Regular Meeting November 10, 2014

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20.	Approval of Letter of Intent for Construction and Operation of the New Junior Museum and Zoo Building by the Friends of the Junior Museum and Zoo in 2019	1
21.	Approval of a Two-Year Contract with Flint Strategies For a Communications and Outreach Contract to Support the Our Palo Alto Initiative and the Planning and Community Environment Department at a Cost Not to Exceed \$175,000 (Continued from October 27, 2014).	t
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ADJO	URNMENT: The meeting was adjourned at 11:40 P.M	.107

The City Council of the City of Palo Alto met on this date in the Council Chambers at 6:06 P.M.

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

Absent: Kniss

Parks and Recreation Commissioners Present:

Ashlund, Crommie, Hetterly, Knopper, Lauing, Markevitch, Reckdahl

Absent:

Study Session

1. Council Study Session with Parks and Recreation Commission.

Jennifer Hetterly, Parks and Recreation Commission Chair, noted the Council packet did not contain a memorandum from the Parks and Recreation Commission (PARC) regarding dog parks. The Packet contained a summary of PARC's work over the prior year and a fact sheet regarding the 7.7-acre parcel at Foothills Park. In 2015, PARC planned to complete work on the Parks and Recreation Master Plan and continue work regarding the 7.7-acre parcel, a pilot program for shared-use dog parks, review of Community Services and Natural Environment Elements of the Comprehensive Plan, an enhanced Community Gardens Program, the Byxbee Park Trails Project, an update of PARC's website, and park improvement projects. Three ad hoc committees were working with Staff and consultants regarding the Master Plan outreach process. PARC Commissioners focused on identifying possible gaps in input and data collection in order to obtain well-rounded information. Once the Master Plan was finalized, PARC hoped to move forward with funding and implementation of facility and programming improvements consistent with community priorities. PARC requested Council comment and insight regarding current and future projects.

Ed Lauing, Parks and Recreation Commissioner Vice Chair, reported a PARC ad hoc committee worked with Staff to assist with prioritizing capital improvement projects for parks, recreation and open space. The Capital Improvement Program (CIP) planning process for Fiscal Year (FY) 2016 would be different from previous years, because the City was making a significant investment in the Master Plan. PARC recommended changes to the planning process, because projects could not be prioritized until the Master Plan was complete.

PARC recommended a specific dollar amount be utilized as a placeholder in the Budget for priority projects revealed by the Master Plan process. PARC wanted the Master Plan to guide future priorities. Currently, six approved park projects would not be started, because the level of staffing was insufficient to manage the implementation of projects. The City employed one Landscape Architect who had primary responsibility for managing most projects. If the City hired a second Landscape Architect, approximately three additional projects could be managed each year. PARC requested the Council consider a second Landscape Architect position in the next fiscal year.

Abbie Knopper, Parks and Recreation Commissioner, advised that a PARC ad hoc committee was appointed to develop land-use ideas for the 7.7-acre parcel at Foothills Park. The City leased approximately a half acre of the parcel to Acterra, who maintained a nursery on the site. The lease would expire in 2015, but could be renewed by mutual consent of the City and Acterra. A significant portion of the property was covered with quarry waste material and/or creek sediment resulting in poor soil. The City now had responsibility for clearing the creek of sediment. Approximately 2.1 acres of the parcel were the only usable area; the remainder contained steep hills or was subject to easements. The parcel contained only one public entry/exit point. Nineteen members of the public toured the parcel with rangers and Twenty-seven members of the public attended a provided comments. meeting regarding the parcel. Public comment concerned restoration of the parcel; allowing Acterra and other environmental organizations to utilize the parcel; and the addition of recreational facilities.

Ms. Hetterly hoped the Master Plan would identify potential locations for dog parks. The PARC ad hoc committee proposed a six-month pilot program to allow dogs off leash on a fenced athletic field during limited hours. A pilot program would serve interim needs, test usage and behavior, and evaluate impacts on neighbors, other users, and facilities. The next step was to conduct outreach with adjacent neighbors, user groups and the broader Input obtained during outreach would be incorporated into a proposal for Council consideration. The ad hoc committee determined a pilot program could be implemented at the Baylands Athletic Center, Greer Park, or Hoover Park. While those three parks were located in an area served by two small dog parks, they would be useful for testing purposes. The areas varied in size from 3.3 acres to slightly less than 1 acre. Start-up costs were estimated to range from a few thousand dollars to \$25,000. Other concerns were curtailing use once the pilot program ceased and preventing use outside of authorized hours. The ad hoc committee proposed to minimize concerns through clear messaging that the pilot program was temporary and through increased enforcement.

As a policy matter, enforcement of rules and hours of use would be vital to justify compromises made by neighbors and park users. The ad hoc committee encouraged the Council to consider increased resources for leash law enforcement.

Council Member Schmid suggested sand, rock, and gravel located on the 7.7-acre parcel could have economic value to the City and commercial markets. Recalling comments contained in the Grand Jury Report with respect to the 7.7-acre parcel, Council Member Schmid recommended PARC attempt to include the public as much as possible. Perhaps PARC could open the parcel one weekend and invite the community to view it without guided tours. The Parks and Recreation Master Plan should address the issue of population growth in meeting goals for parks and recreation. A recent draft Existing Conditions Report had a nice cover picture showing Palo Alto north of Oregon Expressway as dark green and Palo Alto south of Oregon Expressway as light green or brown. If the Master Plan addressed the City's urban forest, it should question the different colors for the two areas of the City.

Council Member Klein requested a preview of potential projects being raised through the Master Plan process.

Mr. Lauing advised that PARC would need data from the Master Plan process before prioritizing potential new projects.

Council Member Klein felt Commissioner comments alluded to some new ideas. He would prefer to learn of potential projects sooner rather than later.

Mr. Lauing explained that demographic and growth changes could raise some new things to address in the Master Plan. That data should drive the CIP process. PARC did not assume projects would surface, but they could.

Council Member Klein asked if anyone had proposed new projects.

Ms. Hetterly reported Staff would provide the Council with data from outreach later in the month. The data would provide detailed information of issues that concerned the public. The Master Plan could reveal that the projects currently included in the CIP were not the highest priority; there could be a shift of priorities.

Council Member Klein inquired whether PARC Commissioners had talked to the City of Menlo Park regarding its successful dog park. Menlo Park did not appear to have the problems to which Chair Hetterly alluded.

Ms. Hetterly replied yes. Commissioners talked to the City of Menlo Park and a number of other communities with shared-use dog programs as well as dog owner groups from Menlo Park and Palo Alto. The City of Menlo Park hoped to transition its shared-use model to a dedicated full-time model.

Council Member Klein asked if the dog park in Menlo Park was located on a school property.

Ms. Hetterly indicated it was a baseball field owned by the City of Menlo Park.

Council Member Klein agreed with Council Member Schmid regarding tours of the 7.7-acre parcel. He was worried that the property was not a usable site and not suitable for investment of City resources. The public had the misperception that the 7.7 acres was similar to property in Foothills Park. The public should know the difficulties of transforming the property. He requested estimates of the cost to rehabilitate the land suitable for public use.

Council Member Holman wanted to understand if there was something that would help promote PARC's involvement in CIP planning. She was always interested in Sterling Canal and requested an update. With respect to the 7.7 acres, she concurred with having it open a couple of days for public viewing. A Council meeting with PARC dedicated to discussion of the 7.7 acres could be beneficial.

Mr. Lauing reported each year PARC and Staff had begun the planning process earlier. The entire process was working well. PARC agreed with Staff's prioritization of projects.

Council Member Holman noted a CIP for a hydrology study of the 7.7 acres was proposed the prior year, before the parcel was dedicated as parkland. That CIP was not approved; however, it might be approved for FY 2016 now that the land was dedicated as parkland.

