



CITY OF PALO ALTO CITY COUNCIL FINAL MINUTES

Special Meeting
September 14, 2020

The City Council of the City of Palo Alto met on this date in Virtual Teleconference at 5:03 P.M.

Participating Remotely: Cormack, DuBois, Filseth, Fine, Kniss, Kou, Tanaka

Absent:

Special Orders of the Day

1. Appointment of One Candidate to the Human Relations Commission for a Partial Term Ending May 31, 2021 and two Candidates to the Public Art Commission for Three-Year Terms Ending May 31, 2023.

Mayor Fine reported Council Members would vote orally.

First Round of voting for one position on the Human Relations Commission with term ending May 15, 2021.

Voting For: Nilofer Chollampat DuBois, Filseth, Kou

Voting For: Sunita de Turreil Fine, Tanaka

Voting For: Sofia Fojas Cormack

Voting For: Curt Kinsky Kniss

Voting For: Paula Rugg

Voting For: Lestina Trainor

Beth Minor, City Clerk announced that a majority vote for any candidate was not received and a second round of voting was needed.

Second Round of voting for one position on the Human Relations Commission with term ending May 15, 2021.

Voting For: Nilofer Chollampat DuBois, Filseth, Kou

Voting For: Sunita de Turreil Cormack, Fine, Kniss, Tanaka

Voting For: Sofia Fojas

FINAL MINUTES

Voting For: Curt Kinsky

Voting For: Paula Rugg

Voting For: Lestina Trainor

Beth Minor, City Clerk announced that Sunita de Turreil with 4 votes was appointed to the Human Relations Commission.

First Round of voting for two positions on the Public Art Commission with terms ending May 15, 2023.

Voting For: Djibril Drame

Voting For: Marilyn Gottlieb-Roberts Tanaka

Voting For: Radina Philyaw

Voting For: Hsinya Shen DuBois, Filseth, Kou, Tanaka

Voting For: Harriet Stern Cormack, Fine, Kniss

Voting For: Katherine Talbot

Voting For: Nia Taylor Cormack, DuBois, Filseth, Fine, Kniss, Kou

Beth Minor, City Clerk announced that Nia Taylor with 6 votes, and Hsinya Shen with 4 votes were both appointed to the Public Art Commission.

Agenda Changes, Additions and Deletions

None.

Oral Communications

Kat Snyder remarked that Palantir was listed as a sponsor of the upcoming Moonlight Run. They played an instrumental role in an Immigration and Customs Enforcement (ICE) roundup of Mississippi workers and helped ICE subvert the Sanctuary status of the State and the County of Santa Clara. The City needed to consider the message their relationship played with Palantir was communicated to residents.

Council Member Tanaka noted Oral Communications was listed to begin at 5:30 P.M., and people wishing to address the Council may not have joined the meeting.

FINAL MINUTES

Mayor Fine advised that the Council were going to take up Minutes Approval and Consent Calendar and then return to Oral Communications.

Deborah Simon, Friends of Cubberley Chair announced a forum had been scheduled for Thursday. Information was on the Friends of Cubberley website.

Sam Kaplinsky wanted the City to consider building a new skate park. Skating, biking, and scooting were great ways for kids to find a community.

Josh Balogh listed the advantages and popularity of skating and skateboarding. Greer Park was an iconic historical landmark, but a new skate park was going to provide updated obstacles.

Christian Saleh felt a skate park would be good for the community. Greer Park was too difficult for beginners, and Burgess Park was too crowded for beginners.

James Hindery suggested the Council begin work on a new skate park so that construction could occur in a few years.

Conor Burns supported a new skate park because it would benefit kids.

Alex Kaplinsky supported the construction of a new skate park.

Rebecca Eisenberg concurred with previous comments.

Veronica Saleh remarked that her son and his friends often visited skate parks in other cities because of the amenities they offered. A new skate park welcomed more community and facilitated skaters of all abilities. Kids needed relief from rigorous academics and competition.

Dave Kirby remarked that Greer Park needed more street-style obstacles. Older skaters mentored young and new skaters, which created community and bonds.

Bennett Hardy commented that Greer Park was good, but it could be improved.

Minutes Approval

2. Approval of Action Minutes for the August 17 and 24, 2020 City Council Meetings.

MOTION: Mayor Fine moved, seconded by Council Member Kniss to approve the Action Minutes for the August 17 and 24, 2020 City Council Meetings, with the inclusion of "Plan" after Carbon Neutral in the August 24, 2020 minutes.

FINAL MINUTES

Council Member Cormack noted a typographical error on Page 2 of the Minutes for the August 2, 2020 meeting.

MOTION PASSED: 7-0

Consent Calendar

MOTION: Council Member Kniss moved, seconded by Council Member Tanaka, third by Council Member Cormack to remove Agenda Item Number 4, "Approval of an Extension of the Pilot Phase of the Old Palo Alto Residential Preferential Parking Program ..." from the Agenda to be heard at a later date.

Ed Shikada, City Manager advised that Staff was not prepared to discuss Agenda Item Number 4.

Council Member Cormack suggested the item return to the Council along with the item regarding the California Avenue parking garage.

Mayor Fine noted the pilot program was authorized for one year; therefore, Staff wanted to attempt to reschedule Agenda Item Number 4 prior to October 31, 2020.

MOTION: Mayor Fine moved, seconded by Council Member Cormack to approve Agenda Item Numbers 3, 5-7.

3. Approval of Contract Number C21178263 With McGuire Pacific Constructors, Not-to-Exceed \$130,000, for On-call Residential Preferential Parking Program (RPP) Signs and Installation.
- ~~4. Approval of an Extension of the Pilot Phase of the Old Palo Alto Residential Preferential Parking Program (RPP) for a Period of Twelve Months.~~
5. QUASI-JUDICIAL. 4175 Page Mill Road [20PLN-00040]: Request for Site and Design Review to Allow Replacement of Vault Restroom In-situ With Prefabricated CXT Vault Restroom, Installation of American Disabilities Act (ADA) Parking Stalls, Construction of an ADA Path of Travel, and Minor Grading of an Existing Gravel Parking lot. Environmental Assessment: Exempt. Zoning District: Open Space (OS).
6. Adoption of Revised Salary Schedules for Various City Employee Groups Including Service Employees International Union (SEIU), SEIU hourly and Limited-hourly Employees; Revision to the Management and Professional Employees' Compensation Plan.

