



# CITY COUNCIL SUMMARY MINUTES

Special Meeting  
August 22, 2022

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

Present In Person: Burt, Cormack, Dubois, Filseth, Kou, Stone, Tanaka

Present Virtually: None

Absent: None

## Special Orders of the Day

### 1. Interviews for the Human Relations Commission

Mayor Burt stated the candidates were present to be interviewed.

Donald Barr, a professor at Stanford, physician, and psychologist, will be stepping down from his Stanford position. His teaching and work in the community has focused on issues of inequality and health and equality, and he has authored a book. He has worked on issues of homelessness, housing, and sustainability of families. He spoke of the Opportunity Center, the 801 Alma Housing, the Community Development Block Grant and Alma Gardens, and the Buena Vista Mobile Home Park.

Council Member Cormack asked Dr. Barr for two words others would use to describe him and his work.

Dr. Barr replied caring and committed.

Council Member Stone asked Dr. Barr policies he has seen the City enact that have helped and harmed the communities.

Dr. Barr recognized housing as the best medical treatment for the homeless. Discontinuing the Planned Community Zoning was a disadvantage to developing housing for all levels of income.

Council Member DuBois recognized Dr. Barr as a Tall Tree winner. He asked what the HRC could do around senior services.

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Dr. Barr is on the Board of Directors of Avenidas Senior Center, and they are looking into housing for seniors. He listed many supportive services through Avenidas.

Vice Mayor Kou stated through Avenidas there were hot meal services for seniors and asked if there was a wraparound for those services. Getting information from La Comida would be advantageous.

Dr. Barr stated La Comida provided the meals onsite at Avenidas, and maybe the City and the HRC could work with La Comida for alternatives expanding meal access for seniors. Getting more information from La Comida is important.

Mayor Burt noted for the record Mr. Barr's career as a physician and described him as collaborative a collective problem-solver. He asked if there were ways the community and HRC can more effectively bring together a broader consensus in the community around the initiatives and values Dr. Barr, the community, and HRC care about.

Dr. Barr stated we need to get information out regarding who needs services.

Chitra Sharma, a pharmaceutical scientist, referenced her volunteer experience in the school system and the Boy Scout Association 257. She is also block coordinator looking at emergency preparedness, etc. She has been a lifelong volunteer. Her goal is to get a community together and serve needs. She addressed the unhoused and food insecurity and provided concepts for services. She brings to the table energy, enthusiasm, and commitment.

Council Member Cormack asked Ms. Sharma for two words others would use to describe her and her work.

Ms. Sharma replied friendly and motivated.

Council Member Stone asked Ms. Sharma to explain streamlining homelessness referenced on her application.

Ms. Sharma addressed housing alternatives, foodbanks, and getting to the basics.

Council Member Tanaka asked Ms. Sharma what issues families in Palo Alto face that HRC could help with.

Ms. Sharma stated HRC can help with literacy of the socioeconomic challenged children in the school district. These children have issues out of

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reach for the district. The district serving lunches, for example, has been good and motivates them to return to school. It is hard to criticize a system without being part of it day in and day out.

Mayor Burt asked if Ms. Sharma has been following the actions and initiatives of the HRC the last couple years and if she had thoughts on the directions they have taken.

Ms. Sharma stated she followed them until the last year, due to family issues, and they were on a good path with inclusion. She would like the opportunity to volunteer. She is trained to think very systematically and will not know the ins and outs until she is in the role.

Tracy Navichoque, a program manager at Stanford University for the Cerebral Palsy Center, moved to Palo Alto in January 2020 and wants to be more engaged with the community. Her passion is volunteering and engagement with the City. She is experienced in human rights, volunteering, and being part of the Boys and Girls Club. She was a first-generation student. Spanish is her first language. She was part of a public school with lower socioeconomic class, and the door had been opened for her many times, and this is a way for her to hold the door open for others. Her work is to synthesize information, and she hoped to continue that through this commission.

Council Member Cormack asked Ms. Navichoque for two words others would use to describe her and her work.

Ms. Navichoque replied dependable and curious. She will get things done through any avenue and get people involved. She asks questions, investigates, and includes others in the process.

Council Member DuBois asked Ms. Navichoque her thoughts on police use-of-force policies and areas we should further look into.

Ms. Navichoque spoke of her background in Los Angeles. Approaching the community and having open channels of communication to build trust is the right avenue.

Council Member Stone asked Ms. Navichoque to expand on her thoughts of representing the community as a first-generation American.

Ms. Navichoque stated her dual-language experience allows her to be a translator of language and ideas. She wished to get to know the community more and why she was applying for the position.

