



CITY COUNCIL SUMMARY MINUTES

Regular Meeting
August 5, 2024

The City Council of the City of Palo Alto met on this date in the Council Chambers and by virtual teleconference at 5:30 P.M.

Present In Person: Burt, Kou, Lauing, Lythcott-Haims, Stone, Tanaka, Veenker

Council Member Tanaka Arrived at 5:32 P.M.

Present Remotely:

Absent:

Call to Order

Mayor Stone called the session to order. The clerk called roll, noting six present.

Special Orders of the Day

1. Interview Candidates for Vacancies on Historic Resources Board

NO ACTION

Caroline Willis thanked Council for adding her property on Emerson to the historic inventory. She remarked that if she was allowed to continue on the Board, one thing she would like to do is make the process for getting historic properties on the inventory easier. She recalled being on the HRB in the 90s and then coming back on 3 years ago. She commented that progress had been made but felt there was a lot more to do including providing incentives, public engagement and achieving more accuracy.

Council Member Burt queried if Ms. Willis could provide examples of incentives she thought might be added to the current program.

Ms. Willis answered that she would like to push forward the Mills Act and provide financial incentives. She thought recognition was great but opined some people do not like recognition these days. She was baffled by the stigma attached to some of the properties on the inventory and that working on incentives would inspire people to better maintain those properties and hold out for buyers who place more value on them. She expressed a desire for demolition protection in Palo Alto. She hoped they could move toward preserving their built environment.

Council Member Veenker inquired if Ms. Willis thought there were any talents and experiences she thought Council should supplement on the HRB.

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Ms. Willis mentioned that a lot of the architects had left the HRB. She thought understanding the architecture was important and that is what the Council should be looking for.

Mayor Stone asked if Ms. Willis had thoughts on how the City could better recognize and highlight their many historical treasures.

Ms. Willis mentioned the brochures on Professorville and thought those were important to have out in the library. She thought an audio tour could be done in association with those. She stated her focus over the next couple of years, whether she was reappointed or not, would be education for the Community and working on sharing the historical stores of the City. She closed by stating she was happy to see preservation moving forward again. She mentioned that the Board was going down to five members and although she did not support the reason it happened, she thought five members made for a more cohesive voice making the Board stronger.

Geddes Ulinskas provided some history having trained in New York as an architect. He discussed unique projects he had worked on in the past. He talked about his experiences working as a residential architect in San Francisco that included a number of restoration projects. He moved to Palo Alto four years prior and discussed his observations of the most successful parts of the City from a preservation standpoint. He discussed a recent visit to Bryant Park in New York where he recalled a process of privatization and cooperation between the businesses, entities and the city and was curious to know if there were opportunities in Palo Alto to partner with some businesses in a similar way.

Council Member Veenker questioned Mr. Ulinskas if it was a fair statement to say that he appreciated balance, form and function and historical context but modern day sensibility.

Mr. Ulinskas confirmed that statement to be correct.

Vice Mayor Lauing requested Mr. Ulinskas' point of view of the recent decisions that were made in terms of how one gets on the historic homes list or can stay off of it. He was surprised at how controversial that was and asked if he had an opinion on a way to adjudicate that. He wanted Mr. Ulinskas' thought on what they should do with respect to preservations to the point of not allowing demolitions.

Mr. Ulinskas opined it all had to do with property value. In his experience, the people who appreciate historic homes tend to be more in mid-level neighborhoods with more reasonable pricing whereas very desirable neighborhoods with larger lots tend to draw the kind of owner whose agenda is to scrape everything. He does not know the answer to how to appeal to that kind of owner and make preservation sexy. He closed by stating he has always loved being part of the preservation built environment conversation and felt he would enjoy being a part of the Board.

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Zachary Pozner discussed his background as Director of Architecture at Stanford University. He recalled having interviewed for the ARB previously. He was eager to talk about anything related to historic preservation.

Council Member Burt asked Mr. Pozner to share a little more about his sense of the importance of historic preservation in Palo Alto, why and how that relates to the very significant developments, particularly in housing, that are on the horizon and how those two objectives might be reconciled.

Mr. Pozner spoke about his experiences with renovation, preservation and restoration and projects he had worked on in the past. He thought a big part of the restoration dialog was about embodied carbon but also recognized that some buildings have outlived their useful life so it was about balance. He liked the different viewpoints that were represented on the HRB. He admitted he was not an expert about historic homes but was eager to learn.

Mayor Stone questioned what in particular interested Mr. Pozner about historical pieces and his thoughts on how the HRB could be more involved in things like the Palo Alto History Museum and other areas that would be outside of his architectural expertise.

Mr. Pozner commented that his interest in the Board was about getting to know the Palo Alto community in general, getting educated about what was there and valuable to everyone and to hear other viewpoints about that. If he got involved with the HRB, he would learn more about the History Museum. He felt he could collaborate with Amy French well and flex to meet a lot of different roles and responsibilities if needed.