FINAL MINUTES

7. Approval of Three Items Related to the Junior Museum and Zoo (JMZ):
1) Acceptance of a \$250,000 Federal Grant for a California Dinosaur Garden Exhibition; 2) Approval of a Budget Amendment in the Capital Improvement Fund by a Two-thirds Vote; and 3) Approval of an Extension Until 2022 of the Agreement With the Friends of the Palo Alto Junior Museum and Zoo for Mutual Cooperation and Support to Facilitate the Friends' Financial and Administrative Support of the JMZ.

MOTION PASSED FOR AGENDA ITEM NUMBERS 3, 5-7: 7-0

City Manager Comments

Ed Shikada, City Manager reported a temporary Cooling Center/Community Respite Center would be open all week at Mitchell Park Community Center. The electric utility pole replacement project was delayed because of poor air quality. Work was to continue dependent upon air quality. Staff was awaiting guidance from the County of Santa Clara (County) regarding Halloween activities. Free COVID-19 testing was scheduled for September 25 and October 9 and 23, 2020. The Library's sidewalk service was available on Saturdays, and returned materials were being quarantined for 96 hours. The Wishing Trees Project, a partnership between the City and Canopy, was seeking wishes for a better world. Members of the community were able to write their wishes and leave them near trees at locations across the City. The Council planned on discussing race and equity on September 28, 2020 and the Independent Police Auditor was to be present.

Council Member Kniss indicated her test at the pop-up event was handled professionally and efficiently.

Council took a break at 5:42 P.M. and returned at 5:56 P.M.

State/Federal Legislation Update/Action

8. Study Session With the City's State Legislative Advocate Regarding Bills From the 2020 Legislative Session.

Niccolo De Luca, Townsend Public Affairs, reported the legislative session had ended August 31, 2020. The Legislature passed Assembly Bill (AB) 3088. The Governor had to act on bills by September 30, 2020 and had acted on about 30 bills. The Governor signed the bill banning flavored tobacco products and the Eviction Relief Bill. Three bills pertaining to police reform and three bills pertaining to housing were to be sent to the Governor. The next legislative session was to be the first in the two-year cycle, and new Senators and Assembly Members were to be joining the Legislature.

FINAL MINUTES

Kat Snyder inquired about the timeframe for police reform legislation to become law if it had not already been signed.

Winter Dellenbach understood Senator Skinner would reintroduce Senate Bill (SB) 776 and requested an explanation of the process for reintroducing bills.

Mr. De Luca reiterated that active bills had been sent to the Governor. The Legislature was to convene in January 2021, then legislators were able to introduce bills at that time. If Senator Skinner reintroduced SB 776, it would receive a new number. Senator Bradford introduced SB 731 regarding decertification of police officers. More than likely, bills concerning housing, public safety, and COVID-19 recovery were to be introduced in January 2020. He expected to see the same topics in the Governor's Proposed Budget.

Council Member Filseth inquired about the possibility of an emergency session.

Mr. De Luca did not believe that would occur because of COVID and elections.

Council Member Cormack inquired regarding Assembly Constitutional Amendment (ACA) 1.

Mr. De Luca indicated funding was the most important factor for affordable housing. Concerns about rebuilding from wildfires and small business recovery was likely to reduce any funding for housing.

Council Member Cormack expressed interest in receiving additional information about ACA 1 and inquired regarding AB 66.

Mr. De Luca related that AB 66 concerned police responses to unruly protests and crowd control measures. The Senate did not take it up, but suspected it would return in 2021.

Council Member Kou asked if ACA 1 would reduce the supermajority threshold from 66.7 percent to 55 percent for Sales Tax and Parcel Tax measures.

Mr. De Luca indicated it would reduce the supermajority threshold, but it would apply to Property Tax measures only.

Council Member Kou inquired about the funding method proposed in SB 795.

Mr. De Luca explained that SB 795 was amended several times, and he would have to provide the information at a later time.

Council Member Kou asked about SB 1299.

FINAL MINUTES

Mr. De Luca reported the Assembly did not take it up, but it may be reintroduced in 2021. SB 1299 proposed incentives for redevelopment of vacant retail spaces as mixed-use sites.

Council Member Kou inquired about methods for municipalities to encourage a reintroduction of SB 731.

Mr. De Luca suggested cities send letters to the delegation providing their reasons for supporting decertification of police officers. Working with other municipalities and building coalitions were often helpful.

Council Member Kou requested Mr. De Luca's opinion on the likelihood of the Governor signing AB 2054.

Mr. De Luca believed the Governor would sign it. AB 2054 authorized a pilot program for service providers and nonprofit agencies to respond to calls that might not need a law enforcement response.

Council Member Kou requested an explanation and the pros and cons of SB 1206.

Mr. De Luca promised to provide information at a later time.

Council Member Kou requested the status of AB 725 and AB 2345.

Mr. De Luca responded that both bills were on the Governor's desk. Both bills proposed revising the Density Bonus Law to increase the maximum allowable density. He did not believe AB 725 would impact City of Palo Alto. AB 2345 provided incentives for developers with the goal of increasing density.

Council Member Kou requested the status of AB 3182.

Mr. De Luca seemed to recall it was held in the Assembly Appropriations Committee.

Council Member Kniss inquired about the mood and outlook of the Legislature.

Mr. De Luca remarked that everyone had been excited to see the year end. Legislators were frustrated by the challenges of Zoom meetings and votes and the inability to discuss legislation. A great deal was left unsaid. The year 2021 was to be an extremely busy session with new members and a massive amount of legislation.

Council Member Kniss noted the public did not believe life would be normal by January 2021. She inquired about Proposition 15.

FINAL MINUTES

Mr. De Luca needed to research the legislation and report later. There had been some discussion of a bail out or stimulus package for transit agencies.

Council Member Tanaka inquired about the possibility of the Legislature amending the Brown Act to allow the use of remote or virtual meetings after COVID-19.

Mr. De Luca related that there had been discussion of allowing public participation via telephone, but the discussion of the digital divide was louder.