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Vice Mayor Kou asked Ms. Navichoque how she would address the right to privacy and free expression protected in the digital space.

Ms. Navichoque stated privacy is very important communicating freely and express ideas. The HRC was dealing with hate-speech issues, and we want to mitigate instances of violence and spreading bad messages but protect free expression. Encryption and teaching digital literacy is necessary, conducting outreach, and creating avenues for people to come together and express themselves but not through a veneer of anonymity. She is pro protecting digital rights but also pro creating convenings. Through her job at Stanford, they have created conferences on trust and safety, and the HRC could do something similar and cross-pollinate and invite people to existing events to describe some of the terms.

Mayor Burt asked Ms. Navichoque what we should do more of or differently to reach out to members of the community who have not felt empowered or that their voices have not been heard in the community.

Ms. Navichoque stated not everyone who needs help has connectivity, so posts are needed in different languages and places other than online. She suggested offering reduced cost classes or scholarships to the Palo Alto Community Art Center and open days people can come in for events as it is a great place to bring the community together to use as an avenue for information as to what the City is doing. She was eager to participate and let citizens know how they can get involved and volunteer.

Kat Snyder had been watching the HRC for three years and giving public comment on hate crimes and speech and police reform. She was applying because of a vacancy around the climate change item. She can provide direction because of her background working with 350.

Council Member Cormack asked Ms. Snyder for two words others would use to describe her and her work.

Ms. Snyder stated she was described by two people as well-researched, creative, reliable, and determined in terms of her work.

Council Member Stone asked Ms. Snyder if there was a particular experience that will help her best serve on the HRC.

Ms. Snyder stated her background in psychology and UX will help her best serve on the HRC. Inside 350, they address what the grid can handle and legislation from local and state levels. That allows her to have conversations around helping people especially with medical needs who are reliant on the

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grid for assistive devices and how they can be best served as the grid changes and power shut offs due to climate change with heatwaves, etc.

Council Member DuBois asked Ms. Snyder her thoughts of additional police reforms regarding 8 Can't Wait.

Ms. Snyder stated she was very process oriented. The process used for 8 Can't Wait should be continued. Members of the community and law enforcement experts should come together to discuss policies. Expectations and criteria for the police should be set for 8 Can't Wait and all experts brought in to talk about policies.

Mayor Burt asked Ms. Snyder her thoughts of the intersection between the HRC focus, climate issues, and other matters she had been engaged with.

Ms. Snyder addressed the scope of the HRC. An introductory, exploratory phase talking to disability advocates, etc., and finding groups that have the funding and have worked on how climate change and disability intersect, such as at the state and county levels and Stanford, to train the local groups on the ground would be most useful for the HRC to do. In terms of psychology and UX background, she had good understanding of coping and trauma responses, which were important when trying to help those who experienced traumatic events or major stressors. With her psychology background, she had general understanding brain functioning, which was sometimes relevant with people with disabilities and how to best provide interventions for them. Regarding her UX background, she has conversations with a wide variety of people and has to get everybody on the same page and was the role she would take in any decision-making process. She was not only on the implementation side processes but understood the strengths and weaknesses of people.

Mayor Burt stated this position was less than a full term due to a member leaving the Commission midterm and asked the candidates not selected to continue to engage and consider applying again or serving in a variety of ways.

## Agenda Changes, Additions and Deletions

Agenda Amended prior to meeting to add items AA1, AA2, AA3. There are no changes to the published agenda.

## Public Comment

Steve Mullen shared his thoughts on fiber to the home and other projects being beyond the timetable and overbudget. He spoke of outsourcing.

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Mayor Burt stated he will be glad to discuss with Mr. Mullen a couple misconceptions on the Mitchell Park Library expense and indications of the sampling.

Ken Horowitz commented on the School/City Liaison meeting last Thursday and the City acquiring seven acres. The Friends of Cubberley will have a forum on September 14 for the candidates for the school district and City Council. He sent the Council an email regarding Cubberley and the future of the current lease with the school district.

Aram James stated tonight was the kickoff of a campaign regarding weaponized canines and asked the Council to discuss not using weaponized canines.

Matt Schlegel spoke of the climate crisis and the burning of fossil fuels and asked that S/CAP be passed.

Arthur Liberman suggested a fun way the Council and attendees can support housing for those in need, which was a fundraiser being held by LifeMoves on Saturday, September 10 – the Ride to End Homelessness.