Barry Katz provided a background of his professional experience. He admitted to not having detailed knowledge of window treatments, roof lines and some of the things that have been of concern to the Historic Resources Board and Architectural Preservation. He described himself professionally as a historian and could offer a somewhat different perspective on the question of historic significance and preservation. He had wavered between applying for a position on the Historic Resources Board and Architectural Preservation Group. He described disappointed by some the things he heard in the Architecture Review to include statements about the Fry's building. He thought Palo Alto's natural environment and it being the capital of the 21st century needed to be recognized and preserved.

Council Member Burt asked Mr. Katz to speak more about how understanding of design would integrate with the sense of being the custodians of architectural history.

Mr. Katz explained that being a custodian of the past entailed recognizing everything that had gone into it and thinking about how to keep it alive and vital under the continuously changing circumstances of the present. He was interested in figuring out how to create an appropriate balance between preserving what has been done and growing with technology.

Vice Mayor Lauing inquired how Mr. Katz viewed preservation ultimately reaching city ordinances so that the guidelines can be there but there is flexibility and balance in the future.

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Mr. Katz admitted he would have a lot of homework to do in bringing himself up to speed in this particular group and was prepared to do that. He described having an interest in thinking about how they might be able to coordinate their thinking about historic preservation and historic resources with the companies that have essentially given the identity to this community. He stated he had spent a lot of time with various larger tech companies going through their archives and speaking with some of the people that have been responsible for preserving that. He expressed his interest in being a voice on the Historic Resources Board that connects to some of the larger private enterprises and thinking about how we might be able to coordinate a joint effort to help define and preserve what is unique about the region.

Council Member Veenker wanted to know what more he would offer in terms of recognizing and preserving the history of the Fry's building.

Mr. Katz thought that the idea of a plaque to preserve and respect the past was a pathetic gesture and he would like to be the voice on the Preservation Board to add depth and richness to that discussion.

Council Member Kou appreciated that Mr. Katz looked beyond to pre-Silicon Valley times and looked forward to hearing his vision for North Ventura Coordinated Plan and Barron Park.

Mayor Stone announced they would be voting on appointments the following week.

Closed Session

2. CONFERENCE WITH REAL PROPERTY NEGOTIATORS.

Authority: Government Code Section 54956.8.

Property: 4000 Middlefield Road, Palo Alto (Informally known as the Cubberley Site).

Negotiating Party: Palo Alto Unified School District.

City Negotiators: (Ed Shikada, Kiely Nose, Kristen O'Kane, Sunny Tong).

Subject of Negotiations: Purchase, Exchange, and/or Lease, Price and Terms of Payment

Public Comment: Aram J. (Zoom) expressed his disappointment of this item being held in closed session. He requested a reasonable explanation as to why those negotiations would not be open for public input.

MOTION: Council Member Veenker moved, seconded by Council Member Burt to go into Closed Session.

MOTION PASSED: 7-0

Council went into Closed Session at 6:16 P.M.

Council returned from Closed Session at 7:40 P.M.

Mayor Stone announced no reportable action.

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Agenda Changes, Additions and Deletions

Ed Shikada, City Manager, announced no changes.

Public Comment

Mayor Stone discussed new rules implemented for public comment and went over ground rules. He provided a warning that there would be graphic videos shown.

1. Estelle C., Abitare Homeowners Association, spoke on behalf of (7): Cheryl B., Rochelle G., Jaclyn S., Magdalena M., Gerald F., Mary F., homeowners who were afraid to access their storage spaces in Parking Lot Q which is a shared space with Abitare due to the unhoused population who frequent this area. She remarked about the foul smell due to urine and feces and the health hazard that presented. She brought these conditions to the attention of Police Captain Wagner who informed her that Parking Lot Q is a public space and the unhoused have a right to be there. She also mentioned the elevator in the new parking structure next to California Street Farmers Market that exits onto Parking Lot Q. She asked for Council's attention in addressing this issue.
2. Talha B., spoke on behalf of (6): Tuba, Imaan, Lea, Nol, Mona (Presentation). He expressed outrage and disgust by the Council's unwillingness to take a stand against genocide in Gaza. He provided graphic video depicting the events in Gaza. He demanded Council nullify the resolution preventing commenting on foreign affairs, immediately pass a ceasefire resolution and divest from all Israeli businesses, educational institutions, and government officials that engage in and uphold apartheid and genocide against Palestinians.
3. Deborahlise M. (Presentation) gave a presentation discussing an event that led to a massive right to rape violent mob protest in Israel. She believed Palo Alto was blindly supporting this depravity. She mentioned that Palo Alto previously divested from apartheid South Africa and now was legally obligated to divest from apartheid Israel and should begin discussions immediately.
4. Dich T. requested the City address the newspaper metallic boxes on the street due to safety and aesthetic issues.
5. Avroh S. spoke about the airport expansion plans. He did not support allowing the runway to expand into the wildlife sanctuaries and mentioned a petition that he would be presenting regarding this.
6. Diane M. shared concerns about the Palo Alto Airport expansion plans.
7. Uzma thanked Council Members Lythcott-Haims and Veenker and Pastor Kaloma Smith for supporting the Juneteenth and Eid joint picnic and bringing the communities together.

