Carol Hyde, the Executive Director of the Palo Alto Humane Society.

Carol Hyde, Palo Alto Humane Society, shared the history of the Humane Society.

ORAL COMMUNICATIONS

Edward R. Holland, 1111 Parkinson Avenue, spoke regarding the wasting of water.

Christopher Harris, 2115A Oberlin, spoke regarding the College Terrace petition on construction.

Swathi Rao, 2020 Princeton Street, spoke regarding the College Terrace Street Construction.

Anne Shahinian, 2041 Oberlin Street, spoke regarding the construction in the College Terrace neighborhood.

Josiah Slone, 631 Union Avenue, Campbell spoke regarding the termination of Pat Briggs and Richard Curtis.

Herb Borock, P.O. Box 632, spoke regarding the review of cash handling procedures Request for Proposal number 127676.

Suzan Stewart, 1550 Middlefield, spoke regarding the handling of the Palo Alto Children's Theatre investigation.

Kathleen Gui, 2294 Princeton Street, spoke regarding process of issuing planning permits for remodeling.

CONSENT CALENDAR

Mayor Klein noted that Item Number 3 had been removed from the Consent Calendar at the request of staff, to be heard on an undetermined date.

MOTION: Council Member Morton moved, seconded by Council Member Kishimoto to approve Consent Calendar Item Numbers 4-7.

- ~~3. Approval of a Utilities Enterprise Fund Contract with D'Arcy & Harty Construction, Inc. in an Amount Not to Exceed \$1,177,695 for Wastewater Collection System Rehabilitation Capital Improvement Program Project WC-06003 Project 19B.~~
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MOTION PASSED: 9-0

MOTION: Mayor Klein moved, seconded by Vice Mayor Drekmeier to bring Agenda Item Number 9 forward to become Agenda Item Number 7A.

MOTION PASSED: 9-0

- 7A. (Former No. 9) Approval of a Site and Design, Mitigated Negative Declaration and Record of Land Use Action for a New Spa and Fitness Facility, Below Grade Parking, Tennis Court, Additional Floor Area for Accessory Uses Including Offices, Bar, Banquet and Storage Areas and Other Site Improvements Located Within the Open Space (OS) Zone District at 3000 Alexis Drive.

(Staff requests item to be continued by Council Motion to a date uncertain)

Interim Director of Planning and Community Environment Curtis Williams clarified that the item was being requested for continuance due to the need for staff to review the Conditional Use Permit associated with the Country Club in regards to the Mitigated Negative Declaration.

MOTION: Mayor Klein moved, seconded by Vice Mayor Drekmeier to continue this Agenda Item to a date uncertain.

MOTION PASSED: 9-0

PUBLIC HEARINGS

8. Approval of a Mitigated Negative Declaration and Adoption of an Ordinance Amending the Zoning Map of the City Of Palo Alto to Change the Zone Designation for Approximately 0.45 Acres, Located at 2995 Middlefield Road, from Planned Community (PC 3779) to Neighborhood Commercial (CN) Zone District with a Retail Shopping (R) Combining District

Council Member Morton advised that he would not be participating in this item as he is a founding member and currently on the Board of Directors of Community Skating Inc., which surrounds this property.

Interim Director of Planning and Community Environment Curtis Williams stated the project was recommended for approval by the Planning and Transportation Commission (P&TC).

Planning and Transportation Commissioner Samir Tuma clarified the full Planning and Transportation Commission was in favor of the rezoning. Their concerns were whether to rezone prior to the discussions of property use in order to give maximum flexibility to the use of the property.

Council Member Burt asked about the resource impact. He asked how staff came up with the dollar amount for taxable revenue.

Mr. Williams stated the site information was provided to the Administrative Services Department and their calculations provided the numbers in the report.

Council Member Burt stated the answer was not going to alter his vote it was more for informational purposes.

Council Member Schmid stated the Planning and Transportation Commissions' main discussions had been over driveway entries.

Mr. Williams stated yes.

Council Member Schmid stated a portion of the Planning and Transportation Commission discussion was a trade of property to allow the ingress and egress on the same side.

Mr. Williams stated the property trade would minimize the necessary number of driveways on the site.

Mr. Tuma stated the P&TC was looking into the opportunity as a more logical ingress and egress with the property being under one ownership. He stated the owner of the property was eager to negotiate an agreement without trading land.

Council Member Schmid asked whether there would be further discussions to solidify the concerns as the project proceeded.

Mr. Williams stated yes.