Roberta Ahlquist co-chairs a low-income senior housing committee and spoke of the opportunity to build low-income housing and of seniors fears of rent increases, etc. She asked the Council to look at Liz Gardner's Palo Alto Weekly letter in reference to the housing need. There was a project in Oakland titled MACRO, and Kat Brooks will be on KPFA 94.1 today from 8:00 to 9:00 describing the program.

## Consent Calendar

**MOTION:** Council Member Cormack moved, seconded by Council Member DuBois to approve [the Consent Calendar Agenda Item Numbers 2, 3, AA2].

2. Review and Approve the Williamson Act Contract Renewals Within Palo Alto City Limits (2022)
3. 2515 El Camino Real: Ratify a BMR Regulatory Agreement Permitting Rental of Two Units at Below Market Rates and Approve and Authorize the City Manager to Execute and Record Amendment No. 1 to the Regulatory Agreement. Environmental Assessment: Exempt from CEQA Pursuant to Guidelines Section 15601(b)(3).
4. 1985 Louis Road (First Congregational Church of Palo Alto) [22PLN-00159]: Appeal of a Director's Decision Approving a SPP Permit to Allow Overnight Parking of up to Four (4) Vehicles at the Subject

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Property. Environmental Assessment: Exempt. Zoning District: R-1 (Single-Family Residential).

AA1. Repeal of Resolution 10068 Adopted on August 8, 2022 and Adoption of a Revised Resolution Establishing Advisory Spending Guidelines for Business Tax Proceeds

AA2. Approval of the City Position for the 2022 Cal Cities Annual Conference Resolution

## **MOTION PASSED/FAILED: 7-0**

Council Member Tanaka and Vice Mayor Kou registered a no vote on Agenda Item Number 4.

Council Member Tanaka registered a no vote on Agenda Item Number AA1.

## Public Comment: Consent Agenda

Eileen Altman, Associate Pastor at First Congregational Church of Palo Alto, spoke on behalf the Safe Parking Leadership Team at the church and the congregation. They voted at a congregational meeting on April 26 to apply for a permit to participate in the Safe Parking Program (SPP) and encouraged the Council's approval.

Randy Stolenberg stated the proposed parking situation presented a number of safety issues and outlined some concerns. It being on a consent calendar was not appropriate and suggested moving it to a full agenda item due to there being over 80 pages of comments in the report.

Bill Sundstrom had a strong interest in housing and economic justice issues. He was not affiliated with the church but was supportive of the SPP in his neighborhood. In reference to the concerns, he found the arguments and documentation from the church and the City compelling that this is a low-risk enterprise.

Linda Jolley addressed people living in vehicles and the results of not bathing and urged providing showers at Cubberley and wherever it can be done. The low-income affordable housing concept was being challenged, and other tactics were needed to help the homeless.

Samina Sundas stated it was the responsibility of everybody, not just the government to take care of everybody. She was a founder of American Muslim Voice Foundation and served on the Multifaith Voices for Peace and Justice and was interested in Palo Alto being the most compassionate City. She supported the SPP.

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Liz Gardner spoke of her concerns regarding Item Number 2 and requested the City explain this act. She had spoken to employed people living in their cars and expressed concern of them being referred to as criminals. She suggested all work together to solve the problem.

Iris Zang was in favor of the SPP. She spoke sarcastically of concerns brought up by neighbors regarding mental illness, drug abusers, etc., being in close proximity to us. She spoke of Stanford University being a hotbed of criminals.

Karen Latchford asked the safe parking item be pulled today because more details should be considered.

Susy Fan stated the intentions of the SPP are good. Focus should be on the implementation of this specific case, not other areas that have implemented such a program. She addressed the demographics of the parking spaces and stated the immediate neighbors' concerns should be heard.

Lauren Bigelow was Board President of Palo Alto Renters' Association and actively worked on affordable housing in Palo Alto for eight years. Past performance was the best predictor of future behavior, and other safe parking had been a success.

Todor Ganey requested the City Council pull the SPP from the Consent Calendar and provide a proper hearing. He addressed a few misconceptions regarding the appeal against this application. Nobody was against helping the unhoused.

Rohin Ghosh explained why he was in support of safe parking site at the church.

Scott O'Neil had spoken to his vehicle-dwelling neighbors and gave some insight to some of their situations. His observation was they were upstanding members of the community. He requested the program be supported.

Aram James stated he had been involved in promoting SPPs for many years, and it was safer than people living in cars dispersed throughout the City. He believed LifeMoves would make certain there were no predators in the program.