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8. Bob M. described attempting to provide paperwork to City Hall by email with no results so he then physically took it to City Hall where he discovered the elevator to be locked. He then dropped the paperwork off with the utility staffer. He reminded Council that City Hall belonged to the community and not to the City Manager.
9. Natalie N. announced that she was conducting ethnographic research at City Council meetings for a project at Stanford University in which she has been observing regular City Council meetings virtually and taking notes. She would continue to do this until November and would be happy to address any questions or concerns. She also asked for anyone in attendance willing to discuss their experiences in the meetings with her to contact her.
10. Greg H. brought up issues with the rail crossing project to include not meeting climate change initiatives and the excessive costs. He suggested instead spending the money on mental health and education, supporting commerce by improving University and California and increasing housing and public transit.
11. Shani K., Santa Clara Valley Audubon Society representative, described the declining population in the Baylands and talked about creatures that had been listed as endangered. She declared they were worth protecting.
12. Dashiel L., Conservation Coordinator for the Sierra Club Loma Prieta Chapter, addressed the Palo Alto Long-Range Facilities and Sustainability Plan update for the airport asking why it is happening, what grants the airport has received in the past and what mandatory conditions they are beholden to with these grants, who is responsible for approving this master plan and if it is expected that the project will require a vote to undedicate parkland and fill in jurisdictional wetlands.

Council Member Questions, Comments and Announcements

Council Member Veenker mentioned the Urban Heat Island Mapping Training Project could use volunteers if anyone was interested. She explained that it is part of the National Oceanic Atmospheric Administration's project, (NOAA). It is being led by PASC. Volunteers drive a route with a heat sensor on three different times a day with a navigator. They are looking to see which parts of the town are how hot when so they could learn to adapt.

Council Member Kou requested that the Finance Committee remember to discuss the AbilityPath grant asking for matching funds at the meeting being held the following night. She added they hoped to debut this at an upcoming fundraiser in October.

Mayor Stone announced that he had appointed Vice Mayor Lauing to the Stanford Ad Hoc Committee and Council Member Tanaka to the City Schools Committee.

Council Member Lythcott-Haims acknowledged the news of her poor judgment 13 years ago, which recently came to light. Regarding her service to the City, she asked to be judged on how

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she performed her work. She stressed that she, her colleagues and staff have strived to achieve goals for creating more housing, protecting the climate, strengthening the local economy, improving mental health, separating the train from the road, building a community center, fostering a greater sense of belonging in all people and so much more. She would remain in service to finding solutions to these vital issues.

Consent Calendar

Mahealani Ah Yun, City Clerk, announced that live translation would be offered for any members of the public interested in making public comment in a language other than English and provided instructions.

Public Comment:

1. Preston P., Executive Director of the Santa Clara County Housing Authority, spoke on behalf of (5): Flaherty W., Sarah W., Nathan H. Melodie C. (Item 5) expressing disappointment in having the Item 5 pulled and moved to the following week. He described the progress they have made to date. He indicated that they were ready to submit an application for tax credits and tax-exempt bonds for the apartments on August 27. If they miss that date, the next opportunity to apply will be in 2025 creating significant delays in the redevelopment of Buena Vista and cost increases. They were aware of a small number of households whose expectations were not being fully met but admitted they would never be able to fully meet everyone's expectations. He deemed it unfair to hold up progress of new homes for over 50 families due to concerns of a small number of residents. He agreed to meet with any member who would like to discuss any of the topics before next week's meeting and hoped they would be able to move forward at that time.
2. Dich T. (Item 5) sought the help of Council and the Housing Authority in in moving the project forward.
3. Winter D. (Item 5) presented her concerns and hoped the City Attorney's Office would do some research to confirm some of the information from Housing Authority. She encouraged the city attorney to review relevant law and regulations affecting the Palo Alto live-work preference, Section 8, and the waiting list structure so the City may determine for itself if any of this can change in support of a meaningful and effective Palo Alto live-work preference. She hoped the Housing Authority's Transportation Plan would be included in the regulatory agreement and would have good oversight.
4. Aram J. (Zoom) requested that Molly Stump address the issue of whether the city has authority to take the cost of this, in his opinion frivolous, lawsuit out of the pocketbooks of the 6 officers if the City prevails in Item 4. Regarding Item 5, it was his belief that Buena Vista is a segregated environment. He hoped at least 20 percent of low income housing would be set aside for African Americans.

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5. Manuel (Zoom) spoke on behalf of SV@H to express strong support for Item 5 urging the City to approve this project when comes up again and continue to support initiatives that promote housing affordability within the community and within Palo Alto.

Council Member Stone, Kou, Lythcott-Haims requested to Pull Agenda Item Number 5.