Deidre Crommie, Parks and Recreation Commissioner, advised that a PARC ad hoc committee was working on Sterling Canal, but had not made good progress. Commissioners toured the site and learned additional fencing had been installed. The ad hoc committee was having some difficulty obtaining information about the parcel as it involved multiple City departments. The ad hoc committee was considering use of the property for a community garden.

Council Member Holman suggested using the property for a dog park and offered Council assistance with obtaining information from multiple departments.

Ms. Crommie indicated the ad hoc committee did consider Sterling Canal for a dog park.

Daren Anderson, Open Space, Parks and Golf Director, met with the Utilities Department and inquired whether some portion of the property could be used for a dog park or community garden. The Utilities Department advised that it was unable to relinquish the land.

Council Member Holman wished to learn of the Utilities Department's reasons when it had not used the property for many years. She asked if a joint Study Session would be beneficial to PARC.

Pat Markevitch, Parks and Recreation Commissioner, believed a joint Study Session would be helpful at a later time. The ad hoc committee had a great deal of work to do to ensure it provided the best information possible. PARC as a whole had not discussed Sterling Canal.

Council Member Berman concurred with having a joint Study Session, perhaps on a weekend at Foothills Park. PARC should be allowed time to ask questions and Staff to find answers before a joint Study Session. Opening the 7.7 acres to the public for unsupervised tours could raise some security issues.

Mr. Anderson indicated Staff discussed the possibility of tours with Acterra. Acterra would need time to secure the nursery from access by people and deer. In addition, Mr. Arrillaga's property bordered the 7.7 acres and was not secure. A large culvert on the property also needed to be fenced for safety.

Council Member Berman suggested Staff consider a contract worker rather than a full-time Staff member be present for tours. He inquired whether the memorandum regarding dog parks would be provided to the Council.

Ms. Hetterly advised that detailed information would be provided to the Council when PARC made a recommendation to the Council. Staff could provide some information once public outreach was complete. Information regarding dog parks was public record as it was discussed during PARC meetings.

Council Member Scharff inquired whether the 7.7 acres could be opened to the public without first securing it.

Mr. Anderson replied no. Ideally a ranger should be present to ensure the public did not walk onto private property.

Council Member Scharff inquired about the length of time needed to secure the property so that it could be open to the public generally.

Mr. Anderson indicated Acterra was financially challenged to secure the nursery. Acterra also was concerned about installing fencing at its cost without knowing the lease would be renewed and without knowing the implications of development of the 7.7 acres.

Council Member Scharff requested an estimate of the cost to secure the property.

Mr. Anderson guessed the cost to be approximately \$10,000 without knowing the level of security Acterra would want.

Council Member Scharff wished to open the property to the public as soon as possible. \$10,000 was a small amount of money to prevent opening the parcel to the public.

Ms. Knopper explained that \$10,000 would secure the nursery area only. The culvert had to be secured as well.

Council Member Scharff inquired whether Staff had any sense of the total amount needed in order to open the property to the public.

Mr. Anderson would need time to obtain an estimate.

Council Member Scharff requested a range of the cost.

Ms. Knopper reported that would be difficult to estimate, because the entire back of the property was open. There was no natural transition from public to private property. It would be difficult to estimate the cost without determining the amount of fencing needed.

Ms. Hetterly asked if Council Member Scharff wanted to know the cost to open the property to the public full-time or for a weekend of tours.

Council Member Scharff responded opening it full-time. Nine people touring the property over four days was not an overwhelming response. Expending funds to secure the property early in the process to allow public access could be worthwhile. He inquired about the number of PARC ad hoc committees.

Ms. Hetterly answered at least seven.

Mr. Lauing added 7 to 10.

Ms. Hetterly advised that ad hoc committees provided details and issues for PARC discussion.

Council Member Scharff asked how many Commissioners served on an ad hoc committee.

Ms. Hetterly replied typically two, sometimes three.

Council Member Scharff noted ad hoc committees attended a series of meetings with Staff, and inquired about the amount of time an ad hoc committee would spend on a topic.

Ms. Hetterly indicated the amount of time depended on the topic.

Council Member Scharff asked if the ad hoc committee reported to the full PARC.

Ms. Hetterly responded yes.

Council Member Scharff inquired whether PARC then discussed the topic and voted.

Ms. Hetterly explained that typically an ad hoc committee would prepare a work plan and present it to the full PARC before beginning work.

Council Member Price felt interaction between PARC ad hoc committees and Staff allowed more and better outcomes for the City.

Council Member Burt encouraged PARC to consider public participation in ad hoc committee meetings. The Council could approve a CIP funding amount without a list of programs to be funded. Perhaps the Council could require Staff return at mid-year for approval of specific projects as determined after Budget approval. If projects were not determined until mid-year, the likelihood of spending those funds in the fiscal year were slim. The FY 2016 allocation should be realistic and contain only the amount Staff intended to expend in FY 2016. Regarding Sterling Canal, he requested Staff via the City Manager provide an additional evaluation of the Utilities Department's need for the area. With respect to Council Member Schmid's comments regarding canopy, North Palo Alto was an older community and had an older, mature canopy. Opening the 7.7 acres over a weekend with ranger supervision would be good. Opening it to the general public before a Master Plan was developed and construction occurred was premature. The flat portion of the 7.7 acres appeared to be closer to half the entire site than to 2 acres. Steelhead trout would not migrate upstream in Buckeye Creek.

Greg Betts, Director of Community Services, reported the City had to obtain a special permit prior to stocking Boronda Lake with fish, because the fish could escape from Boronda Lake and get into the creek system.

Council Member Burt stated that was not the same issue as those fish could escape to the creek system in the wet season. He did not believe steelhead trout was an issue. Creating a riparian corridor that was a natural habitat would be a valuable asset. The 7.7 acres could be a wonderful natural meadowland. Hills on the property could be unusable for certain functions, but they were good for trails. Any trails on the property should connect to the existing trail system. He discouraged consideration of additional turf on the property. He was interested in allowing public access in two phases with near term enhancements to allow access to the public. He inquired whether Staff discussed revegetating the area with Acterra.

Mr. Anderson answered yes. Acterra was excited about the possibilities.

Mayor Shepherd believed the community should be made aware of the difficulty of making the 7.7 acres usable. She inquired whether PARC needed assistance from the Finance Committee regarding timely execution of things.

Mr. Lauing did not believe assistance was necessary.

James Keene, City Manager, noted the Council's comments often were opinions or perspectives, but could become potential directives or requests for additional information. Policy aspects also had to be considered. The discussion was a good example of the need to formalize follow-up topics for Staff and to resuscitate topics during the CIP or Budget process.

Herb Borock reminded the Council and PARC that a recent Capital Improvement Program for Greer Park included placing additional fence posts around the ball field for the possibility of completing fencing for a multiuse area. Regarding the dog park memorandum not provided to the Council, Staff should not decide what was presented to the Council from PARC. Any report of PARC and/or an ad hoc committee should have been placed in the packet.

Sea Reddy suggested the 7.7 acres be utilized as an open air concert venue.

Special Orders of the Day

Mayor Shepherd reported Dan Dykwell passed away the previous Thursday. Mr. Dykwell and his wife drew people together to build the community. She listed his service to the community. A video of Mr. Dykwell taken during his campaign for the City Council in 2009 was shown. She dedicated the meeting to Mr. Dykwell.

Council took a break at 7:20 P.M. and returned at 7:35 P.M.

2. Partner Presentation Between the Palo Alto Library and Palo Alto Art Center for Veteran Audiences.

Rhyena Halpern, Assistant Director Community Services Department, advised that the expressive arts and community-based programs for veterans were very important. In honor of Veterans Day, the Palo Alto Library and the Art Center collaborated on the Heart of a Soldier Program to draw attention to the need for future programs and services.