Vicki Veenker spoke in support of the church's Safe Parking Permit application and encouraged Council members to do the same. The church provided parking, counseling, and case management, and police and security guards will randomly patrol the lot at night. Participants are screened and



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must regularly meet with caseworkers to maintain their place in the program.

Jonathan Erman spoke to the advisory spending guidelines on the business tax proposition on the ballot. He was against the tax being for a specific purpose and wanted it in a general fund.

Rita spoke of sharing a fence with the church and addressed issues regarding her property. She provided examples of the church not being a good neighbor. She suggested alternatives for the parking.

Cat Sanchez stated the people living in these spots do not have an opportunity to speak at these events due to work, etc. There was a point she was unhoused and took offense to some comments made regarding criminal activity. She was hopeful the Council will vote for this and the inclusion of rental protection in the Housing Element.

Jennifer Michel stated she was homeless for two winters in the early 2000's. She spoke of the unhoused with medical issues. We need to move forward with the SPP because it seemed the Council did not want to approve housing projects.

Richard Gallo, a volunteer state ambassador with Access California, a Program of Cal Voices, helped people out of homelessness. He was in support of the church being allowed to serve the unhoused a safe place to park. The church should set ground rules and invite other organizations that serve the unhoused.

Anna Toledano urged support of the establishment of the SPP site at First Congregational Church. She supported Iris Zang's comments regarding the campus being unsafe. Economic status was not an indicator of criminality.

Tim Mackenzie stated they had safe parking in Mountain View that had gone great and hoped to see Palo Alto adopt it.

Mayor Burt stated that under the rules council members were not allowed to speak on the Consent Calendar unless a no vote was registered.

## **MOTION SPLIT FOR THE PURPOSE OF VOTING**

**MOTION PASSED Items 2, 3, AA2: 7-0**

**MOTION PASSED Item 4: 5-2, Kou, Tanaka no**

**MOTION PASSED Item AA1: 6-1, Tanaka no**

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Council Member Tanaka spoke to his no vote on Item 4. With so much interest, it should have been an Action Item with more discussion. He supported the SPP but had heard concerns from residents. Safe parking was a temporary solution, and affordable housing a real solution. He disagreed with the allocation of AA1 and stated more should go toward taxpayers.

Vice Mayor Kou spoke to her no vote on Item 4 and her disappointment with no regulation or oversight being provided and trust no being established. Reports had not been received of the success rate of the program in other parts of the community. She wanted to see the right program implemented with suggestions from the neighbors. An appeal was filed and a rebuttal from staff, and neighbors should have the opportunity to comment to staff's rebuttal.

## City Manager Comments

Assistant City Manager Kiely Nose, on behalf of City Manager Ed Shikada, commented on the power outage that morning. City Council's next scheduled meeting with open session items will be September 12 and anticipated items included a study session on the Valley Water Purified Water Project, approximately three pre-screening project study sessions, a Palo Alto Fiber joint study session with the City Council and the Utilities Advisory Commission, and an S/CAP update on goals, key actions, and specifically a discussion on the Heat Pump Water Heater Program.

[The Council took a 10-minute break]

## Action Items

5. Consider a Recommendation to Review and Endorse the 2023-31 Draft Housing Element Goals, Policies and Programs and Updated Sites Suitability Inventory and Analysis; Provide Direction on Possible Land Use Policy Changes to Promote Housing in Certain General Manufacturing (GM) and Research, Office and Limited Manufacturing (ROLM) Districts; and, Receive an Update on the Housing Element Project Schedule.

Council Member Cormack had a minority interest and a limited partnership with a financial interest in the Multifamily Housing Development at 1600 Sand Hill Road and recused herself from the item.

Planning and Development Services Director Jonathan Lait stated Senior Planner Tim Wong would give a presentation.

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Senior Planner Wong gave a presentation on Housing Element goals, policies, and programs, potential programs for the ROLM and GM zoned districts, sites inventory and the Housing Element timeline, housing preservation, affordable housing, housing development in general, governmental barriers, housing diversity and fair housing, Housing Element programs, HCD's program criteria, housing legislation, programs required for the 6<sup>th</sup> Cycle Housing Element, Housing Element program expectations, HIP, and AFFH. Staff was preparing feasibility and economic studies. He presented maps. He requested Council address the GM and ROLM zoned parcels located near the Bayshore Freeway regarding a housing proposal with the Council Element Ad Hoc Committee. He provided options to fill the deficit of the revised sites inventory. Presentation of the Draft Housing Element to the Council was changed to June 2023. He requested a recommendation to approve and provide guidance in regard to the ROLM and GM districts, approve the updated housing inventory, and review the updated project schedule.