Council Member Tanaka favored amending the Brown Act to embrace technology, increase accessibility and modernize and streamline requirements.

Mr. De Luca foresaw legislation proposing amendments to the Brown Act and Sunshine Act to allow greater participation.

Council Member Tanaka asked about State finances and the effects on funding for local jurisdictions.

Mr. De Luca expressed concerned about the State's finances, especially in the first and second quarters. The Financial Report in August 2020 was better than expected. Grant programs were fine because they were funded with bonds. The federal government needed to provide major funding, and that probably would not occur before the November 2020 election.

Council Member Tanaka requested an update on the California Public Employees' Retirement System (CalPERS).

Mr. De Luca had not received any information about CalPERS.

Vice Mayor DuBois requested the current maximum Sales Tax.

Mr. De Luca answered 2 percent above the State's 7.25 percent. The prior year, Governor Newsom vetoed on a bill allowing Alameda County to exceed the cap. However, the Bay Area Rapid Transit (BART) and the countywide transportation portions of Sales Tax were removed so that cities could increase Sales Taxes. The maximum Sales Tax that could be charged in Santa Clara County was 9.25 percent.

Vice Mayor DuBois asked if SB 350 would remain in effect if PG&E suffered some type of financial crisis.

Mr. De Luca replied yes.

Vice Mayor DuBois requested the status of SB 1085.

FINAL MINUTES

Mr. De Luca indicated it had not gone forward.

Vice Mayor DuBois requested details of the density bonuses contained in AB 2345.

Mayor Fine advised that AB 2345 would not reduce the affordable housing percentage except for two incentives.

Council Member Filseth noted the legislative session ended with a large rift between Democrats and Republicans. He asked about rifts within the Democratic Party.

Mr. De Luca suggested frustration was the norm and had not affected one party more than the other. AB 2345 limited additional incentives to projects located within a half mile of major transit stops, increased the restriction of 17 percent of total units to 20 percent, and deleted an option for developments to receive five incentives and concessions.

NO ACTION TAKEN

Action Items

9. PUBLIC HEARING: Adoption of an Interim Ordinance Amending Title 18 (Zoning) of the Palo Alto Municipal Code to Temporarily Allow 24-hour Safe Parking on City-Owned Sites in the PF Zoning District; and Approve a 3-Year Lease With the County of Santa Clara (Tenant) at 2000 Geng Road for Safe Parking.

Rachel Tanner, Assistant Director Planning and Development Services reported the Safe Parking Program would provide a designated parking location for community members living in vehicles and recreational vehicles; provide onsite bathrooms and lot monitoring; and connect participants to social services. Folks needed to register and be screened to participate. Even with an effective and successful program, persons were to remain homeless and/or continue to dwell in their vehicles in Palo Alto. In response to a June 2019 Colleagues' Memo, the Council referred the matter to the Policy and Services Committee. In January 2020, the Council adopted an Interim Ordinance for a Tier 1 congregation-based program with the expectation that Staff would learn from the Tier 1 program and develop Tier 2 and 3 programs. The Shelter-In-Place order of March 17, 2020 had delayed applications for the Tier 1 program. Supervisor Simitian suggested the City work with the County of Santa Clara (County) to provide a 24-hour Safe Parking Program. Thus, Staff proposed a Tier 3 Safe Parking Program. The standards for the Safe Parking Program were similar to those of a Tier 1 program. The City planned on leasing the land to the County for 36 months. The County selected Move

FINAL MINUTES

Mountain View to operate the Safe Parking Program. The County was going to fund the operator but, as the leaseholder, would be responsible for care of the site. The operator believed it could serve up to 12 households at the site. The proposed Interim Ordinance allowed the City to lease land zoned Public Facility for this program; establish operational standards; and require notice to property owners and occupants located within 600 feet of the site. Staff sent notice of the Council meeting to property owners and occupants located within 600 feet of the Geng Road site. The Geng Road site was located near the Baylands Athletic Facility and served as the temporary location of Fire Station 3.

Amber Stine, Move Mountain View Program Director advised that Move Mountain View began operations 2 ½ years ago with locations in two church parking lots. Since April 2020, Move Mountain View added two municipal parking lots and was currently serving 132 people. Case management was provided through a CSA, but Move Mountain View were to hire their own case managers. Food pantries provided meals for participants. Overall, clients were satisfied with services, and Move Mountain View's experience was positive. The case managers assisted families in obtaining electronic devices and internet service for school-aged children.

Joe Simitian, County Supervisor noted Move Mountain View provided more than a parking area. The goal was to provide assistance such that participants could move into housing. While the program provided space for 12 vehicles, the number of participants were greater. As participants found housing, additional people were able to join the program and receive assistance.

Public Hearing opened at 7:04 P.M.

Ryan Globus supported the program and asked the Council to support it. If the Council wished to amend the program, amendments were not to result in delays to implementing the program.

Mark Mollineaux believed development of the program was slow, and the proposed program was insufficient for the number of people needing assistance. The housing crisis was going to worsen in February 2021 when evictions were allowed.

Steven Lee hoped success of the program would lead to expanded services and more participants.

Eileen Altman supported the program and Move Mountain View. She hoped faith communities could partner with the program to expand the program.

FINAL MINUTES

Patti Regehr, Human Relations Commission supported the Safe Parking Program, adoption of the Interim Ordinance, and approval of the lease agreement.

Rebecca Eisenberg suggested the Council word the Interim Ordinance to allow the program to expand to additional locations. She expressed concern about the size of Move Mountain View and its need to hire additional staff.

Rohin Ghosh thought it was very important for the Council to approve the program as presented or with additional services and without any delays. The need for this program reflected the community's inability to build sufficient housing for all income levels.

James Hindery supported the program and noted the proposed location was not near services or transit. This was only the first step in addressing the homelessness crisis. The chronically homeless did not own vehicles. The City had to increase housing supply.

Evelyn Keomian urged the Council to approve the program and move it forward quickly.

Kevin Ma supported the Safe Parking Program and believed more programs should be available for the homeless.

Winter Dellenbach urged the Council to approve any recommendations that accomplished this program, which was free to the City. The operator was an experienced local nonprofit agency. The site contained the necessary amenities.

Kelsey Banes believed this was a vital service that would increase the quality of life for people living in unsafe conditions. Given the urgency of the situation, the site was acceptable for now, but a site closer to services was needed.