Karen Kienzle, Manager Community Services Senior Programs, reported the Palo Alto Art Center opened the Community Creates Exhibition in 2012. The Community Creates Exhibition featured detailed portraits of local veterans along with statements handwritten by each veteran about how their service impacted them. In the summer of 2014, the Art Center set up a studio for a ceramic artist/veteran who made more than 800 cups from clay and engaged with the community. Many of the cups featured images and objects related to the service of local veterans. The cups were displayed in an exhibition and then distributed to community members. The exhibition also featured a panel discussion with local veteran artists as well as a workshop with Combat Paper.

Lorna Hastings, Palo Alto Library, indicated the Library applied for and received a grant from Cal Humanities for a project on the theme of War Comes Home. Programs included book discussions and civic conversations. Special programming focused on veterans, such as a two-day photography workshop called Heart of the Soldier. Heart of the Soldier was an exhibition of photographs that spoke to veterans' experiences of service and return to the community.

Council Member Price thanked the Art Center, Art Center Foundation, and Library Staff for their innovative and creative work. Heart of the Soldier was an exciting program.

3. Appointment of Candidates to the Architectural Review Board, the Historic Resources Board, and the Planning and Transportation Commission.

Council Member Holman spoke with the City Attorney and City Clerk previously regarding a change in appointment procedures for the Historic Resources Board (HRB).

Molly Stump, City Attorney, advised that Council Member Holman questioned whether the Council could hold a general discussion regarding the Council's priorities and direction in making appointments or regarding specific applications. Either was permissible under the Agenda Item. A Council discussion and exchange of views was also permissible.

Council Member Holman indicated the Council could give the Clerk its ballots for the Planning and Transportation Commission (P&TC) and Architectural Review Board (ARB) or proceed with discussion of the HRB applicants.

Mayor Shepherd asked if Council Member Holman wished to speak to HRB appointments.

Council Member Holman answered yes. While institutional memory was an asset, there were times when refreshing a Board or Commission was appropriate. Two HRB Board Members had served for 20 and 16 years respectively. She supported Mr. Makinen and Ms. Wimmer for the HRB. Ms. Wimmer was new to the HRB and should be given an opportunity to serve the community. Mr. Makinen had a specific and broad application to fulfill the obligations of the HRB as set out in the Municipal Code.

MOTION: Council Member Holman moved, seconded by Council Member XXX to vote on the current applicants and if four members are not voted in, then direct Staff to reopen the application process for the remaining openings on the Historic Resources Board.

MOTION FAILED DUE TO THE LACK OF A SECOND

Mayor Shepherd noted five votes for an applicant typically resulted in seating of that applicant. She inquired whether Council Member Holman proposed changing the procedure.

Council Member Holman suggested the Council vote on applicants or reopen the application process. She did not wish to show a lack of support for all the applicants.

Mayor Shepherd asked if Council Member Holman proposed the Council vote or discuss changing the process.

Council Member Holman did not wish to discourage current applicants by reopening the application process without first demonstrating support for them.

Council Member Burt felt voting on applicants and reopening the application process would be confusing. In the past, the Council had interviewed additional candidates and selected candidates from the original interviews; therefore, he would not view reopening the application process as a prejudgment of applicants. Experienced applicants had knowledge and commitment; however, new candidates were beneficial.

MOTION: Council Member Burt moved, seconded by Council Member Schmid to reopen the recruitment for the Historic Resources Board.

Council Member Schmid noted five candidates were available for four seats on the HRB. Four of the five candidates were incumbents. The Council should question the lack of applicants for the HRB in relation to the number of candidates for other Boards and Commissions.

Council Member Klein would not support the Motion; although, he agreed that turnover of Board and Commission membership was necessary at times. The HRB likely had more years of service than any of the other Boards and Commissions. Because of strict requirements for applicants, the HRB typically did not field many candidates. Until the Council changed those requirements, it should not assign fruitless work to Staff.

Council Member Berman inquired whether the City Clerk's Office did anything different in soliciting applicants for the HRB than for the ARB or P&TC.

Beth Minor, Acting City Clerk, responded no. The Clerk's Office conducted outreach through newspapers, neighborhood associations, and other usual methods.

Council Member Berman did not believe Staff outreach efforts affected the number of applicants. He would not support the Motion.

Council Member Holman would support the Motion with the understanding that it was not a rejection of all candidates. Qualifications for the HRB ranged broadly from owning an historic home to experience and expertise in history.

Council Member Scharff would not support the Motion. Perhaps the Council should refer term limits and requirements for Boards and Commissions to the Policy and Services Committee. Length of service should be a policy decision.

Council Member Price would not support the Motion. The HRB was composed of talented and committed individuals.

Mayor Shepherd recalled that the Council recently revised the recruitment process and applications for Boards and Commissions. She expressed concern about changing the process without prior notice to candidates and the public.

James Keene, City Manager, did not believe the Motion contained a time limit. If the Motion passed, the Council should clearly state that HRB incumbents would continue to serve.

MOTION FAILED: 3-5 Berman, Klein, Price, Shepherd, Scharff no, Kniss absent

Vice Mayor Kniss attended via teleconference at 7:45 P.M.

<u>First Round</u> of voting for two positions on the Architectural Review Board with terms ending October 31, 2017:

Voting For Catherine Ballantyne: Burt, Holman, Klein, Kniss, Schmid,

Shepherd

Voting For Matthew Harris: Berman, Price, Scharff

Voting For Qiming Huang:

Voting For Kenneth Huo: Burt, Holman, Schmid

Voting For Kyu Young Kim: Berman, Klein, Kniss, Price, Scharff

Voting For Flore Schmidt:

Voting For Richard Schoelerman: Shepherd

Voting For Mark Weiss:

Ms. Minor announced that Catherine Ballantyne with 6 votes was appointed to the Architectural Review Board for three years, with a term ending on October 31, 2017,

MOTION: Council Member Scharff moved, seconded by Council Member Burt to reconsider the vote for the Architectural Review Board.

Mayor Shepherd inquired whether Council Member Burt voted with the majority.

Council Member Burt did not believe the seconder to the Motion was required to vote with the majority.

Ms. Stump reported Council Member Burt was correct. The initial Motion must be made by someone who voted with the majority. The second could be made by any Council Member.

MOTION PASSED: 7-1 Price no, Kniss absent

<u>Second Round</u> of voting for one position on the Architectural Review Board with a term ending October 31, 2017:

Voting For Matthew Harris: Scharff, Shepherd

Voting For Qiming Huang:

Voting For Kenneth Huo: Burt, Holman, Schmid

Voting For Kyu Young Kim: Berman, Klein, Price

Voting For Flore Schmidt:

Voting For Richard Schoelerman:

Voting For Mark Weiss:

Ms. Minor announced that no candidate received the required five votes.

<u>Third Round</u> of voting for one position on the Architectural Review Board with term ending October 31, 2017:

Voting For Matthew Harris: Shepherd

Voting For Qiming Huang:

Voting For Kenneth Huo: Burt, Holman, Schmid

Voting For Kyu Young Kim: Berman, Klein, Price, Scharff

Voting For Flore Schmidt:

Voting For Richard Schoelerman:

Voting For Mark Weiss:

Ms. Minor announced that no candidate received the required five votes.

<u>Fourth Round</u> of voting for one position on the Architectural Review Board with term ending October 31, 2017:

Voting For Matthew Harris:

Voting For Qiming Huang:

Voting For Kenneth Huo: Burt, Holman, Schmid

Voting For Kyu Young Kim: Berman, Klein, Price, Scharff, Shepherd

Voting For Flore Schmidt:

Voting For Richard Schoelerman:

Voting For Mark Weiss:

Ms. Minor announced that Kyu Young Kim with 5 votes was appointed to the Architectural Review Board for three years, with a term ending on October 31, 2017,

<u>First Round</u> of voting for four positions on the Historic Resources Board with terms ending October 31 2017:

Voting For Martin Bernstein: Berman, Burt, Klein, Kniss, Price,

Scharff, Schmid, Shepherd

Voting For Roger Kohler: Berman, Klein, Kniss, Price, Scharff,

Schmid, Shepherd

Voting For Michael Makinen: Berman, Burt, Holman, Klein, Kniss,

Price, Scharff, Schmid, Shepherd

Voting For Igbal Serang:

Voting For Margaret Wimmer: Berman, Burt, Holman, Klein, Kniss,

Price, Scharff, Schmid, Shepherd

Ms. Minor announced that Martin Bernstein with 8 votes, Roger Kohler with 7 votes, Michael Makinen with 9 votes, and Margaret Wimmer with 9 votes were each appointed to the Historic Resources Board for three years, with

terms ending on October 31, 2017.