MOTION: Vice Mayor Lauing moved, seconded by Council Member Veenker to approve Agenda Item Numbers 3-4, 6-7 and to pull off Consent Agenda Item 5.

MOTION PASSED 3-4, 6-7: 7-0

3. Approval of Minutes from June 17, 2024 and June 18, 2024 Meetings
4. Authorization to Execute an Amendment to Legal Services Contract S22183520 with Liebert Cassidy Whitmore to Increase Amount by \$150,000 for Total Not-to-Exceed Amount of \$320,000 and to Extend the Term; CEQA Status – Not a Project.
5. PUBLIC HEARING/QUASI-JUDICIAL. Buena Vista Mobile Home Park Redevelopment/3980 El Camino Real [24PLN-00041; 24PLN-00129] Approval of a Vesting Tentative Map to Subdivide One Existing 4.5-acre Parcel into Two Parcels and to Approve a Streamlined Housing Development Review Application for a 61-unit Apartment Building. The Project Also Includes 44 Mobile Homes, which are Regulated by the State, and Authorization for the City Manager to Execute Amended Regulatory Agreements. Environmental Assessment: Exempt from the Provisions of the California Environmental Quality Act in Accordance with CEQA Guidelines Section 15332 (In-fill Development). Zoning District: RM-20.
6. Adoption of a Resolution Establishing Fiscal Year 2025 Property Tax Levy for General Obligation Bonds (Measure N Libraries); CEQA Status: Not a Project
7. SECOND READING: Adopt an Ordinance and Resolution Extending the Interim Parklet Program to the Car-Free Portion of Ramona Street through March 2025; CEQA status - categorically exempt (FIRST READING: June 18, 2024 PASSED 7-0)

City Manager Comments

Ed Shikada, City Manager, announced that Item 5 would be heard the following week on August 12, 2024. He provided a slide presentation discussing August events and activities, Back to School sustainability and safety, engagement and feedback opportunities, City Hall Open House save the date and notable tentative upcoming Council items.

Action Items

8. PUBLIC HEARING: Consideration of Objections for Weed Abatement Assessments; and Adoption of Resolution Confirming the Weed Abatement Report and Ordering

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Abatement Costs to be a Special Assessment on the Properties Specified in the Report; CEQA status - categorically exempt.

City Manager Shikada suggested going to public comment and then proceeding with the action.

Public Comment: Aram J. (Zoom) indicated that he had sent correspondence to the Mayor and Fire Marshal Tamara Jasso containing a bunch of Public Records Act requests regarding the safety of a particular apartment complex in the City of Palo Alto. He was impressed with Fire Marshal Jasso's responses. He did not understand why the department remained short staffed and station number four did not have a fire truck. He urged City Council to push the City Manager to rectify this. He wanted it to be known that the City Manager was the fourth highest paid city manager.

City Manager Shikada stated given that there were no objections from property owners they had a recommendation for your adoption.

Council Member Kou inquired how messages would be delivered to the owner of 3120 Kelper, who is currently living in a convalescent home and who she should contact if she required help understanding things.

Santa Clara County Representative explained they send all documentation they have through the address that is on the deed to the assessor's office. This could be changed by reaching out to the Procurement Officer's office and change the address on file with the assessor's office to be able to change the mailing address. She added that the owner or anyone assisting her could reach out to their office for assistance.

MOTION: Mayor Stone moved, seconded by Council Member Burt to adopt a resolution confirming the report and ordering abatement costs to be a special assessment on the properties specified in the report (Attachment A).

MOTION PASSED: 7-0

9. PUBLIC HEARING: Adoption of a Resolution Implementing the North Ventura Coordinated Area Plan (NVCAP), Amending the City's Comprehensive Plan and Certifying the Supplemental Environmental Impact Report, Including a Statement of Overriding Considerations; and FIRST READING: an Ordinance Adding Chapter 18.29 and Amending Chapters 18.14, 18.24, and 16.65 in the Palo Alto Municipal Code as well as Amendments to the Zoning District Map, and Rezoning of Parcels Within the NVCAP area. CEQA Status -- Supplemental Environmental Impact Report SCH #2023020691.

Jonathan Lait, Planning Director, recognized that this was the culmination of a nearly seven-year effort to develop a vision for a walkable North Ventura neighborhood with housing services, ground floor retail, parks and an interconnected street grid. He thought the plan had changed a little since it was last seen by Council in November 2022 but remained consistent

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with the spirit and intent of where the Council is going but would be happy to make adjustments and changes as needed.

Kelly Cha, Senior Planner, provided a slide presentation covering NVCAP objectives, plan area, timeline, goals and objectives, public engagement, Council endorsed plan, Board and Commission feedback, document contents, zoning implementation, environmental review and staff recommendation.