Jordan Grimes, Peninsula for Everyone supported the action and expansion of these kinds of programs.

Public Hearing closed at 7:28 P.M.

Vice Mayor DuBois wished this item was agendized more broadly in order to discuss a Tier 2 program and City management of a Tier 3 program. He requested the reasons for the delay of Tier 1 programs.

Ms. Tanner clarified that any faith congregation could apply for a permit to operate a Tier 1 program. The Shelter-In-Place Order and a search for resources caused a delay in applications being submitted.

FINAL MINUTES

Vice Mayor DuBois suggested some businesses might be willing to offer their parking lots for a Tier 2 program as parking demand was minimal. He inquired about the effects of the Emergency Order's expiration on the Safe Parking Program.

Ms. Tanner explained that the State order allowing jurisdictions to declare a shelter crisis was set to expire in 2022; however, an extension to 2026 would be presented to the Governor.

Vice Mayor DuBois asked if a Recreation Vehicle owner could travel to a dump station and return to the program without losing his space.

Ms. Tanner responded yes.

Vice Mayor DuBois stated social services were a key component of the program. He inquired whether the City could monitor the program in order to replicate it.

Ms. Tanner answered yes.

Council Member Kou asked if laundry facilities were available at the site.

Ms. Tanner indicated a washer and dryer were onsite, and hookups were available.

Council Member Kou requested the start date of the program.

Ms. Tanner advised that some minor site improvements were needed, but the program was scheduled to begin in about six weeks.

Council Member Kou asked if the programs at the Mountain View municipal lots operated 24 hours a day, 7 days a week (24/7).

Ms. Stine responded yes.

Council Member Kou inquired whether the faith organization that had expressed interest in a program was to operate 24/7.

Ms. Tanner related that it would be a Tier 1, overnight program.

Council Member Cormack remarked that the 24-hour nature of the program was important to ensure the health and safety of program participants. She inquired regarding the number of Mountain View participants that moved into supportive housing.

FINAL MINUTES

Michael Love, Move Mountain View indicated 3,000 people were placed in housing over the life of the crisis.

Council Member Cormack asked if participants could utilize the site address to vote and receive mail.

Ms. Tanner believed homeless people were allowed to utilize the nearest address for voting purposes.

Ms. Stine related that Mountain View participants were not receiving mail at the sites because there were no buildings or mailboxes to receive mail. In Palo Alto, mail was able to be received and stored securely in the building.

Council Member Cormack asked if Wi-Fi could be provided to the site.

Ms. Tanner reported the building had the capacity for Wi-Fi.

Ms. Stine believed Wi-Fi could be provided to participants; it was merely a matter of financial need.

Council Member Cormack requested the process for the community to donate goods or funds to the program.

Ms. Stine suggested anyone wishing to donate to the program contact Move Mountain View at 650-861-0181.

Council Member Kniss asked where children in the program would attend school.

Ms. Tanner did not have that information, but perhaps Staff could work with Palo Alto Unified School District (PAUSD) to allow students to continue attending the schools where they had been registered.

Council Member Kniss noted the elementary school closest to the site was Duveneck, but PAUSD was to make the decision. She requested Ms. Stine discuss potential problems about which the Council had not considered.

Ms. Stine stated Ms. Tanner had been very thorough and asked all the right questions. Issues could arise based on the needs and dynamics of participants. Perhaps City Staff was able to review the site for utilitarian issues such as drainage.

Council Member Kniss requested the largest number of participants in the Mountain View programs.

FINAL MINUTES

Ms. Stine advised that both programs were full and provided spaces for a total of 59 vehicles. She was preparing to open another parking lot in Mountain View, and its size was comparable to the Geng Road site.

Council Member Kniss asked if park facilities were near any of the programs.

Ms. Stine indicated Shoreline was a park.

Council Member Kniss inquired about the longest stay of a participant.

Ms. Stine reported the average stay was around 120 days.

Council Member Kniss asked if the participants moved to situations that were more permanent than the program.

Ms. Stine explained that quite a few participants moved into permanent housing, returned to living with family members, or left the area.

Council Member Kniss concurred with Vice Mayor DuBois in that social services were the critical component of the program.

Council Member Tanaka requested the length of time the Geng Road site was vacant.

Ms. Tanner seemed to recall that the Fire Department vacated the site in the spring.

Council Member Tanaka inquired regarding the City's plans for the site prior to identifying it for the Safe Parking Program.

Ms. Tanner reported she had not found any specific plans for the site.

Ed Shikada, City Manager added that the Parks and Recreation Commission and Parks Department expressed interest in the site for additional recreational uses.

Council Member Tanaka asked if the rental amount would be zero.

Ms. Tanner replied yes.

Council Member Tanaka requested the square footage of the lot and the building, the potential lease amount under a market-rate lease, and the party responsible for utilities.

Ms. Tanner answered the County would be responsible for utilities.

Council Member Tanaka requested the restrictions on lease termination.

FINAL MINUTES

Tim Shimizu, Deputy City Attorney reported the City could terminate the lease agreement if the County breached any performance standards contained in the lease. The County was able to terminate the lease, given ten business days' notice.

Council Member Tanaka requested the rationale for not providing the City with a right to terminate for convenience.

Mr. Shimizu explained that the City terminating the lease with ten days' notice was extremely disruptive to program participants. The City's ability to terminate based on breach protected the City.

Council Member Tanaka asked if the City could terminate the lease based on a need to utilize the site.

Mr. Shimizu answered no.

Mr. Shikada added that Staff would find a site other than Geng Road if there was a critical need. The City was not likely to need a site for a fire station.

Molly Stump, City Attorney advised that the City and County were intergovernmental partners. The program was to provide needed services for residents of the City and County. If there was a priority need for the site, presumably the County would entertain discussions with the City about alternatives for the Safe Parking Program. Any contract could be amended by mutual agreement. The County was providing services at no cost, and the City was providing the land and building at no cost.

Ms. Tanner indicated the portion of the parcel leased to the County contained about 39,000 square feet. A car dealership leased approximately 15,000 square feet of the parcel at \$0.65 per square foot per month with 3-percent annual increases. The building occupied a third or less of the site.