<u>First Round</u> of voting for two positions on the Planning and Transportation Commission with terms ending October 31, 2018:

Voting For Yekaterina Downing: Berman, Klein, Kniss, Price, Scharff,

Shepherd

Voting For Claude Ezran:

Voting For Adrian Fine: Berman, Klein, Kniss, Price

Voting For Arthur Keller: Burt, Holman, Schmid

Voting For C. James Schmidt: Shepherd

Voting For Jeff Schneble:

Voting For Lyn Tillery:

Voting For Asher Waldfogel: Burt, Holman, Scharff, Schmid

Ms. Minor announced that Yekaterina Vershov Downing with 6 votes was appointed to the Planning and Transportation Commission for four years, with a term ending on October 31, 2018.

<u>Second Round</u> of voting for one position on the Planning and Transportation Commission with a term ending October 31, 2018:

Voting For Claude Ezran:

Voting For Adrian Fine: Berman, Klein, Kniss, Price, Shepherd

Voting For Arthur Keller: Burt, Holman, Schmid

Voting For C. James Schmidt:

Voting For Jeff Schneble:

Voting For Lyn Tillery:

Voting For Asher Waldfogel: Scharff

Ms. Minor announced that Adrian Fine with 5 votes was appointed to the Planning and Transportation Commission for four years, with a term ending on October 31, 2018.

MOTION: Mayor Shepherd moved, seconded by Council Member Burt to revote for Planning and Transportation Commission.

Council Member Burt felt it was incumbent upon the Council to follow its rules. The procedure stated "shall" rather than "may."

MOTION PASSED: 7-1 Price no, Kniss absent

<u>Third Round</u> of voting for one position on the Planning and Transportation Commission with a term ending October 31, 2018:

Voting For Claude Ezran:

Voting For Adrian Fine: Berman, Klein, Price, Scharff, Shepherd

Voting For Arthur Keller: Burt, Holman, Schmid

Voting For C. James Schmidt:

Voting For Jeff Schneble:

Voting For Lyn Tillery:

Voting For Asher Waldfogel:

Ms. Minor announced that Adrian Fine with 5 votes was appointed to the Planning and Transportation Commission for four years, with a term ending on October 31, 2018.

City Manager Comments

James Keene, City Manager, announced Palo Alto Firefighters would be "filling the boot" to support local families with muscle disease on November On November 11, 2014, a Personal Emergency 13 and 14, 2014. Preparedness and Crime Watch meeting was scheduled at 7:00 P.M. Palo Alto remained at risk for flooding and other problems should winter storms materialize. The second part of the Council discussion regarding the Comprehensive Plan Update Process was rescheduled from November 17 to December 15, 2014. Community meetings relating to transportation issues were scheduled for November 12, 18, and 19, 2014. The City was hosting an interactive ideas expo on November 18, 2014 at the Downtown Library. On November 13, 2014, local officials and industry leaders would commemorate completion of a new landfill gas-to-energy project in San Joaquin County from which the City had contracted to purchase power. The San Francisco Bay Regional Water Quality Control Board would honor Phillip Bobel with the Dr. Wu Pollution Prevention Award on November 12, 2014.

The new Mitchell Park Library and Community Center opened its doors to the public on November 6, 2014.

Oral Communications

Harlan Pinto recalled on October 6, 2014 the Council approved an extension of the no overnight parking regulations along University Avenue. Staff prepared a petition that included only the north side of University Avenue and specifically excluded the south side of University Avenue. The Council's action on October 6 authorized the entirety of University Avenue. He requested the Council clarify its action and instructions to Staff.

Roger Smith learned three things from the election cycle. First, many homes in south Palo Alto did not have an address on the curb or house. Second, he was disappointed with the less than 50 percent turnout at the recent election. He encouraged the Council to limit public comment to 2 minutes rather than 3 minutes. He thanked the Council for placing the measure to reduce the number of Council seats on the ballot.

Dr. Martell had requested a hearing with the City to clear herself of false defamatory accusations. She requested the Council order the City Attorney's Office to offer her a fair hearing or to dismiss the action. The City Attorney's Office refused to suspend the imposed sentence pending the outcome of the hearing. The City refused to give her a list of accusers and witnesses and appointed a hearing officer hostile towards her.

Mike Francois remarked that the City probably had the highest teenage suicide rate in the country based on wealth and education. Something had to be done and done now.

Sea Reddy thanked veterans of Palo Alto for their service. The new library was fantastic. The newly-elected Council Members should listen to public comment and respect citizens' wishes. The Council needed to remodel and update Cubberley Community Center.

Herb Borock noticed the bus stop across the street was replaced by a freight loading zone. Santa Clara Valley Transportation Authority (VTA) customer service indicated the bus stop was supposed to be there. If a building owner or developer needed a reserved parking space, he could pay a fee as listed in the Municipal Fee Schedule for exclusive use of street parking.

Arthur Keller thanked the Council for the opportunity to serve on the Planning and Transportation Commission (P&TC) for eight years. By not being reappointed to the P&TC, he would have more time to campaign for City Council should he choose to do so.

Mayor Shepherd reported that telephonic attendance of Council Members was permitted only in the event of an extraordinary event such as a medical, family, or similar emergency requiring a Council Member's absence. She inquired whether the telephonic vote impacted the Council's votes for Boards and Commissions.

Council Member Klein inquired whether the City Attorney provided the interpretation of the Council's rules.

Molly Stump, City Attorney, indicated the Mayor read the rule as printed. She had not provided any advice or guidance as to how the rule should be applied. She understood the rule had traditionally been applied first by the Clerk in setting up the matter. That could be subject to a decision of the Council as to how to interpret and apply its own rule. She was not aware of specific facts concerning Vice Mayor Kniss' telephonic participation.

Council Member Klein asked who made the decision. Vice Mayor Kniss obviously believed she was qualified to vote.

Mayor Shepherd advised that the Mayor had discretion. She chose to follow Council policy and inquired of the Clerk whether there would be a change in any of the appointments resulting from disqualification of Vice Mayor Kniss' vote.

Council Member Klein asked the City Attorney if the Mayor had that discretion.

Ms. Stump advised that the Council had a reconsideration provision that allowed a member of the majority to ask that an item be reopened during the same Council meeting. Her notes did not show whether that was the case. Two appointments were made with five votes. She did not know whether Mayor Shepherd was a member of the majority for those appointments. If she understood correctly, the rule did not permit Vice Mayor Kniss' telephonic participation. As was customary, the Mayor could make a procedural interpretation in the first instance subject to a vote of the majority of the Council if the Council disagreed with the Mayor's interpretation.

Council Member Klein inquired whether Mayor Shepherd's Motion was made as a Council Member rather than as Mayor.

Mayor Shepherd asked if her proposed action required a second.

Ms. Stump requested clarification of the Mayor's intention. Mayor Shepherd had requested information from the City Clerk.

Mayor Shepherd advised that she requested the Clerk determine if the Vice Mayor's vote would affect the outcome of the Council's vote. She believed removing Vice Mayor Kniss' vote from the Planning and Transportation Commission would result in a change.

Ms. Stump reported that the Mayor raised two aspects. One was to reopen some of the votes the Council made. If the Mayor was in the majority on those items, she could request that be done. The second aspect was whether Vice Mayor Kniss could participate by phone, which was an interpretation of rules that the Mayor could make in the first instance subject to a vote of the Council. Mayor Shepherd stated as a fact that the rule was not followed. Ms. Stump felt that was an interpretation that could be made by the body in terms of how to apply and interpret its rules.