Council Member DuBois noted a correction in what was shown on the GM and ROLM map, and the Ad Hoc was interested in higher density in a portion.

Mayor Burt asked, related to Program 1.4, the status of evaluation of surface parking lots in the downtown areas that will be sites for affordable housing and at the same time replace the public parking and the purpose of 1.4B, if we have capacity to serve our needs, Stanford, and adjacent communities.

Director Lait stated he would provide the date Council was given direction on Program 1.4. A draft RFI was to be sent out and feedback solicited from those interested. That will be followed by review and then an RFP after bringing it to the Council. 1.4B was documenting the work underway and the opportunities. There may not have been a need for other sites and the language could be modified to include a concrete site and project as opposed to a hypothetical.

Council Member Filseth asked if we get RHNA credit for safe parking and if it should be in the report.

Director Lait stated not all programs in the report related to RHNA and addressed State laws that needed to be included in the Housing Element.

Senior Planner Wong stated we do not get RHNA credit for the SPP. It addressed the needs of the City population and temporarily addressed some needs for the safe parking population and transitional and other types of housing.

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Mayor Burt asked why Section 1.6D was described as permitted rather than a stronger statement, which was recommended by the Working Group; why staff recommended deletion of 1.6G where there was a massing study in specific areas; and was there consideration for a massing study at the Transit Center.

Director Late stated the description of permitted versus a stronger statement in Section 1.6D was captured by the statement to encourage primarily a affordable housing development. Regarding 1.6G, there was discussion of another area of interest but not a recommendation to the Council. Staff's recommendation on G could be done. Applications had been received, so a massing study may not precede some developments coming forward. There could be massing studies based on proposals, and there was data from three PHC applications that were considered.

## Public Comments

Teri Baldwin, President of the Palo Alto Educators Association, stated teachers' income was too much to qualify for low-income housing but not enough for market-rate housing. She supported parts of the proposed Housing Element related to affordable housing and housing incentive programs.

Jason Matlof was in support of the objective standards in the Housing Element program for the Affordable Housing Incentive Program (AHIP). He learned startling data from the Palo Alto Educators Association. We need objective standards and incentives available.

Lauren Bigelow, Board President of Palo Alto Rental Association (PARA), listed the priorities of PARA. She encouraged the Council to faster stabilize the homes of almost half of their constituency.

Rohin Ghosh worked with groups including PARA and urged the City Council to address the needs of renters, including expanding the rental protection portions of the Housing Element in the policies section and implement it expeditiously. Essential for the rental community was adding more affordable housing.

Bob Moss stated the Staff Report did not address money issues and gave an example on Page 281 and did not address consistency between development and existing residential. He addressed the impacts of replacing retail with housing and spoke of adequate BMR units.

Giovanni Ottolini, a field rep for Carpenters Local 405, stated building needed to start immediately. It was unacceptable developers were allowed

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to exploit workers by paying substandard wages with no healthcare or retirement. He asked the Council consider adopting a requirement that any future proposed developments commit to hire local and pay area standard carpenter wages, etc.

Mark Mollineaux commented on Council Member Cormack recusing herself for real estate ownership whereas other homeowners and a realtor did not. He spoke of AFFH, HCD, SPP, tenant protections, the Ad Hoc Committee, the ROLM Program, and SF.

Scott O'Neil, Board Member of Palo Alto Forward, expressed concern staff was not asking enough in the HEP and gave some examples. He asked the Council to offer the same authority 85 feet 3.0 far parking and extend the authority to other suitable places in addition to the South Palo Alto ROLM areas. He wanted to ensure a later council not be forced to revisit housing due to noncertification or production.

Liz Gardner spoke of a better Housing Incentive Program serving at mixed infill climate-friendly locations, not on the outskirts of polluted areas. Quality, equitable, and sustainable rental homes should be centralized near existing infrastructure, especially public transit, schools, etc. The architecture was available on Cal. Ave., Cambridge, University, and the Transit Center.

Hamilton Hitchings provided suggestions for refining the Housing Element and addressed Programs 1.6E, 1.4, and 3.5C. He encouraged the Council to vote for the Business Tax, which targeted one-third of its funds to housing.

Aram James spoke of his concerns with the Business Tax, traffic issues in regard to housing if there was no ability to walk from an isolated area, and housing reparations.

Winter Dellenbach stated the Working Group recommended adoption of a Palmer Fix and a mix of larger units for families. She supported the Hostess House. She had concerns of lack of housing in some areas.