Mayor Fine remarked that the Safe Parking Program would provide needed services. He expressed concerns regarding location and core issues. He inquired whether the program at this location would simply remove vehicle dwellers from sight. Adoption of the Interim Ordinance allowed this type of use on all parcels zoned Public Facility, which included the new California Avenue parking garage, Cubberley Community Center, and El Camino Park. Many years ago, Cubberley hosted this type of program, but it was canceled because of community concern. This program was effective only if affordable transitional housing was available. People having to live in their recreation vehicles and vehicles were the result of the high cost of living in the region and the lack of housing for different levels of income.

FINAL MINUTES

Council Member Filseth expected demand for parking spaces to exceed supply and asked how that would be managed.

Ms. Stine reported Mountain View created eligibility criteria for applicants and established a priority for households with children attending Mountain View schools, senior citizens with past or present ties to the community, households living and working in Mountain View, and people with disabilities. Offering the program to some households facilitated the next solution.

Council Member Filseth commented that the Geng Road site with the needed facilities was reasonable.

Council Member Kou recalled services provided by the Opportunity Center and asked if participants could utilize those services.

Ms. Tanner noted that the program would partner with LifeMoves because LifeMoves was a designated provider of certain services for the City. Children were able to attend any PAUSD school because participating in the program was considered homeless.

MOTION: Council Member Kou moved, seconded by Vice Mayor DuBois to:

- A. Find the proposed Interim Ordinance and approval of the lease agreement exempt from the California Environmental Quality Act (CEQA) pursuant to Section 15301 and 15303 of the CEQA Guidelines;
- B. Adopt an Interim Ordinance Amending Title 18 (Zoning) of the Palo Alto Municipal Code to Temporarily Allow 24-Hour Safe Parking on City Property in the PF Zoning District (PAMC Chapter 18.28), and Establishing Temporary Regulations Related to Safe Parking (PAMC Chapter 18.42); and
- C. Approve the Three-year Lease between the City (Landlord) and the County of Santa Clara (Tenant) for City property located at 2000 Geng Road, Palo Alto for Safe Parking.

Council Member Kou felt the program would be in good hands with Ms. Stein and Mr. Love. The objective of the Colleagues' Memo was to help people move into stable housing. This program was a good first step.

Vice Mayor DuBois indicated the City could lease the site to a commercial business, but the City had a responsibility to residents, including those living in vehicles. This was a first step in addressing an ongoing challenge. He rejected the idea that the City should maximize revenue over people.

Council Member Tanaka inquired whether the building was single-story.

FINAL MINUTES

Ms. Tanner answered yes. She corrected her previous statement about the size of the parcel. The total square footage was 39,000 with the Honda dealership leasing 15,000 square feet and the County leasing 24,000 square feet. Three single-story buildings were located on the parcel.

Council Member Tanaka requested the square footage of the building.

Ms. Tanner replied approximately 5,000 square feet. She was unsure whether another small garage was included in the square footage.

Council Member Tanaka asked if firefighters lived in the fire station and, if so, the number.

Ms. Tanner responded yes. She assumed one firefighter occupied each dormitory room, and there were three dormitory rooms. She was not aware of the staffing for the fire station.

Council Member Tanaka calculated an annual rental amount of \$300,000 for the former fire station based on \$5 per square foot. He inquired whether \$172,000 and \$300,000 was a fair estimate of the annual rental amount for the former fire station.

Ms. Tanner did not want to venture a guess as to what a fair market rate would be.

Mr. Shikada suggested the range was a bit high. He asked if Council Member Tanaka was attempting to estimate the opportunity cost for the site.

Council Member Tanaka answered yes. He shared his thoughts regarding the Safe Parking Program accommodating 12 households, the former fire station accommodating more or less people, and leasing the site and investing the rental payments in a homeless program.

Ms. Tanner calculated an annual rental amount of \$140,000 for leasing the 19,000-square-foot parking lot to an automobile dealership at \$0.65 per square foot. The Council was able to direct Staff to lease the site and allocate the rent proceeds to a homeless program. A revenue generation model was possibly part of the future.

Mr. Shikada noted the site had been a problem historically. A 24-hour Parking Program for vehicle dwellers was not available in any other form in the City.

Council Member Tanaka related that revenue could be greater if the City leased the former fire station. He inquired about input from nearby offices.

FINAL MINUTES

Ms. Tanner reported Staff had not received any correspondence from neighboring uses. Staff contacted two private schools located there, but neither provided any feedback.

Council Member Cormack reiterated that this was a comprehensive program for families in need, and the site happened to be a parking lot.

Council Member Kniss commented that the Mountain View program was successful because housing was available for participants. The City was not able to provide housing for program participants. In fact, the City did not provide affordable housing in the past ten years. She inquired whether the participants were going to have to leave Palo Alto to find long-term permanent housing.

Council Member Filseth noted the total number of households aided by the Palo Alto program were to exceed 12 because of the turnover rate. The City had to try new ideas and would learn valuable lessons from the Safe Parking Program.

Council Member Tanaka inquired regarding the City's ability to amend the lease after it had been executed.

Ms. Stump reiterated that one party could initiate conversations with the other party about modifications.

Council Member Tanaka proposed including language allowing the City to terminate the lease after a year.

Council Member Kou did not agree to incorporate such language. The County needed stability in order to apply for funding.

Vice Mayor DuBois concurred with Council Member Kou.

MOTION PASSED: 7-0

Council took a break at 8:26 P.M. and returned at 8:40 P.M.

10. Verbal Update and Possible Direction to Staff on COVID-19 Related to Business Recovery Efforts.

Ed Shikada, City Manager hoped the City had reached the point at which they were able to stop responding to daily issues and begin to plan for the short term.