Mayor Shepherd inquired whether she should move for the Council to vote as to whether the rule was followed and to reopen appointments.

Ms. Stump indicated the appointments should be reopened first. If the Mayor was in the majority for those appointments, she could move to reopen the appointments. Secondly, the Council should determine whether Vice Mayor Kniss could participate.

Mayor Shepherd asked if she could determine whether Vice Mayor Kniss was allowed to participate telephonically.

Ms. Stump advised that the Mayor could make an initial ruling; however, the Council could overrule the Mayor's interpretation.

Beth Minor, Acting City Clerk, reported Kyu Young Kim for the Architectural Review Board would have received four votes and Adrian Fine for the Planning and Transportation Commission would have received four votes.

Minutes Approval

MOTION: Council Member Klein moved, seconded by Council Member Berman to approve the Minutes of September 15 and 22, 2014

MOTION PASSED: 8-0 Kniss absent

Consent Calendar

MOTION: Council Member Klein moved, seconded by Council Member Berman to approve Agenda Item Numbers 4-18.

4. Policy and Service Committee Recommendation to Release Agenda Packets One Week Earlier and Make Other Conforming Changes.

- 5. Finance Committee Recommendation that the City Council Approve Design Guidelines for the 2014 Water Utility Drought Rate Cost of Service Study.
- 6. Finance Committee Recommends Approval of Staff's Second Follow-up Response to the Inventory Management Audit.
- 7. Resolution 9446 entitled "Resolution of the Council of the City of Palo Alto Summarily Vacating Public Easement Which has been Relocated at 1050 Page Mill Road."
- 8. Denial of a Historic Designation Request for the Palo Alto Little League Site Located at 3672 Middlefield Road.
- 9. <u>Resolution 9467</u> entitled "Resolution of the Council of the City of Palo Alto Concurring with the City of Menlo Park for the Naming of the Mike Harding Pedestrian/Bicycle Bridge at San Mateo Drive (Menlo Park)."
- 10. Approval of Contract With Concern: EAP for the City of Palo Alto's Employee Assistance Plan, in the Amount of \$2,800.60 per Month for up to Sixty Months for a Total Amount not to Exceed \$168,036.
- 11. Approval of a Public-Private Partnership Agreement between the City of Palo Alto and the Palo Alto Players for the Cooperative Use of the Lucie Stern Community Theatre.
- 12. Approval of the Renewal of a Public-Private Partnership Agreement Between the City of Palo Alto and West Bay Opera for the Use of the Lucie Stern Community Theatre.
- 13. Approval of a Three Year Contract with Downtown Streets, Inc. in a Total Amount Not to Exceed \$470,616 for Maintenance Services for the City's Five Downtown Parking Garages, Downtown Sidewalks and Alleys, Lytton and Cogswell Plazas, the Stanford/Palo Alto Playing Fields, and the Old Community Garden, and Provide Outreach Case Management Services to the Downtown Core with the Intent of Linking Homeless Individuals to Community and Housing Services.
- 14. Approval of a Blanket Purchase Order with TMT Enterprises in an Amount Not to Exceed \$2,407,850 to be the Primary Supplier of New Construction Materials and Haul Away of Construction Debris from the Municipal Service Center to Off-Site Recycling and Disposal for the Utilities, Community Services and Public Works Department for a Three Year Period from October 27, 2014 through October 26, 2017.

- 15. Approval of Contract No. C15153692 With RMC Water and Environment in a Total Amount Not to Exceed \$4,357,899 to Provide Program Management Services for Projects Under the Long Range Facilities Plan of the Regional Water Quality Control Plant Capital Improvement Program Project WQ-14001, and for Projects Under the Organic Facilities Plan of the Palo Alto Landfill Project RF-11001.
- 16. Approval of Extension of the Trial Caltrain Go Pass Program for City Employees and Adoption of a Budget Amendment Ordinance 5282 entitled "Budget Amendment Ordinance of the Council of the City of Palo Alto in the Amount of \$80,280 for the 2015 Go Pass Program."
- 17. Approval of Contract No. C15155378 With Carollo Engineers, P. C. in the Total Amount Not to Exceed \$291,335 to Provide Design Services for Old Pumping Plant (OPP) Rehabilitation at Regional Water Quality Control Plant Capital Improvement Program Project WQ-80021.
- 18. Approval of the Submission of a National Endowment for the Arts Our Town Grant Application.

MOTION PASSED: 8-0 Kniss absent

Action Items

19. PUBLIC HEARING: <u>Resolution 9468</u> entitled "Resolution of the Council of the City of Palo Alto Adopting the 2015-2023 Housing Element of the Comprehensive Plan and Associated Mitigated Negative Declaration and Mitigation Monitoring Program."

Mayor Shepherd reported every city in California was required to have a General Plan which the City entitled the Comprehensive Plan. The Housing Element must be updated and approved. The Housing Element required the adoption of zoning for the City's fair share of the Regional Housing Needs Allocation (RHNA) assigned to Palo Alto by the Association of Bay Area Governments (ABAG).

Hillary Gitelman, Director of Planning and Community Environment, hoped the Council would hold the Public Hearing and adopt a Resolution to adopt the Housing Element Update.

Tim Wong, Senior Planner, reported the Housing Element was one of seven mandated elements of a General Plan, and the only element requiring State certification. The deadline for updating the Housing Element was the end of January 2015. The Housing Element should be updated every eight years. The current eight-year cycle was 2015-2023.

The Housing Element addressed housing needs for very-low income, low income, moderate income, and above-moderate income households. If the City did not obtain a certified Housing Element, it would be vulnerable to legal challenges and would not be eligible for State transportation and housing funds. Certification of a Housing Element would be required by the State whether or not the City participated in ABAG. Staff held extensive public outreach through the Housing Element Community Panel, two housing affordability workshops, an online housing questionnaire, and a website dedicated to the Housing Element Update. The City was not required to construct housing mandated by RHNA; however, the City was required to plan to accommodate the RHNA amount. For 2015-2023, the City was required to accommodate 1,988 housing units. Over the previous 25 years, the City had constructed 58 percent of its RHNA amount. The State generally required a 10-percent surplus of the allocation; therefore, Staff had to identify sites to accommodate 2,188 units. The City could carry over units from the 2007-2014 cycle of approximately 1,400 units. housing projects totaled 440 units. Thus, the unmet need was 369 units. On June 2, 2014, the Council recommended Staff utilize four tiers to identify sites for 369 units. Staff identified existing units at Colorado Park, second units, units at the Fry's site, and at sites on San Antonio Avenue. Council directed Staff to include a statement that the City would continue to review housing sites for more transit-rich sites. Staff submitted to the California Department of Housing and Community Development (HCD) a draft Housing Element. The draft Housing Element included two new Housing Programs: Program 2.2.5 was the statement directed by Council and Program 3.1.14 concerned sharing of housing. In reviewing the draft Housing Element, HCD was concerned that the number of small sites contained in the Housing Element would decrease opportunities for housing development. As a result, Staff negotiated Program 2.1.9 which allowed incentives for lot consolidation for 100 percent affordable housing In addition, HCD expressed concern about the use of "assess," "consider," and "explore" within the Housing Programs. wanted additional commitment from the City; therefore, Staff included language of "adopt as appropriate" in many Housing Programs. HCD also expressed a desire for the City to implement some programs sooner rather than later. While HCD reviewed the draft Housing Element, the Community Panel and Regional Housing Mandate Committee (RHMC) proposed additional programs such as a Pedestrian and Transit Oriented Development (PTOD) overlay in the University Avenue/Downtown area; allowances for horizontal mixed use for extremely small parcels; a local parking database; and specific plans for Downtown, El Camino Real, and California Avenue. September 5, 2014, HCD issued a letter stating that the City's draft Housing Element with proposed revisions complied statutorily with State Housing Element Law.