Public Comment:

1. Jeff L. spoke on behalf of (5): Andie R., Hank S., Kristen V.F., Hamilton H. about the proposed ordinance elimination of all parking requirements for North Ventura. He talked about elements of the proposal that were not discussed in the presentation. He urged Council to review the ordinance to leave the current parking requirements in place along with any other changes made.
2. Becky S. stated she had previously sent a letter to Council. She spoke about some objections she had to the ordinance and would appreciate if Council would direct staff to correct this continued bullying and abuse of Ventura.
3. Terry H. brought an exhibit to show Council his work on the project as a part of the NVCAP working group. He indicated that only half of their work had been acknowledged and the rest was ignored, forgotten or overlooked by City staff and Council. He remarked that the work and recommendations made by the citizens should be recognized.
4. Tom G. (Zoom), architect, requested support on behalf of the property owners that may have existing office buildings that will become non-conforming and be subject to significant restrictions.
5. Janettedelia (Zoom), COO of Jay Paul Company and owner of 395 Page Mill Road, indicated her company was generally in support of the proposed plan but they recently learned that the change to a non-conforming status would present risk to the future continued use of their building as well as potential rebuilding risk in the event of a casualty. They respectfully requested that their existing commercial office use zoning designation be grandfathered in in such a way that the use remain conforming.
6. Cedric (Zoom) hoped Council would direct staff to start soon to plan for the renaturalization of the creek and the creation of the park space in the area that was obtained from Sobrato. He also mentioned the importance of being aware of the height at which the daylight plane commences. Otherwise, he approved of the plan.
7. Aram J. (Zoom) stressed the need to make certain that 20 percent of the housing minimum of this project would be dedicated to members of the African American

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community in perpetuity. He directed that Council needed to voluntarily implement reparations to make amends for historical wrongs visited on the Black community.

Council Member Kou addressed the public comment regarding no parking for people with disabilities and no EV cars allowed. She understood it to be a 530 unit development.

Director Lait confirmed he thought the projected units to be around that number. With regard to parking, the code did not say those things could not be provided but that they were not required. He discussed the challenges posed. He said staff would do more work on it and present it to the decision makers.

Council Member Kou asked if what was being asked of Council was to adopt certain chapters of the municipal code. She pointed out that diversity, equity, inclusion and belonging were not being addressed if ADA parking was not being provided.

Director Lait replied that the ordinance before Council did not require parking for any use, except for hotels which is carved out of that state law, in the North Ventura Coordinated Area Plan boundary. He provided a slide of a map of AB 2097 that raised a question as to whether parking ought to be required for the balance of the properties that are not located within the AB 2097 boundary. Council had the option to direct staff to apply the Municipal Code parking standards for any of the land uses for the area outside of AB 2097.

Vice Mayor Lauing remarked he felt they should retain parking in the area not covered. He wanted to know if there were other legal opinions on what they could or could not do with the current laws in place for parking. Regarding the special setback, he understood the implication to be that more study would be done and it might be added to the ordinance later.

Senior Planner Cha confirmed that was a possibility if the City Council would like the staff to look into it. It was not actually part of the scope of the NVCAP but something that came up during the Planning and Transportation Commission discussion.

Director Lait added that Council would have to give them direction to do that.

Vice Mayor Lauing queried if existing Office Park 3241 was being grandfathered in essentially because it was already in application. He asked if that was a requirement. He asked for clarification on the number of housing units.

Senior Planner Cha confirmed that to be correct and said if it was deemed complete, it was considered a pipeline project that was considered prior to the NVCAP adoption.

Albert Yang, Assistant City Attorney, answered that pipeline projects could be excluded and that could be a feature of the ordinance.

Director Lait remarked the housing element projections were about 300 and the totality housing production anticipated over a 2040 horizon was about 550 or so.

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Council Member Lythcott-Haims wanted Staff's thoughts about the adequacy of FAR and height limits versus daylight plane when trying to control the mass of a building and its impact on whatever is around it.

Coleman Frick, Long Range Planning Manager, explained that as staff evaluated those recommendations, they were compelled by the daylight plane as a mechanism to reduce unintended impacts to existing developed single family residential properties. They also looked at all the work that had gone into getting to the point through the working group to the Council endorsed and refined endorsed plan and wanted to balance both of those things in terms of making it so there was an ability for the vision of the NVCAP to be completed in terms of what sort of development could realistically occur from a kind of a standpoint from the developer to get the units and the vision of the NVCAP to have it be a walkable sort of mixed use development. Therefore, in some places they did recommend increasing the height limit based on those recommendations but in other places they did not go quite as high as what was recommended for maximum height in an effort to make sure that there was a height differential between those other zoning districts.

Chair Baltay explained how a daylight plane would minimize the impact on the surrounding community while allowing them to have higher building masses.

Council Member Burt did not think it should be extended beyond where it was required. He wanted to know how AB 2097 would work if it was adopted now. He asked if they could get rid of existing parking the way the plan was written.

Director Lait explained if Council adopted what was before them, it would be possible to impose a requirement that those projects comply with the policy change on requiring ADA and EV parking. They did run a risk that for some housing projects where an application was filed consistent with SB 330 application and it was locked into the standards and placed at the time regardless of whether the policy was changed later. He stated that existing parking would be a conversion of one use to another.