Rachel Tanner, Assistant Director of Planning and Development Department Services advised that the Report would focus on store-front businesses,

FINAL MINUTES

including retail, personal services, and automobile dealerships. On August 28, 2020 Governor Newsome released his Blueprint for a Safer Recovery: a Slow Plan for Living with COVID-19 (Blueprint), which included a four-tiered, color-coded system for COVID-19 transmission. Tier 1 indicated COVID-19 transmission was widespread, and Tier 4 indicated COVID-19 transmission was minimal. A color was assigned to each county. On September 8, 2020, Santa Clara County was designated Tier 2, which indicated substantial COVID-19 transmission. If Santa Clara County was able to maintain the ratings for Tier 3 for three weeks, the County was to move into Tier 3. If a County Health Order was more restrictive than the State's order, the County Order would control. Prior to the pandemic, retail was reorienting to more efficient platforms. Consumers were shifting from purchasing goods to enjoying experiences. Consumers and cities wanted retail located within walking distance of housing. During the pandemic, the ability to obtain goods was accomplished in many ways. Recovery was slower in wealthier ZIP Codes. Brick and mortar retailers needed to adapt protocols and spaces to prevent the spread of COVID-19; offer superior customer experiences; and develop a digitally native online presence. Key effects of COVID-19 were consumer shifts to value and essentials, to digital and omnichannel shopping, to new brands, places to shop and shopping methods, to a health and caring economy, and a homebody economy. The Uplift Local campaign encouraged people to eat, shop, and celebrate Palo Alto. Staff was working with retailers to refine ideas for a collaborative holiday shopping campaign, coordinated marketing, outreach to shopping districts Citywide, maintain empty storefront windows, and support shopping districts as destinations. Support for businesses included developing guidelines for outdoor businesses through the fall and winter, continuing the business liaison position and outreach, providing testing, supporting compliance with health orders, helping businesses adapt physical spaces, adjusting signage requirements, capping delivery fees, hosting industry-specific outreach, reviewing eviction moratoria, and providing business and worker support programs. Measures for post-pandemic recovery included adjusting the Retail Preservation Ordinance, adjusting parking requirements; adjusting the Zoning Code to recognize experiential retail; updating the Code to incorporate new uses; reconsideration of formula retail restrictions; allowing nonconforming uses to re-establish within 12-18 months; and encouraging pop-up shops/temporary uses. Potential longer-term recovery strategies were to increase the local customer base; supporting experience retail; and retaining major employers, producers, and start-ups.

Jim Nellis, Town and Country Village, reported COVID had severely impacted tenants of Town and Country Village. For September, sales were down year-over-year 60-80 percent. Prior to the pandemic, the vacancy rate was 6-7 percent. The current vacancy rate was 15 percent and rising to 20-25 percent.

FINAL MINUTES

He was working with individual businesses to reopen. The continued closure of Palo Alto High School and Stanford University affected sales. He was working with the City to implement a tent program for outdoor dining during the winter.

Mayor Fine remarked that the City's attention had shifted to local businesses and how they supported the community and residents.

John Shenk urged the Council to remember all retailers in the City when considering new initiatives. Thriving in the current environment was not realistic without changes.

James Hindery was disappointed to learn the local 7-11 had received a small business grant while his dry cleaner, an immigrant who had been in business for many years, did not. He suggested the criteria for future grants eliminate national chains from eligibility.

Michael Ekwall commented that increasing restaurant sales to 25-50 percent of normal only prolonged their agony. Approval of Proposition 15 was effectively going to kill businesses with triple net leases.

Rebecca Eisenberg indicated Proposition 15 would not necessarily increase the rents. She felt Mr. Shenk should identify his business.

Steve Sinchek, Local Union and Old Pro restaurants thanked the City and Staff for all their efforts with businesses. He hoped the City would allow a tent program in other parts of the City.

Cherry LeBrun, De Novo understood closure of University and Ramona had benefited restaurants; however, she and other business owners had observed a distinct decrease in foot traffic. She proposed University and Ramona reopen for the holiday shopping season because restaurants needed to be able to serve customers within sidewalk and parklet seating areas.

Debra Szecsei, Vino Locale requested signage to alert the public to restaurants on side streets and suggested the City consider allowing heaters under tents for outdoor dining in the winter.

Peter Katz, The Counter agreed with Mr. Ekwall's comment regarding Proposition 15 because most leases allowed landlords to pass Property Taxes to tenants.

Vice Mayor DuBois wanted more data. In other cities, businesses had implemented programs to aid recovery. The City had limited resources, and the Council needed an update regarding the Budget. The City needed to focus

FINAL MINUTES

on public health and safety. More rapid COVID-19 testing and childcare were good ideas. Ventilation of enclosed spaces, whether indoors or outdoors, and enabling foot traffic for holiday shopping were short-term concerns. The consumer shift to value and essentials indicated the Council should maintain the Retail Preservation Ordinance and rents at retail levels. Rents were to increase if more uses were allowed. Any program that required a subsidy should return to the Council with the Budget. Signage to accommodate wayfinding was logical. The Council needed to focus on short-term and mid-term post-pandemic changes. He thought the Council should not approve long-term actions because the new Council could reverse the actions. Discussions with the business community needed to include residents.

Council Member Kniss noted some of the outdoor dining areas were elaborate. The requests for reopening University Avenue were to continue. She questioned whether data would benefit Council discussions when the world was changing daily.

Council Member Cormack suggested the Council consider potential strategies through a lens based on what residents needed and could support. The issue was not current testing but testing needed to allow schools to reopen. Industry-specific initiatives were very important. Medical care was a large part of the community. Unfortunately, not all businesses were going to reopen.

Council Member Tanaka encouraged Council Members to read the report on Sales Tax for Quarter 1 of Fiscal Year (FY) 2019-2020. He requested Mr. Nellis' suggestions for ways the City could help businesses.

Mr. Nellis reported businesses had complained about the challenges of paying utility bills. Without change, the only full-service restaurants operating in Palo Alto were going to have very high price points. Temporarily modifying the rate of increase for the minimum wage was a strong signal of the City's support. Prospective tenants were inquiring about multiuse spaces so that they could provide a variety of events in one space. Town and Country Village submitted a letter to the Planning Department requesting zoning changes to allow multiuse spaces.

Council Member Tanaka proposed the Council consider redesigning University Avenue to allow permanent parklets. He heard many small businesses complain about their utility bills. Perhaps the Commission needed to convene a recovery commission.

Council Member Kou questioned whether the Council should discuss changing strategies and Ordinances when a large group of stakeholders were not present.

FINAL MINUTES

Molly Stump, City Attorney advised that Staff intentionally drafted the Agenda Item broadly to allow the Council to provide a range of feedback. She said the Council may direct Staff to return with information or recommendations. The item had not been noticed as a final decision on any program or Ordinance.