Mayor Klein asked for clarification on the staff report in regards to City owned property surrounding the site in question.

Mr. Williams stated on the west side of the Winter Lodge there was a strip of land between the parcel and the creek which maintained a driveway, several parking spaces and some trees and shrubs. He stated there was an attachment to the Negative Declaration describing the lot with a map.

Public Hearing opened at 8:21 p.m.

Bob Moss, 4010 Orme Street, supported the rezoning of the CN. Although with the site being on an abandoned gas station, there had been no data provided which analyzed petroleum product leakage.

Mark Coiley, 3069 Middlefield Rd., #204, stated he did not support the rezoning for commercial use. When the property owner was approached by the City to purchase the Winter Lodge stated they were not interested. The City should approach the Winter Lodge again.

Herb Borock, P.O. Box 632 stated the history of this area was set aside for low density multiple family housing. In the future it would be nice to consolidate all of the parcels into a recreational area combined with dedicated parkland.

Erik Corrigan, 12797 Normandy Lane, Los Altos Hills, stated he was the owner representative and was available to respond to any Council questions.

Council Member Schmid asked for an update on where the owners were in respect to the number of access points off of Middlefield Road.

Mr. Corrigan stated he would be happy to consider any alternatives with the City and the Winter Lodge in reference to the ingress and egress to the site. The site was previously a gas station and there had been a large amount of traffic that seemed to pose no issue at that time.

Public Hearing closed at 8:31 p.m.

MOTION: Council Member Barton moved, seconded by Mayor Klein to approve Staff and Planning and Transportation Commission recommendations to 1) approve the proposed Mitigated Negative Declaration and; 2) adopt the Ordinance to change the zoning classification of 2995 Middlefield Road from Planned Community (PC-3779) to Neighborhood Commercial Zone District (CN) with a Retail Shopping Combining District (R).

Council Member Barton stated in order to develop the site rationally, rezoning the site was the appropriate option.

Mayor Klein stated rezoning was the first step towards the improvement of this area.

Council Member Kishimoto asked whether there had been discussion of sidewalks on the project.

Mr. Williams stated no.

Mr. Tuma stated that the installation of a crosswalk would ultimately be dependent on the project to determine what type of sidewalk was necessary.

Council Member Kishimoto stated the nearest crosswalk was quite a distance and the amount of traffic should be considered.

Mr. Williams stated there must be a nexus for a crosswalk to this project.

City Attorney Gary Baum stated the City could commission a crosswalk for the purpose of traffic control; however it was not part of the project in discussion.

Council Member Kishimoto asked how many parking spaces would be available.

Mr. Williams stated it was approximately an eight thousand square foot lot which calculated out to 32 stalls.

Council Member Kishimoto stated she supported the Motion.

MOTION PASSED: 8-0 Morton not participating

REPORTS OF OFFICIALS

10. Approval of Letter of Intent with the Friends of Lytton Plaza Park, L.L.C., for the Design, Construction and Installation of Trees, Fountain, Park Amenities and Other Improvements at Lytton Plaza – Capital Improvement Program Project PE-08004.

Assistant Director of Community Services Greg Betts gave a brief history of how the Plaza came to be and a description of the proposed plan.

Council Member Morton asked whether the Letter of Intent had an expiration period.

Mr. Betts stated the letter had a negotiated amount of time which was necessary to complete the fundraising.

Council Member Morton asked whether the title of ownership was to be temporarily transferred to the organization completing the construction project, then returned to the City upon its completion.

City Attorney Gary Baum stated the actual title was not transferred, a license was granted that allowed entry rights.

Council Member Kishimoto asked whether the amount of the financial agreement between the Friends Organization and the City was determined prior to or during the agreement.

Mr. Betts stated he was unsure of the projects original orientation.

Council Member Schmid asked the qualifications of the private side of the public private partnerships.

Mr. Baum stated his belief was that there was no requirement.

Council Member Schmid asked the implication for financial oversight.

Mr. Betts stated there was a joint account established and held by the City. The funds allocated by the CIP were held in the account along with the funds raised by the Friends.

Le Levy, Friends of Lytton Plaza, 690 Greer Road, stated the Plaza was forty years of age and the Friends were hoping to regain its beauty and vibrant attraction with this project.

Emily Renzel, 1056 Forest Avenue, stated she did not support the alteration of the current Plaza, which had been an active part of the community since its inception.

Herb Borock, P.O. Box 632, recited historic events of the Plaza and stated if the Plaza was to be altered the designations of it being private property should be removed.