Karen Holman requested the Hostess House be removed from the Housing Inventory Sites (HIS) list.

Kelsey Banes, psychologist for Santa Clara County, spoke as part of the Campaign for Fair Housing Elements. She moved from Palo Alto due to the modest rental protection ordinance not applying to her. She addressed homelessness and the need for service providers, etc. She requested the Council discuss the evaluation of programs in the past Housing Element and

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if they worked. She asked when the 30-day comment period for the Draft would open.

Jean Snider, Associate Vice President of Real Estate for Stanford University, participated in the Housing Element Working Group for Stanford and detailed some of their work. They had provided staff with technical language changes related to Pasteur Drive and student housing. She requested pausing stipulating affordability levels on specific sites until the completion of the feasibility studies.

Chuck Jagoda, formerly homeless and a member of Women's International League of Peace and Freedom, requested the homeless being expelled from Cubberley be reversed.

Mayor Burt stated staff framed looking at approval of an Element Draft Goals Policies and Programs in Attachment A, provide guidance on the ROLM and GM districts, approve the updated HIS Suitability Inventory, and review an updated project schedule. Staff previously provided a slide of the broader ROLM and GM areas. He requested clarification from the Ad Hoc and staff regarding recommendations and the issues and tradeoffs east of San Antonio versus north and west of San Antonio. He questioned compatibility and incompatibility of residential development of areas east of San Antonio within the manufacturing area and hazardous materials uses and asked what staff looked at in terms of the proportion of that zone. When they had the CPI discussion there were concerned neighbors regarding hazardous materials and manufacturing further than 300 feet, so distance should be established. The new housing proposal on San Antonio and needed transit, bike, and retail services were discussed previously, and he asked if we were engaged with Mountain View on these issues. He addressed distances precluding zones and the bike bridge. Critical infrastructure may need to be identified in Mountain View rather than Palo Alto. Transportation elements are needed in these areas to reduce traffic.

Director Lait provided a slide and spoke of areas east of San Antonio, East Meadow Circle, and adjacencies to R1 zones and 3 hazardous materials under the local ordinance active today and sites that resulted in contamination. They were identifying any existing tier 2 and 3 sites and not looking at housing within 300 feet. Hazardous materials distances between 300 and 600 feet required a conditional use permit. Council had asked for a study, which was on the Work Plan but not currently staff resourced. They heard concerns regarding access to amenities, which required a study and plan. The Ad Hoc and other supporters had concerns regarding transportation. A corridor plan was needed and until that happened, these sites could not be included in the HIS as the code needed to be amended.

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Council Member DuBois asked if the Google sites removed in the Staff Report were in this area, if the removals were premature, if Google indicated an interest; in reference to the purple on the map what zoning changes were proposed prior to the Ad Hoc discussion; and regarding Program 1.3, how should the Council think about the buffer or lack of and when sites should be added. He expressed concern regarding the ROLM and GM sites around the R1 zones. He defined borders of Program 3.4E and suggested that as a site for Workforce Housing Version 2.0 and needed connection to the bike path. We were not getting to Housing Element numbers with ADUs, etc., and larger projects should be considered. He wanted to replace the Workforce Housing Program with something else.

Director Lait stated these and sites within 300 feet of active facilities were removed. They had not engaged with Google but had conversations about their tenant improvements, which were not realistic. The target was to have a minimum buffer of 10 percent and was supported by HCD. A buffer gave a grace period in case something was redeveloped and there was a deficiency in planning for RHNA numbers that would require amendments.

Senior Planner Wong stated five or six Google-controlled sites were removed. They reached out to all property owners, and some who rented to Google asked to be removed. They did not talk to Google directly. He explained the proposed changes on the map.

Council Member Tanaka asked staff the consequence if RHNA numbers are not met and stated it was important to understand the consequences. He addressed the convenience of locating retail, offices, transportation, and smaller units in certain areas and affordability.

Director Lait stated the challenge was showing the Certified Housing Element was feasible. Incentives were being provided to encourage developers. He spoke of SB 35 in regard to not meeting numbers resulting in streamlining efforts. With the adoption of our objective standards, that process was in place and mitigated our objective standards.

Council Member Filseth spoke of challenges and advantages of the area, explained the Workforce issue being irrelevant, and spoke of staff's proposal of up-zoning from RM32 to RM50. There was almost unanimous approval on the Council for an RM90 project. The development of housing would attract services. We should double down and concurrently look at transportation. He was in favor of this and going beyond RM50 and 50-foot height limits, etc.