Council Member Kou wanted clarity regarding interactions between the California Avenue farmers market and restaurants, data for businesses open and closed in Downtown, and employee comments regarding a change in the minimum wage. She requested clarification of belt tightening and reassessment of Property Taxes as stated in the presentation.

Ms. Tanner explained that the topics were raised in early discussions at the Business Roundtable. Some businesses suggested lowering Property Taxes on commercial property though a reassessment could aid their recovery. Belt tightening pertained to the City being more frugal.

Council Member Kou expressed interest in actions taken in other cities to cap delivery fees and in industry-specific outreach.

Mayor Fine remarked that the City's financial woes pointed to a visitor's economy. Many of the services delivered to residents were funded by businesses, Sales Tax, and Hotel Tax. Discussions about providing services and supporting businesses would be iterative. The Retail Preservation Ordinance had neither created retail shops nor benefited the City. The Council needed to look at different types of retail. Perhaps the Council was able to lift some parking requirements to enable a more diverse and mixed set of retailers to support the community and residents.

Council Member Filseth concurred with the Council focusing on short-term and medium-term initiatives. The community needed to be involved in discussions of long-term initiatives. The promotions were good. Industry-specific outreach and working with residents were good ideas. The Council should look at adding flexibility to aesthetic and environmental regulations but stay away from regulating business operations. Discussion of the Retail Preservation Ordinance needed to be judicious.

Vice Mayor DuBois clarified that his desire for additional data pertained to the City's situation and the local economic scene. Businesses that served residents' needs were probably going to survive. The Council needed to hear from big businesses, property owners, and the community about what they want to do to maintain the ambience of Palo Alto. Any adjustment to the Retail Preservation Ordinance required a lot of detail. He felt the Retail Preservation Ordinance was highly successful.

FINAL MINUTES

MOTION: Vice Mayor DuBois moved, seconded by Council Member Tanaka to direct Staff to explore options and return to Council with:

- A. Rapid COVID-19 testing and what the City can do to ramp up testing;
- B. Childcare and how the City can support childcare services; and
- C. A holiday strategy to support holiday shopping in our major shopping areas.

Council Member Tanaka believed testing was key to businesses reopening. The Council was going to need to develop some type of semi-permanent, weather-resistant parklet and a strategy to make parklets permanent.

Mayor Fine supported Subparts A and C. Childcare may be perceived as more of a problem than it was. Expanding the Retail Preservation Ordinance Citywide was a poor move.

AMENDMENT: Mayor Fine moved, seconded by Council Member Tanaka to direct Staff to explore options and return to Council with:

- A. Temporarily suspending the Retail Preservation Ordinance outside of the commercial cores;
- B. Temporarily altering or suspending required parking changes for a change of use; and
- C. Allowing diverse retail uses in all retail sites.

Mayor Fine remarked that there were a number of sites outside the commercial cores that were not naturally retail, for which the Council had waived the requirement for retail, or the sites had remained vacant. The Business Roundtable had confirmed that certain sites on California Avenue were unable to accommodate a preferred retail use because the City required the preferred use to provide more parking spaces than the site could provide. The City's restrictions on locations for retail uses needed to be modified.

Council Member Tanaka indicated vacant storefronts negatively affected retailers' business. Retail needed to be focused in an area that was walkable and vibrant. New types of retail drew people to an area.

Council Member Kniss supported the Amendment. Modifying the Retail Preservation Ordinance gave the existing retail businesses a good chance to survive.

FINAL MINUTES

Council Member Cormack was willing to allow new and novel retail uses and was interested in learning about the issues of Subparts A and B.

Council Member Kou believed Subpart A of the Amendment could result in office uses. She expressed concerns regarding South Palo Alto residents having to travel further to shop and dine and about the Agenda Item not including the topics of the Amendment. She thought property owners should not tell the Council which uses they wanted on their properties. The Council was to determine what the City became.

Council Member Filseth had not heard a good explanation of why suspending the Retail Preservation Ordinance would help retail. An Ordinance was not able to be modified temporarily. He proposed bifurcating the Amendment.

Vice Mayor DuBois requested the definition of retail and retail-like uses. He supported bifurcating the Amendment.

Jonathan Lait, Director of Planning and Development Services advised that retail and retail-like uses included eating and drinking services, hotels, personal services, theaters, travel agents, commercial recreation, commercial nurseries, auto dealerships and daycare centers.

Vice Mayor DuBois recalled that the Council had deliberately omitted testing centers from the definition.

Mayor Fine agreed that temporarily suspending the Ordinance could result in permanent changes, but the Ordinance was to be suspended temporarily only. Unless the residential population significantly increased, the retail area had to contract to be vibrant. Outside the retail core, the requirement for retail needed to be loosened to allow other uses.

Council Member Tanaka noted the community could provide input when Staff returned with the items. Spreading out retail was not good for retail.

AMENDMENT SPLIT FOR PURPOSES OF VOTING

AMENDMENT PART A PASSED: 4-3 DuBois, Filseth, Kou no

AMENDMENT PART B PASSED: 4-3 DuBois, Filseth, Kou no

AMENDMENT PART C PASSED: 7-0

Council Member Tanaka suggested the Council agendaize a discussion of the Sales Tax Informational Report or refer it to the Finance Committee.

FINAL MINUTES

Mayor Fine indicated Staff was planning an item for review of the Budget on October 18, 2020.

Council Member Tanaka proposed the Council form a Recovery Plan Commission to include community experts in discussions of long-term issues.

Vice Mayor DuBois believed recovery would be the focus of the current and the upcoming Council.

Mayor Fine noted the business support Ad Hoc Committee and Staff were hosting meetings with the business community twice a week. Staff capacity was another issue.

Mr. Shikada reported Staff sought Council direction to focus Staff's work. Each subpart to the Motion reduced Staff's focus.

Council Member Cormack clarified that the Sales Tax Informational Report was not an apples-to-apples comparison because of extensions and deferrals. The Council needed to think about a Council role and a commission role for developing a recovery plan. Testing pertained to getting businesses, society, and the City as an employer back on track. The holiday strategy pertained to shopping and experiences. She inquired whether the Council omitted an important item from the Motion.