The draft Housing Element as revised was circulated on September 18, 2014. The 30-day review period for the Mitigated Negative Declaration began August 29 and ended September 30, 2014. No rezoning was required for any of the sites contained in the housing inventory. On October 1, 2014, the Planning and Transportation Commission (P&TC) recommended adoption of the draft Housing Element. On October 9, 2014, the RHMC also recommended approval with some revisions. Those revisions were included in the Staff Report and, if approved, would be incorporated into the Public Hearing draft. On October 30, 2014, the Community Panel also recommended approval of the Public Hearing draft but without revisions proposed by the RHMC.

Ms. Gitelman clarified that the Resolution prepared for Council included revisions recommended by the RHMC.

Council Member Schmid, Chair of the Regional Housing Mandate Committee, advised that the RHMC received valuable input from the Community Panel, housing advocates, the public, and HCD. Because the Council approved the 2006-2014 Housing Element in 2013, many sites identified in that Housing Element had not been utilized and were eligible to be carried over to the 2015-2023 Housing Element. Staff identified sites zoned for housing; therefore, rezoning was not necessary. In June 2014, the Council directed inclusion of the statement that the City would continue to review sites for denser housing. The draft Housing Element responded to the mandate given the City at the end of 2013. The RHMC proposed additional changes, which the Community Panel did not approve. First, the RHMC proposed changing "amend the Zoning Code" to "consider amending the Zoning Code" to specify minimum density. Secondly, the RHMC proposed deleting setback modifications as one of six examples from Program H2.1.9. RHMC proposed adding "There is concern that the commercial developers are not paying an equitable share."

Public Hearing opened at 9:11 P.M.

Phyllis Cassel, League of Women Voters of Palo Alto, supported the City's efforts to provide more diverse and affordable housing for all income groups and was pleased with the draft Housing Element. Housing sites were not always located within walking distance to transit and services; however, the Council had recognized the need to identify promising sites in such areas.

Public Hearing closed at 9:13 P.M.

MOTION: Council Member Schmid moved, seconded by Council Member Scharff to adopt the Resolution adopting: 1) the Mitigated Negative Declaration, 2) the Mitigation Monitoring and Reporting Program, and 3) the Revised 2015-2023 Housing Element Update Public Review Draft as the Housing Element of the City's Comprehensive Plan.

Council Member Scharff explained that the Housing Element was different from other elements of the Comprehensive Plan in that it had to be approved by a regulatory agency. The RHMC reviewed the draft Housing Element line-by-line and debated each change. He urged the Council to approve the draft Housing Element as revised.

Council Member Price would reluctantly support the Motion. The Housing Element met only the minimum requirements. The community questionnaire revealed the continuing need for more diverse and more affordable housing. She had supported utilizing more tiers of housing in order to have a robust and forward-thinking Housing Element. Tiers 4 and 5 proposed housing in conjunction with surface parking lots, which she felt was needed.

Council Member Berman noted more work was needed. He looked forward to future dialogs regarding redistributing housing sites from south Palo Alto. Community needs and preferences for housing were changing.

Council Member Burt reiterated that the City was required by law to prepare a Housing Element and to obtain certification of its compliance with law. The critical consequence for not having a certified Housing Element was the potential for litigation, which could result in the loss of local control of zoning and land-use decisions. The City was not required to construct housing proposed in the Housing Element, but to zone for housing.

Council Member Holman urged Staff to explore existing units at Colorado Park for the Housing Element. Identifying existing units was difficult. Including these units in the Housing Element saved them for the next several years.

Mayor Shepherd objected to the Housing Element method of designing the community. State mandates often were not logical and removed autonomy from the community. She would reluctantly support the Motion.

MOTION PASSED: 8-0 Kniss absent

20. Approval of Letter of Intent for Construction and Operation of the New Junior Museum and Zoo Building by the Friends of the Junior Museum and Zoo in 2019.

Rhyena Halpern, Assistant Director Community Services Department, advised that approximately 150,000 people visited the Junior Museum and Zoo (JMZ) annually, of which one-quarter were residents of Palo Alto and three-quarters visited more than once per year. JMZ could be found in many local elementary schools and provided approximately 15,000 hours of hands-on lessons. JMZ employed 6 full-time Staff and 30 part-time Staff. Since 1997, studies had determined the building needed major renovation. The key point of the Letter of Intent (LOI) was the City and Friends of the Junior Museum and Zoo (Friends) wished to cooperate in rebuilding the JMZ facility and in operating it for 40 years after construction. Staff recommended the next 12 months be spent in negotiating an agreement for the design, construction, operation, and management of the JMZ. Staff requested Council input regarding the six negotiating principles.

Aletha Coleman, Chair of the Friends of the Junior Museum and Zoo, understood the Friends were requesting permission to work with Staff regarding rebuilding JMZ.

Dan Garber recalled the Friends first began discussing ways to improve and replace JMZ around 1996. Staff strongly supported and worked with Friends to improve JMZ. He strongly desired a Friends partnership with the City.

Council Member Berman served as Council liaison to JMZ. The Friends had a plan for improving JMZ, and he hoped those plans progressed.

MOTION: Council Member Berman moved, seconded by Mayor Shepherd to adopt Staff recommendations to: 1) approve a Letter of Intent by which the City and the Friends of the Palo Alto Junior Museum and Zoo (JMZ) will collaborate to develop agreements for the building of a new and enhanced Junior Museum and Zoo facility, and the operation of the new facility for up to 40 years. Approval of the guiding negotiation principles, noted below:

- 1. Delineate methods for appropriate public and City input to programs and services;
- Oversight and cooperation of the construction project;
- 3. Establish a long-term structure for financial and programmatic oversight of the operations;

- 4. Stabilize and reduce long-term the City's financial support for the JMZ's operation;
- 5. Outline the possible transition of the operation of the facility to the City at time of lease expiration; and
- 6. Endeavor to complete negotiations within 12 months.

Council Member Berman felt JMZ was an asset for residents as well as the regional community. The community had changed, and JMZ attempted to follow suit. However, a new facility was needed for JMZ to continue serving the community.

Council Member Burt indicated the LOI was a good example of a public-private partnership opportunity that leveraged resources. Since 1996, JMZ had gone through a rebirth, and a partnership would allow the facility to catch up with programs. Many non-residents contributed time and money to JMZ.

Council Member Schmid was pleased the proposal included the potential for the Friends to provide a major capital investment as well as assume operating costs. JMZ's school program was beneficial to Palo Alto's school children. He inquired whether a new facility would impinge on Rinconada Park.

Ms. Coleman reported JMZ currently impinged slightly on Rinconada Park. JMZ was part of the Rinconada Park Master Plan. The Friends hoped to have a slightly larger footprint in order to accommodate current programs.

Council Member Schmid assumed any issues would be presented to the Council.

Ms. Coleman worked closely with Staff to ensure Friends' plans did not conflict with Rinconada Park and its Master Plan.

Ms. Halpern advised that Staff would present to the Council in a few weeks the Environmental Impact Report (EIR) for Rinconada Park and the expansion of JMZ.

Council Member Price expressed concern that the negotiation guiding principles were a combination of action items and goals. Other guiding principles developed by the Council were very different from the negotiation guiding principles.

Walter Rossmann, Director of Office of Management and Budget, reported the intent of the negotiation guiding principles was to provide the Council with a sense of the types of conversations to be held between Staff and the Friends.

Council Member Price requested further clarification.

Mr. Rossmann explained that Staff may need to return to the Council in Closed Session to address contract terms. The negotiation guiding principles were designed to provide a sense of the kinds of negotiations Staff planned to have with the Friends. As the JMZ evolved, it was important for the City to have a continued relationship and an established structure with the Friends.

Council Member Holman referenced the LOI regarding access to and non-exclusive use and possession of the construction site and regarding a Park Improvement Ordinance for any portion of the project to be constructed within Rinconada Park. The project was being planned in coordination with the Rinconada Park Master Plan, but that did not address building on dedicated parkland. She did not understand how a Park Improvement Ordinance could incorporate a new structure being built on dedicated parkland.