Assistant City Attorney Yang stated AB 2097 uses the term development project and in some places uses the term new development for more specific instructions. The words development project are seen as being broader than a tear down and rebuild.

Council Member Burt wanted to know what the boundaries were.

Assistant City Attorney Yang explained development project was not specifically defined in AB 2097 but elsewhere in the government code it seemed to mean basically anything that requires a building permit.

Council Member Burt thought that sounded like a subject open to legal interpretation. He did not want to just accept on face value that it does apply to anything and everything. He queried if there was confidence that the parking impacts have been covered by the EIR.

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Director Lait replied the California Environmental Quality Act does not have parking as a criterion to assess environmental impacts and it is not studied as a part of EIR's parking.

Council Member Venker asked if Staff would respond to the totality of height versus daylight plane versus massing, how they work together and how that might affect their recommendation about the height limits. She wanted to understand more about the park space on page 340 of the packet. She saw a naturalized creek and an observation deck and wondered if the park space went under that.

Senior Planner Cha provided slides showing how the daylight plane works with the setback. She explained the naturalization of the creek would require direction from City Council to initiate the analysis in partnership and coordination with the Valley Water who has easement over the Creek for their operations and maintenance so it would depend on the outcome of that study. They were proposing the full naturalization which included a hundred foot riparian buffer. She explained the drawing Council Member Veenker referred to was a conceptual illustration for the NVCAP area, especially for the ecological concept showing potential ways to have open space.

Director Lait added daylight plane could be used as another mechanism to regulate height. He indicated as part of the Sobrato development agreement, three acres would be transferred over to the city. Two acres would be dedicated toward open space and one acre would be dedicated to a future affordable housing project. He added Council would have discretion on how it wants to see this land that we would get through the development agreement used for public purposes.

Mayor Stone questioned if the new map was showing there would be proportional parking reduction for a property that straddled both lines. He believed the parking issue would have to come back based on the night's discussion.

Director Lait thought the areas covered within the radius were exempt and the areas outside of it were not. He suggested that if Council were interested in requiring parking outside of AB 2097, that direction could be given as part of the motion that says just use the standard parking requirements of the code. The issue of whether AB 2097 straddles a line and how that addresses that's going to apply throughout the city was still unknown.

Mayor Stone asked how it would impact the anticipated number of housing units if they were to follow the PTC recommendation and how the changes proposed that night would impact the 17 sites identified in the in the housing element. He did not want to risk derailing getting the housing element certified by the state by making significant changes.

Long Range Planning Manager Frick explained the housing element treats those sites as an overlay of development standards. If there is a housing opportunity site, if the base zoning, what is under consideration this evening with implementing the NVCAP through the ordinance that's before you, that would not impact what is in the housing element because each individual site in the housing element essentially has its overriding development standards that

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have already been analyzed separately as part of that process. Housing inventory sites standards would not be impacted by NVCAP zoning.

Director Lait added housing opportunity sites have their own standards so making a change here would not affect the housing element. He asked Assistant City Attorney Yang if lowering the height from existing 50 feet to 45 feet on properties zoned to allow housing a concern under Housing Accountability Act or related laws.

Assistant City Attorney Yang replied that would be a concern if the existing height was 50 feet and the existing use was housing. If it existed as a commercially zoned site and they would be allowing housing where it was not previously allowed, then the height could be reduced.

Mayor Stone requested Staff to find out how the height would compare to the housing opportunity sites within that area at 45 feet.

Director Lait provided a slide with that information.

Vice Mayor Lauing asked if he was correct that he heard if the building was not leased in a year then it could not be leased commercially again. He asked if they have a built-in office cap with the zoning. He addressed the statement, "Now they have a plan coming toward them without a component that's required by the ordinance" taken from PTC minutes from 2022.

Director Lait answered the ordinance refers non-conforming uses to the existing chapter in the code related to that type of situation. When a change like this is made in the code, the code reads they have 10 years before the use becomes non-conforming. They need the combination of 10 years and 1 year of discontinuance before required to abate the use. If they were to project themselves out 15 or 20 years into the future and then were discontinued for a year at that time then the use would be abandoned. He stated they would not get a big office or mixed-use building because the most amount of office that can be on 1 property is 5000 square feet. He indicated the PTC wanted to make sure Council was aware of their concern that the preferred plan did not have the same level of economic analysis that was done for some of the other plans.

Assistant City Attorney Yang clarified on the non-conforming use issue that it is either 10 years from the date of the ordinance going into effect or 1 year of discontinuance. If there was a period of one year where a commercial space was not leased it would be changed to a conforming use.

Council Member Burt queried what happens when an applicant comes forward under the density bonus law to what we've just adopted or would be adopting. He asked if they came forward with a qualifying project under the density bonus law, 15 percent of extremely low or 24 percent of low, they could seek or be granted exceptions to the height to the daylight plane by right.

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Senior Planner Cha replied for the density bonus laws to be applied, a base project would have to be created and the additional density increased so the additional height would be dependent on the additional affordable housing units the project provides.