Ms. Tanner related that Staff was concerned about the holiday strategy because the holidays were approaching quickly.

Mr. Shikada did not believe the Council intended the list of six items to represent a strategy. Staff was not a retail expert. Other voices needed to help inform the development of a strategy.

Council Member Cormack advised that the holiday strategy could be as simple as branding or amplifying the business community's efforts.

Vice Mayor DuBois was interested in beginning work on upgrading indoor air quality standards for City offices and public spaces. He absolutely opposed reducing the minimum wage and hoped Staff would not list it again. Perhaps the City and Stanford University were able to provide some community-based events in the spring and a car-based celebration of Halloween.

Mayor Fine concurred with Vice Mayor DuBois' comments regarding the minimum wage.

Council Member Kniss noted county governments were paying for rapid COVID-19 testing. She did not believe the County of Santa Clara (County) would provide additional testing services in Palo Alto.

FINAL MINUTES

Council Member Tanaka suggested amending the Motion to provide utility bill forgiveness for limited businesses.

Vice Mayor DuBois did not believe the City's gas rates for commercial customers were 30 percent higher than PG&E's rates. The Gas Utility did not generate a profit. Some analysis was appropriate.

Council Member Tanaka revised his proposal to direct Staff to explore utility bill forgiveness.

Vice Mayor DuBois remarked that Council Member Tanaka had opposed businesses paying their fair share when the economy was good. Now, Council Member Tanaka wanted residents to pay commercial utility bills.

Council Member Kou inquired about City expenses for the Summer Streets Program and outdoor dining.

Mr. Shikada indicated the largest cost was the waiver of permit fees. Expenses for signage and banners had been low.

Council Member Kou requested that information when Staff returned with the item.

MOTION AS AMENDED RESTATED: Vice Mayor DuBois moved, seconded by Council Member Tanaka to direct Staff explore options and return to Council with:

- A. Rapid Covid-19 testing and what the City can do to ramp up testing;
- B. Childcare and how the City can support childcare services;
- C. A holiday strategy to support holiday shopping in our major shopping areas;
- A. Temporarily suspending the Retail Preservation Ordinance outside of the commercial cores;
- B. Temporarily altering or suspending required parking changes for a change of use; and
- C. Allowing diverse retail uses in all retail sites.

MOTION AS AMENDED PASSED: 5-2 Filseth, Kou no

Council took a break at 11:02 P.M. and returned at 11:09 P.M.

FINAL MINUTES

11. Review and Selection of Select State and Local Measures on the November 2020 Ballot for Possible Support or Oppose Positions.

Heather Dauler, Intergovernmental Affairs Officer reported the Staff Report provided information regarding 12 State measures and three local measures. After the Staff Report was published, the League of Women Voters of California made their recommendations. In developing the recommendations, Staff reviewed the Legislative Guidelines closely when developing the recommendations. Staff made no recommendation when a measure did not affect the City or no Legislative Guideline addressed the measure specifically.

Ryan Globus agreed with Staff's recommendations for Proposition 15 and Measure RR and asked the Council to support Propositions 18 and 21.

Kevin Ma encouraged the Council to support Propositions 21, 15, and 18.

Kelsey Banes urged the Council to support Propositions 15 and 21.

Council Members supported the Staff recommendation for Proposition 14.

Council Member Filseth believed the City should take positions on measures that directly impacted Palo Alto.

Vice Mayor DuBois suggested the Council discuss the purpose of the Council endorsing certain measures.

Council Member Kou requested the meaning of a vote to abstain.

Mayor Fine explained a vote to abstain as a Council did not have sufficient information to make a decision and left the decision to the majority of Council Members.

Molly Stump, City Attorney added that an abstention counted as a vote for the majority.

Council Member Cormack inquired regarding the City's history of taking positions.

Ms. Dauler noted in 2018 the Council took positions on some ballot measures.

Ms. Stump indicated the Council took positions on measures that affected the City.

MOTION: Council Member Tanaka moved, seconded by Council Member XX to vote *No Position* on Proposition 15.

FINAL MINUTES

MOTION FAILED DUE TO THE LACK OF A SECOND

MOTION: Council Member DuBois moved, seconded by Council Member Filseth to vote *No Position* on Proposition 16.

MOTION PASSED: 5-2 Fine, Kniss no

MOTION: Mayor Fine moved, seconded by Council Member Kniss to vote *Support* on Proposition 17.

MOTION FAILED: 3-4 DuBois, Filseth, Kou, Tanaka no

Council Members supported the Staff recommendation for Proposition 18.

Mayor Fine prop 19 support

MOTION: Council Member Filseth moved, seconded by Council Member Kou to vote *No Position* on Proposition 19.

SUBSTITUTE MOTION: Council Member Cormack moved, seconded by Mayor Fine to vote *Oppose* on Proposition 19.

SUBSTITUTE MOTION FAILED: 2-5 DuBois, Filseth, Kou, Tanaka no, Kniss abstain

MOTION RESTATED: Council Member Filseth moved, seconded by Council Member Kou to vote *No Position* on Proposition 19.

MOTION PASSED: 7-0

MOTION: Mayor Fine moved, seconded by Council Member Kniss to vote *Oppose* on Proposition 20.

MOTION FAILED: 2-5 Cormack, DuBois, Filseth, Kou, Tanaka no

MOTION: Vice Mayor DuBois moved, seconded by Council Member Kou to vote *Support* on Proposition 21.

MOTION FAILED: 3-4 Cormack, Fine, Kniss, Tanaka no

Council Members accepted the Staff recommendation for Propositions 22, 23, 24, and 25.

Council Member Kou asked if the Santa Clara Valley Water District's local measure would extend the existing Parcel Tax.

Ms. Dauler replied yes. The tax would remain in place until voters repealed it.

FINAL MINUTES

MOTION: Vice Mayor DuBois moved, seconded by Mayor Fine to vote *Support* on Palo Alto Unified School District.

MOTION PASSED: 7-0

Council Member Questions, Comments and Announcements

Council Member Cormack advised that everyone was awaiting the new City website.

Ed Shikada, City Manager reported Staff was working on it and would provide an update regarding the date for the new website to go live.

Adjournment: The meeting was adjourned at 11:44 P.M.