Council Member Stone stated the area had opportunity but had connectivity and safety concerns. He asked Director Lait for a corridor plan timeline, how it matches up if the GM and ROLM district was included, if it can run

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concurrently, how much of a deficit it would create if sites along San Antonio Road were removed from the Housing Element, and if retail and open space have been discussed. If that is used as an experimental site, a corridor study would be needed.

Director Lait stated they could run concurrently to some extent but the Office of Transportation had a lead role in the transportation corridor plan. They meet frequently and talk, but it was not resourced. They needed to talk about priorities with the City Manager's office and the Council. At present, the Housing Element would precede the corridor study. There had been discussion of retail east of San Antonio Road and along Commercial and Industrial. Open space was achievable for certain developments.

Senior Planner Wong presented a slide breaking down each category regarding deficits and would provide numbers to the Council regarding San Antonio Road.

Vice Mayor Kou aligned herself with Mayor Burt in terms of planning. She asked what is included in the sites besides housing and retail, etc., should be a walkable distance. Circulation concerned her.

Director Lait stated they were looking at housing opportunity sites, zoning, and increasing the density units per acre. There had been conversation with the Planning and Transportation Commission of doing a neighborhood study or plan in the area. If planned and zoned for, it may precede developing a neighborhood plan and would not allow counting these sites in our housing opportunities, and more units would have to be found to ensure RHNA numbers plus the 10 percent were met.

Mayor Burt was not opposed to higher density housing than proposed in these areas, but there was no information of industrial processes and compatibility to adjacent housing. He described the areas that would accommodate a significant amount of housing. He cautioned excessive optimism as to how many of these sites will be conducive due to manufacturing in the areas. He gave an update of transit in the corridor. Staff needed to get together with Mountain View, Los Altos, and Los Altos Hills and jointly petition VTA for successful transit expansion. He touched on the properties asking to have their sites removed, explained the process, and was concerned properties were removed based on historic zoning assumptions versus forward-looking ones. He asked staff if we gave property owners the forward-looking value of redevelopment for higher density housing allowed assumptions comparisons to existing zoning.

Senior Planner Wong stated staff sent letters to property owners of the identified sites and noted what the letters entailed. Some owners were



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interested in higher density housing and the incentives and others not. He had mapped out the City's process with the potential HIP revisions. He did not provide details of the upper-end prospect of the HIP revisions but noted a feasibility study was being prepared as a separate process, and they could review staff's proposal.

Mayor Burt stated we may have gotten different answers if they were offered an RM90, for example, and if we were to scale back their future commercial zoning in combination with an increase in residential. If we had changed highest and best use of their property, they may have had an objective analysis and reconsidered. He suggested targeting a few properties and having scenario discussions.

Director Lait stated that was true but only a small percentage opted out. There was a program in the document looking at scaling back office development. If some were not interested in housing, that may have been used as an opportunity to ask that not be done. The City could change the zoning for housing in the future. It was difficult to say it was a suitable site if someone opted out. He could follow up but noted being behind schedule. From this meeting, our consultants were to start the environmental analysis, and these properties needed to be studied. They could be included in the analysis and overstudy EIR, which was planned in a couple areas.

Council Member Filseth understood the concern of the sites west of San Antonio, but decisions had to be made.

**MOTION:** Council Member Filseth moved, seconded by Council Member Tanaka to approve an increase in density for up to 90 units per acre for all units in the GM and ROLM Districts and with appropriate transitions adjacent to the R1 zone, as referenced in PowerPoint presentation.

Council Member Filseth stated the discussions with property owners, neighboring cities, VTA, etc., could happen in parallel, and if they proceeded, we could adjust. The development standards needed to be aggressive.

Council Member Tanaka stated there were challenges with industrial, but this was an area for the most improvement and an opportunity to be pursued. He provided an idea for open space.

Council Member DuBois was supportive of the motion. He expressed concern regarding Maddux, Greer, Louis neighborhoods and requested a friendly amendment to insert some appropriate language regarding transitions to R1.

It was accepted by Council Members Filseth and Tanaka.

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Mayor Burt had a hard time thinking in terms of just unit density and not FAR or height regarding 90 units per acre and asked what staff was assuming as unit size on average driving the FAR. He asked if staff had to adjust parcel eligibility based on hazardous materials distance. Not all buildings on the Maxar Fabian site had hazardous materials but adjacency was an issue when the Center for Jewish Life and another Affordable Housing Project was done, but high-density housing was built. He did not recall what the buildings contained, but it may be a factor giving us some latitude.