MOTION: Council Member Morton moved, seconded by Council Member Espinosa to accept Staff recommendation to authorize the City Manager or his/her designee to sign the Letter of Intent with the Friends of Lytton Plaza Park, L.L.C., for improvements located within Lytton Plaza Park, including installation of trees, a fountain, site amenities and other improvements.

Council Member Morton stated the benefit of improvement to the historic downtown area was a benefit to the future as well as the present community.

Council Member Espinosa stated the new plans to update the dilapidated Plaza were encouraging and he requested the project leaders incorporate the history of Earth Day into the plans.

Vice Mayor Drekmeier stated his support for the Motion.

Council Member Kishimoto asked whether there was an Ordinance regarding free speech.

Mr. Baum stated he was unable to locate an Ordinance specific to free speech, however; it was a recognized public forum in the City and therefore did not need an Ordinance.

Council Member Kishimoto stated her support for the Motion.

Council Member Yeh stated his support for the Motion.

Council Member Burt asked how sustainability played a role in the project.

Mr. Betts stated the design of the surface was to be permeable and the trees would add a canopy to increase shade.

Council Member Burt asked the intent of reuse for the materials, such as the bricks, and asked how it was incorporated into the construction plan.

Mr. Betts stated that level of specificity of the plans had not been set yet.

Council Member Burt requested an Amendment to the Motion incorporating the reuse of materials.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER that consideration be given to the reuse of materials where practical.

Mayor Klein stated the downtown area needed to be refreshed from time to time and the City bears a percentage of the financial involvement. He stated on City owned property the City denotes the policy of use.

MOTION PASSED: 9-0

COUNCIL COMMENTS, ANNOUNCEMENTS, AND REPORTS FROM CONFERENCES

Council Member Yeh asked several questions regarding the scope of services for the contract of the Police Auditor in the Children's Theatre investigation. He wanted to know if additional questions could be added to the scope of services.

City Attorney Gary Baum stated questions could be asked within the purview, however; direction was not possible without the item being agendaized.

Council Member Yeh asked whether there was time to change, edit or expand the scope of services.

Interim City Manager Kelly Morariu stated there was an opportunity to make an addendum to the RFP.

MOTION: Council Member Yeh moved, seconded by Council Member Morton to agendize the discussion of; 1) the City Manager's scope of services for the cash handling audit at the time of the police auditor's review and, 2) Council determination of moving forward with an outside audit firm or refer to the City Auditor's office.

Council Member Schmid stated his support for the Motion.

MOTION PASSED: 8-1 Barton no

Vice Mayor Drekmeier reported that at the Human Relations Commission meeting last week Police Chief Johnson and Assistant Chief Burns gave a great presentation about 39 outreach programs that the Police Department is involved in with the community. He wanted to request that this information be included in a future council packet for all Council Members.

Council Member Morton spoke regarding a presentation he gave at the Santa Clara County Cities Association in Sunnyvale last week regarding the County updating the Palo Alto Land Use Plan and the San Martin Airport this year.

Mayor Klein stated he also attended the Santa Clara County Cities Association meeting last week. There is a meeting of the Peninsula Division of the State of California League of Cities on June 19, 2008 and all Council Members should attempt to attend as we need to show support. The Tri-cities of Los Gatos, Monte Sereno and Saratoga have all initiated a road impact fee that would be imposed to construction companies, as they cause the major damage to roadways. It was estimated that it would bring in an additional \$600,000.00 per year. The City of San Jose reported that when they receive project permits that involve installation of photovoltaic panels they are processed within 24 hours. He stated that he has heard from some Palo Alto residents who were installing photovoltaic panels, that they were treated poorly by the City. He also stated that San Jose reported on their recycling programs including getting rid of the use of plastic bags. Finally, there will be a Measure on the November ballot on redistricting and there will be 11 or 12 issues on the State ballot.

Council Member Burt asked Staff to secure the construction impact fee information from Los Gatos, Saratoga, and Monte Sereno.

ADJOURNMENT: The meeting adjourned at 9:40 p.m.

ATTEST:

APPROVED:

City Clerk

Mayor

NOTE: Sense minutes (synopsis) are prepared in accordance with Palo Alto Municipal Code Sections 2.04.180(a) and (b). The City Council and Standing Committee meeting tapes are made solely for the purpose of facilitating the preparation of the minutes of the meetings. City Council and Standing Committee meeting tapes are recycled 90 days from the date of the meeting. The tapes are available for members of the public to listen to during regular office hours.