Director Lait explained a qualifying project that applies for state density bonus would be eligible for a certain number of concessions and unlimited waivers to support affordable housing. He added that Council gave them direction to look at expanding the El Camino Real focus area and they would be back before Council possibly with an amendment to the NVCAP to consider additional development standards in the next 12 months.

Assistant City Attorney Yang added as part of this ordinance, the city is not adopting maximum densities. It's relying on FAR and other development standards to limit practical density. Under the density bonus, they will be able to get a percentage increase of the FAR and then will be able to waive other development standards, like height or daylight plane, as necessary to use that FAR. It is not completely unlimited development standards because it is constrained by the FAR and then a percentage increase on top of that. They cannot waive FAR but get a bonus percentage.

Council Member Lythcott-Haims asked what extent the El Camino focus area and NVCAP informed one another and what the arrival of the focus area 85 feet across the street would do to the analysis of what is appropriate from an architectural review board and PTC standpoint. It was her understanding they would be coming back with an amendment to NVCAP with a new plan for giving an alternative to a state density bonus.

Director Lait confirmed Council Member Lythcott-Haims' understanding to be correct. The amendment would consider identifying certain properties within NVCAP that would be appropriate to receive the standards or similar standards to what was done across the street. He noted that the El Camino focus area has a 20 percent inclusion area requirement whether it is ownership or apartments. His read of the ARB's conversation about the NVCAP relative to housing focus area noted the buildings across the street have 20 percent inclusionary and an apartment building in NVCAP could pay an in lieu fee so there may be a policy reason why they may not want to go so high until the El Camino Real analysis is finished to see if they could get more affordable units inclusionary on a development, including a rental project in the future. They were looking to keep it at a level that Council is comfortable with as a set of base standards plus density bonuses.

Council Member Lythcott-Haims thought it would be helpful to see a projection of how many more units of deeply affordable housing would be predicted if the density bonus was hypothetically applied in certain areas the next time this was discussed.

Director Lait advised that could be done as part of the El Camino Real extension.

Council Member Kou noted the NVCAP density bonus was 15 percent inclusionary and the El Camino focus area was 20 percent inclusionary.

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Director Lait clarified apartment building developments are eligible for payment into an in-lieu fee. Ownership units have an inclusionary requirement of 15 percent and 2/3 of it is either at 100 percent AMI and 1/3 of it is at 120 percent AMI. NVCAP follows the same process for the rest of the city. The in lieu option is the economics behind a rental prototype versus a condominium development that could be sold and benefit from the sale quickly and help pay down the investment where the rental has a longer horizon for receiving a return on that investment. For the housing focus area, they wanted 20 percent inclusionary regardless of ownership or rental. They went up to 85 feet in height and 4.0 FAR and made concessions on parking making it economically viable to provide the 20 percent inclusionary for apartment buildings.

Council Member Kou asked if the teacher housing down the street near the motel that's coming up at 100 percent affordable would be 120 percent AMI and if that was part of the El Camino focus area.

Director Lait replied that did not presently apply as it was not part of the El Camino Real focus area. That site would be looked at as part of Council's direction to study extending that program. The site is also located within the NVCAP project boundaries. The applicant to date has sought to avail himself of the planned home zoning or planned community zoning application process and that, by definition from Council, needs to include 20 percent inclusionary. That averages out to 80 percent AMI. City staff is looking at it as a PHZ application where there is 20 percent meeting the requirement that City Council had set forth and the balance of that is also affordable at roughly 120 percent AMI.

Council Member Kou wanted to know if there was talk about waiving the development impact fees for projects that are coming in at a hundred percent affordable. She thought they should talk about development impact fees if they were considering applying this across the City at a later time and asked if the plan was to implement citywide under the HIP program.

Director Lait remarked that concerned the housing incentive program which was another initiative they were working on and is also an alternative to state density bonus law with the idea to spur additional housing production. They were not looking at making adjustments to the development impact fees as a result of the HIP. As part of the housing element, they were committed to looking at development impact fees to see if they are limiting the ability to produce housing.

Council Member Kou stated before moving into looking at whether they should consider waiving the development impact fee for any program a study should be done to see how it would impact the City's funds. If they were going to produce more deep affordable there should be deeper discounts in terms of waiving the development impact fee.

Director Lait commented that project was not before them at that time and with respect to the NVCAP, there was no reduction of development impact fees that being proposed as a part of the NVCAP project before them.

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Council Member Veenker mentioned Item 6.1.2 with a height up to 33 feet and asked if that was positing for the affordable housing piece. She wanted to understand where the report talks about the finding of significant unavoidable impacts related to air quality necessitating council agreement of a statement of overriding conditions on page 216.

Director Lait explained that was completely within the City's control as they would own the land and engage a presumably nonprofit home building. The City would set forth the parameter of how they want the building built. He described that as part of the 2017 Comprehensive Plan Process and Environmental Impact report that was prepared, there also were significant unavoidable impacts in those mitigation measures for air quality and so they were lifting those standards and applying them to this supplemental EIR.