Molly Stump, City Attorney, understood the structure would fit within the type of permissible activity that worked as a park or recreation facility. It would be a park-related structure. The Council authorized many park structures through a Park Improvement Ordinance.

Council Member Holman requested Staff provide clear language on that issue when information was provided to the Council in the future.

James Keene, City Manager, would do so.

Council Member Scharff shared Council Member Price's concerns regarding the negotiation guiding principles. He inquired whether one point of negotiation was the City's input into the programs offered by JMZ.

Ms. Coleman reported the purpose of the LOI was to allow the Friends to speak with Staff on a formal basis.

Council Member Scharff wanted to understand the reasons for including negotiation guiding principles.

Council Member Burt recused himself from the item as his residence was located within 500 feet of the Junior Museum and Zoo. He rescinded his second to the Motion.

Council Member Scharff asked if Staff would negotiate the amount of input the City and the Friends would have into programs.

Mr. Rossmann replied yes. Negotiations would also include the type of interaction the City and the Friends would have over the following 40 years.

Ms. Halpern added that negotiations would shape the public-private partnership.

Council Member Scharff believed the topic would be more of a discussion rather than a guiding principle. The Council would not direct Staff regarding the amount of input the City would have.

Mr. Keene concurred. The balance of input would be expressed in an agreement.

Council Member Scharff stated the guiding principles were not really guiding principles.

Ms. Halpern advised that the guiding principles were key discussion points.

Council Member Scharff felt the guiding principle to stabilize and reduce long-term the City's financial support was a direction and a guiding principle rather than a discussion point. He had concerns about that, because the City's contribution seemed stable.

Mr. Rossmann explained that the City's budgeted amount for JMZ was increasing annually due to benefits costs for JMZ Staff.

Council Member Scharff indicated the City's budget for JMZ was stable in that Staff costs for JMZ increased at the same rate as Staff costs for other departments. The statement seemed to imply there was some other issue.

Ms. Halpern reported the guiding principle was included to indicate the City's benefit was reduced long-term financial support.

Council Member Scharff questioned whether it was necessary to include that guiding principle. The financial support guiding principle appeared to be directional. If it was not meant to be directional, then it should be deleted or revised to "balance long-term costs and financial support versus programs." He did not want to be prescriptive without understanding the tradeoffs.

Mr. Keene advised that the overall perspective for the points was to acknowledge that the JMZ would be turned over to another group who would operate it on behalf of the City. The City should protect its interest in JMZ. Staff wished to ensure the City had a continuing voice related to long-term financial support of JMZ. The City could wish to contribute additional funding or control costs in the future.

Council Member Scharff remarked that the language did not capture the intent expressed by the City Manager.

Ms. Halpern suggested revising the language to "analyze the City's long-term financial support for JMZ operations."

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to change Item Number 3 in the Motion from "Establish a long-term structure for financial and programmatic oversight of the operations" to "Analyze the City's long-term financial support for JMZ operations."

Mr. Keene commented that an analysis could inform other language to be included in a contract.

Council Member Klein explained that a Letter of Intent was not legally binding on the City. Staff could negotiate any point, and the Council could reject that point. He was comfortable with deleting all the negotiation guiding principles. Trying to determine negotiating points prior to negotiations was not a good use of the Council's time.

Mr. Keene suggested striking Staff's recommendation to seek the Council's guidance and approval on the guiding negotiation principles. Staff's intent was a public discussion with the Council to recognize implications of an agreement.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER to delete from the Motion- Approval of the guiding negotiation principles, noted below::

- 1. Delineate methods for appropriate public and City input to programs and services;
- 2. Oversight and cooperation of the construction project;
- 3. Establish a long-term structure for financial and programmatic oversight of the operations;

- 4. Stabilize and reduce long-term the City's financial support for the JMZ's operation;
- 5. Outline the possible transition of the operation of the facility to the City at time of lease expiration; and
- 6. Endeavor to complete negotiations within 12 months.

Ms. Coleman introduced the Friends' Board Members present at the meeting.

Mayor Shepherd noted parking could be an issue at JMZ. She looked forward to renovation of JMZ.

MOTION AS AMENDED PASSED: 7-0 Burt not participating, Kniss absent

Mayor Shepherd performed the 10:00 check-in. Two items remained on the Agenda, and she believed the Council could continue with those items.

Council Member Klein did not believe the Agenda could be completed prior to 11:30.

Mayor Shepherd noted Agenda Item Number 21 was removed from the Consent Calendar at a previous Council meeting.

Mr. Keene remarked that the Council could complete the Agenda prior to 11:30.

21. Approval of a Two-Year Contract with Flint Strategies For a Communications and Outreach Contract to Support the Our Palo Alto Initiative and the Planning and Community Environment Department at a Cost Not to Exceed \$175,000 (Continued from October 27, 2014).

Mayor Shepherd recalled in February 2014 the Council approved the conceptual framework for the Our Palo Alto initiative. Staff required professional service to assist with and to build on outreach efforts. In June 2014, the Council approved funding for Our Palo Alto in the Fiscal Year 2015 Budget.

Hillary Gitelman, Director of Planning and Community Environment, reported the contract term was two years. The consultant would assist Staff with community engagement and communication efforts related to Our Palo Alto. Our Palo Alto would only be successful if it contributed to increasing the capacity of City Staff to engage in communication efforts as a regular part of business. The consultant would assist with events and outreach related to Our Palo Alto and would also grow Planning Department capacity to engage the community in the regular course of business.

Council Member Holman had inquired about the consultant's previous work with the City. Staff responded that the consultant had not worked for the City previously. She had inquired because the firm listed the City of Palo Alto as a client. The Council had approved several contracts with other firms to assist with the process of Our Palo Alto. She wanted to know if any of those entities had worked with Flint Strategies previously and their experiences with Flint Strategies.

Ms. Gitelman indicated the City had engaged one additional contractor to assist with event planning related to Our Palo Alto. That contractor had not worked with Flint Strategies to her knowledge. Other consultants hired for the Comprehensive Plan Update and other specific projects fell under the Our Palo Alto topic; however, she did not know if they had worked with Flint Strategies. Ms. Gitelman had worked with Ms. Flint when she was employed by another firm. Ms. Flint was a well-respect, competent contractor who worked with other public agencies. Staff was confident Ms. Flint could discharge the responsibilities included in the scope of work.

Council Member Holman had inquired whether the Leadership Group had any role in identifying or selecting Flint Strategies. She was not questioning Flint Strategies' abilities, but rather the City's procedures. She understood the Leadership Group's function was to support public outreach and Flint Strategies would be doing the same. Based on Staff's response, Flint Strategies and the Leadership Group would not be communicating.

Ms. Gitelman explained that the Comprehensive Plan consultant was under contract to perform community engagement and to work with the Leadership Group as needed to engage the community in the Comprehensive Plan Update. The Comprehensive Plan Update was only one aspect of the Our Palo Alto initiative. Flint Strategies would be available to assist as needed. Staff did not believe the Comprehensive Plan Update would be Flint Strategies primary activity. Flint Strategies would be engaged in other aspects of Our Palo Alto including workshop events and communication related directly to the Planning Department. Staff sought resources to support efforts under Our Palo Alto other than the Comprehensive Plan Update.

Council Member Holman asked if Our Palo Alto included communications with the public regarding Planning Department processes and initiatives.

James Keene, City Manager, advised that the framework of the Our Palo Alto initiative had three conceptual components. The design component concerned the Comprehensive Plan. The action component was different initiatives related to parking.

The ideas component was a much broader engagement and outreach effort. The Our Palo Alto initiative, particularly the ideas component, needed more support and effort but was still linked to other parts. The Planning Department needed capacity building support through that process to enhance their skills in engagement and outreach. The proposal seemed to be a cost-effective means over two years to bring on Staff support to enhance the broader abilities of Planning Staff.