Natalie Noyes, Consultant, explained the supplemental EIR relied on BAAQMD's plan level thresholds to evaluate impacts related to criteria air pollutant emissions. She described the criteria that BAAQMD looks at when looking at criteria pollutant emissions at a plan level. The supplemental EIR found that the NVCAP would increase VMT and daily trips at a rate higher than the population increase and so that would have a significant criteria pollutant emission impact. As previously noted, they tiered off of the comprehensive plan EIR and included mitigation measures that were identified in the comprehensive plan EIR. This would not preclude future project level developments from being less than significant from criteria pollutant emissions by applying BAAQMD's standard best management practices. So this is just a plan level impact and the mitigation identified in the comprehensive plan EIR would reduce these impacts but wouldn't reduce it to less than significant consistent with the comprehensive plan EIR.

Council Member Veenker stated the language in the proposed resolution to certify was unclear to her.

Director Lait advised that the language was the same that applied in 2017. It was just being restated in the document. When a project is being reviewed, the air quality items and cultural resources impact are new and specific to NVCAP. When a project is submitted to the planning department for review as an entitlement process, it goes through that review and it has conditions that require compliance with these types of standards. We would engage the Air Quality Management District in that process to verify compliance. The standard is if VMT is reduced to a certain threshold, that's the mitigation they are trying to achieve. Most applicants reduce their vehicle miles traveled as a default way of meeting that threshold. He added there may be some components that have to be memorialized into the procedures to have it written down and posted but as part of the review process, they were looking for compliance with the comp plan mitigation measures for development and will be doing the same thing in NVCAP and it will be duplicative of what they have seen with the comp plan.

Council Member Burt expressed concern about fairness on the non-conforming uses. He wondered why they could not increase the setback modestly as part of the upzoning.

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Director Lait advised that Council could consider making some adjustments to those policies addressing those issues.

Director Lait and Assistant City Attorney Yang provided clarity on the AB 2097 site boundary analysis map. Director Lait gave guidance that the City could require the local parking requirements beyond AB 2097 boundary.

Council Member Kou asked if there were mitigating steps Pepper, Olive, Fernando and Lambert for cut through traffic. She asked if there had been any study, counts of traffic or mitigation into the inside streets into Ventura. She remarked they were so focused on the NVCAP boundary area that they were not looking at the rest of the neighborhood and there were going to be impacts to the rest of the neighborhood with cut-through traffic. She hoped they would look at that. She was not satisfied with the supplement environmental impact report. She did not approve of the TDM. She had no confidence in the mitigating monitoring and reporting program.

Senior Planner Cha explained the only changes they were proposing as part of the NVCAP that changes the direction of the travel is Ash Street between Oregon Expressway or Page Mill Road and Olive Avenue. They are proposing a one-way street so there would be no cut-through traffic into the NVCAP area but all other streets would continue to be two-way. She stated it was outside of the NVCAP boundary so they may have some cumulative intersection they studied as part of the traffic study.

MOTION: Vice Mayor Lauing moved, seconded by Mayor Stone to:

1. Adopt a Resolution (Attachment A) implementing the NVCAP and approving associated environmental work, including:
 - a. Certify the Supplemental Environmental Impact Report (SEIR)
 - b. Make the findings required by California Environmental Quality Act (CEQA), including a Statement of Overriding Considerations
 - c. Adopt the Mitigation Monitoring and Reporting Program
 - d. Adopt the NVCAP and amend the 2030 Comprehensive Plan
2. Introduce an Ordinance (Attachment B) to:
 - a. Adopt a new Chapter 18.29 (North Ventura (NV) District Regulations) in the Palo Alto Municipal Code and make other amendments to Title 18 (Zoning) to implement the NVCAP
 - b. Amend Chapter 16.65 (Citywide Affordable Housing Requirements)
 - c. Amend the Zoning District Map and re-zone parcels within the NVCAP area

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3. Direct staff to:

- A) Amend the ordinance and NVCAP to require parking in compliance with PAMC 18.52 and 18.54 for areas beyond the boundary of AB 2097.
- B) Amend the proposed ordinance section 18.29.100 to allow a nonconforming use to be discontinued for up to two years of instead of one year as set forth in PAMC 18.70.
- C) To the extent allowed by State Law require EV and ADA parking spaces within the NVCAP boundaries.
- D) Apply a 15-foot setback from Park Boulevard on either side of the street.

MOTION PASSED: 6-1, Kou

- 10. Designation of Voting Delegate and Alternate for the League of California Cities Annual 2024 Conference, to be held October 16-18, 2024, in Long Beach, California

MOTION: Council Member Kou moved, seconded by Council Member Lythcott-Haims to designate Council member Veenker to be the voting delegate and Council Member Kou as the alternate.

MOTION PASSED: 7-0

Adjournment: The meeting was adjourned at 11:24 P.M.