Council Member Holman understood the ideas component was a part of the Comprehensive Plan Update.

Mr. Keene indicated the ideas component was a part of the Comprehensive Plan Update, but it was also broader.

Council Member Holman had inquired about approval of the proposal in the Staff Report of June 16, 2014. She read the Staff Report and did not find a reference to the proposal. The proposal could be contained within the exhibits, which were not available online, but it was not referenced in the description or the Staff Report.

Ms. Gitelman reported the proposal was discussed at a Finance Committee meeting. When the Budget was presented to the Council, the proposal was identified as a project Staff was interested in undertaking.

Council Member Klein had expressed his concerns about outreach to areas of the community that normally were not engaged. He was pleasantly surprised that Staff sought professional assistance with that outreach. The contract was listed as not to exceed \$175,000; however, Staff did not indicate the amount they realistically expected to spend. He requested a budget and Flint Strategies' plans to perform outreach to those hard-to-engage areas of the community.

Ms. Gitelman reiterated that the proposal was included in the Fiscal Year 2015 Budget.

Council Member Klein stated the Council could still scrutinize the proposal.

Ms. Gitelman indicated the contract would allow Staff to do task orders with the contractor up to \$175,000. Staff expected to spend \$175,000 over two years by inviting the contractor to assist with specific tasks. Many of those tasks would not be related to the Comprehensive Plan Update.

Council Member Klein wanted to reach out to specific areas of the community because they did not engage in significant numbers regarding any planning issues. He wanted to know the contractor's plans and to have a sense of whether the City would receive value for its expenditure.

Ms. Gitelman stated Staff did not have the ability to draw on the resource at the current time. If the City entered into the contract, it would have a professional who was adept in communication concerning planning and public agency issues, who had experience in a wide variety of communities, and who would be on-call to assist Staff with event planning and outreach to all segments of the community.

Mr. Keene commented that Staff needed more capacity in order to move to the next level of outreach. The Council wanted specific details of outreach plans. Ms. Gitelman indicated Staff needed capacity to design outreach. Staff could develop their expectations for deploying work to the firm and then return to the Council with that information. Staff needed capacity to design the needed outreach. Before expending X amount of dollars, perhaps Staff could return to the Council with a report identifying specific work.

Council Member Scharff could not determine the work to be performed by the firm after reviewing the scope of services.

MOTION: Council Member Scharff moved, seconded by Council Member Holman to not approve the two-year contract with Flint Strategies.

Council Member Scharff indicated the work to be performed was not clear. There were no metrics to determine whether efforts were successful. The City did not need to spend that amount of money.

Ms. Gitelman could present metrics to demonstrate how the contract had been effective in helping Staff reach out to the community. The enewsletter required an incredible amount of Staff time to produce; time that could be spent on other initiatives. The firm could assist Staff with the enewsletter. Staff could provide metrics of the number of people who clicked on the e-newsletter and how deeply those people reviewed the projects in the newsletter.

Council Member Scharff believed metrics should be provided before the Council approved a contract. The proposal provided open-ended tasks for the firm.

Council Member Holman wanted to support Planning Staff; however, she was challenged by the way the proposal was written. Metrics would be good, but Staff needed some latitude to contact the firm for work. Outreach to the community seemed to be too general.

Council Member Berman inquired whether Staff felt Ms. Flint would provide competent, independent group facilitation.

Ms. Gitelman answered yes, that was one of Ms. Flint's skills.

Council Member Berman asked if Staff felt Ms. Flint had expertise in survey design, implementation, and analysis in order to accurately understand residents' opinions.

Ms. Gitelman had not worked with Ms. Flint directly regarding a residents' survey; however, that was within her abilities.

Council Member Berman referred to an opinion/editorial article regarding suggestions to improve input from stakeholder groups. The proposal could better define tasks that would be given to the firm. The Council should not expect Staff to have expertise in all areas. If the proposal was better written, he would be more inclined to support it. If the Council did not receive the feedback it requested, then it should give Staff some tools to obtain the feedback it wanted. He would oppose the Motion.

Council Member Price would not support the Motion. Given the experience of Staff with community outreach and contracts with consultants, Staff should have greater flexibility to work with a consultant. If the Council did not act, Staff would lose the cadence that had built over the course of the work. She inquired whether Ms. Gitelman had previously worked with the consultant and knew of other cities' experiences with the consultant.

Ms. Gitelman responded yes. The contract followed the regular procurement process. Staff interviewed the proposed consultant and two other consultants. Staff checked the consultants' references.

Council Member Price advised that in her experience performance measures and criteria often were not embedded in a proposal. In a second round of discussion, measures were refined. The Council approved the proposal in the Budget; yet, when Staff provided additional information regarding the scope of services, Council Members did not want to approve the expenditure.

Council Member Schmid defined engagement as ideas, design, and action. Good engagement came from good data. He questioned whether outreach would be more effective if half the contract amount was spent on gathering good data and making it available for engagement.

Ms. Gitelman felt the City had collected and had a great deal of data. The Existing Conditions Report contained a tremendous amount of data about which Staff had not engaged the community.

Council Member Schmid had attended Our Palo Alto meetings. Those meetings did not begin with provocative data, which would create disagreement and statements of alternative positions. A sophisticated, active community would engage when data was available.

Ms. Gitelman recalled the first Our Palo Alto event regarding demographic trends was well attended. Staff wanted more of those kinds of events. Community momentum had slowed, perhaps because the Council decided to consider short-term zoning changes in advance of the Comprehensive Plan Update. Staff did not have the capacity to plan events around ideas and data such as demographics and housing affordability on an ongoing basis while performing day-to-day tasks as well as developing transportation, parking, and Comprehensive Plan initiatives. The Council authorized a consultant to assist with activities, and Staff proposed to do that. If the Council did not wish to approve the consultant's contract, then Staff would not have the ability to plan events around data as suggested.

Mayor Shepherd proposed tabling the item in the interest of time.

SUBSTITUTE MOTION: Council Member Klein moved, seconded by Council Member Berman to approve and authorize the City Manager or his designee to execute contract C15154961 with Flint Strategies in an amount not to exceed \$175,000 for a two-year period to provide consulting services for communication and outreach support for the Our Palo Alto initiative and the Department of Planning & Community Environment. The City Manager is not to expend more than \$75,000 for the contract without returning to the Council for approval, such approval request is to contain the appropriate metrics showing whether or not the consultant's efforts have been successful.

Council Member Klein advised that the Motion was recommended by the City Manager and was reasonable. He would not be adverse to a different dollar amount if a Council Member suggested one.

Council Member Berman concurred with Council Member Klein's comments.

Council Member Burt believed metrics flowed from well-defined objectives.

INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND to add "well-defined objectives and metrics" after "... request is to contain the appropriate".

Council Member Burt felt Staff had provided a decent explanation for the concept; however, the proposal did not contain sufficient information regarding work resulting from the project. The Palo Alto community expected and needed more and better engagement than the average community. Engagement was two-way and meaningful dialog. He believed that was the intent of the proposal.

SUBSTITUTE MOTION AS AMENDED PASSED: 8-0 Kniss absent

22. Review of City Hall Remodel Project (Continued From October 20, 2014).

Mayor Shepherd continued the item to the next Council meeting.

James Keene, City Manager, commented that continuing an item cost the City money.

The City Council convened into the Closed Session at 10:52 P.M.

Closed Session

23. CONFERENCE WITH ATTORNEY/LEGAL COUNSEL
Potential Litigation Relating to the Mitchell Park Library
and Community Center Construction
Significant Exposure to Litigation: 1 Potential Case
Potential Initiation of Litigation: 1 Potential Case
Authority: Government Code Section 54956.9

The City Council reconvened from the Closed Session at 11:40 P.M.

Mayor Shepherd announced there was no reportable action.

ADJOURNMENT:	The meeting was adjourned at 11:40 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.