Director Lait stated there were a number of questions regarding promoting ownership or rentals in this area and size of units, and there were policies. Analyses will be done of FAR, height, and parking, and a financial component will be done. He will look again at the hazardous materials data and pull out opportunity sites within 600 feet.

Vice Mayor Kou stated massing was a way to provide perspective on building height.

Director Lait provided information regarding design, hazardous materials, subterranean garage, etc.

Mayor Burt's concern was hazardous materials used, not groundwater contamination driving subterranean parking. There was mapping of known groundwater contamination sites, and he did not recall these being on the list. A greater issue was elevation constraining subterranean parking.

Director Lait noted some of the assumptions of 1,000 units per acre of 2.5 to 3.0 FAR and height between 60 and 85 feet and will pull out housing opportunity sites within 600 feet of a tier 2 or 3 hazardous facility. The San Antonio corridor was a high-priority interest, and there will be internal dialogue regarding prioritization.

Vice Mayor Kou asked if that included amenities. She did not want an isolated area of housing and wanted a walkable neighborhood to retail and it to be zoned as such.

Director Lait stated that program may be added and can be added now, but if we wanted the study sequence-wise, it was important to understand the Council's expectation. If we wanted a study of neighborhood, connections, etc., before housing begins, removal the housing opportunity sites from the Housing Inventory may be needed. A decision was needed tonight if the plan was to precede the units and find 1,100 units elsewhere or precede with this understanding it will be a policy interest of the Council. A coordinated area plan was referenced in the NV CAP process. The motion identified an increase in density for areas on the map, but a neighborhood plan was not

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included in the policy direction. If we were relying on these units to meet our RHNA numbers, zoning had to be in place in a relatively short timeline, and a coordinated area plan would take time.

Council Member DuBois wanted to provide flexibility, and he did not support the assumptions Director Lait mentioned that were not in the motion. He did not support going to 600 feet and eliminating sites and preferred to keep the sites and do the EIR as needed when projects come forward.

Director Lait stated he was trying to reflect what was in the code today, but there was a requirement for a Conditional Use Permit between 300 and 600 feet, so it could be imbedded as a reflection of our policy. The other assumptions were a policy piece they needed direction on because an Environmental Impact Report was needed.

Council Member Filseth asked if 120 units per acre was possible.

Director Lait said he did but gave examples of areas we would not want it.

**MOTION PASSED:** 5-1-1, Kou no, Cormack recused

Mayor Burt stated we will move on to Goals, Policies and Programs and the discussion will be more around the programs.

Council Member DuBois addressed Program 1.1 and asked why not rely on CoStar and why small commercial sites and Cal. Ave., were removed and if old or multiple sites next to each will be kept. Regarding Program 1.6, he would like to look at a new neighborhood. He agreed with a lot of Program 3.3 but not the church lots in the R1 district and asked if support of HIP projects on church lots was correct. Regarding 3.5B, he asked if HCD is looking for a no-cost pre-consultation meeting and how we pay for it. Regarding Program 4.2, he asked if colleagues were interested in a program that would evaluate amending the muni code to restrict B rentals when an owner was not present and ensuring housing stock would be used for long-term rentals. He asked how HCD looks at housing preservation in this section.

Director Lait stated regarding Program 1.1, removal was not about CoStar and were smaller lots. If the commercial areas were old, keeping them depended on redevelopment potential, and he noted problems with development standards. If there were multiple next to each other, everything at 5,000 square feet may have been pulled out. Property owners tend not to want to sell and merge Palo Alto property, and there were provisions in the code to incentivize lot consolidation. He made note of a couple sites pulled off Cal. Ave., and explained the requirements to achieve

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a housing development. Program 3.3A was out of scale with the neighborhood, and when they come back to the Council for the policy conversation, it will be a question if 50-foot in height and a 2.4 FAR will be allowed in an R1 zone, and there may be some scaled down version for development potential. The Department staffing budget would fund a meeting regarding 3.5B. Regarding Program, he understood there may be an interest in City Council policy regarding Airbnb.

Consultant, Veronica Tam addressed HCD and Airbnb and stated a new section would usually be added to the Housing Element related to local ordinances and inclusionary housing, etc. She addressed excessive short-term rentals and stated it would be appropriate for the City to look into.

Council Member DuBois stated we should consider an ordinance. If programs need to be deleted, he would consider deleting 6.3C. Regarding Program 6.4, he was interested in expanding the SPP to commercial lots. He asked if going to phase 2 and 3 was still on a work plan and if it would make sense to include it.

Director Lait stated it was on the work plan. There was a temporary ordinance, and a permanent one would come back to the Council and could be included.

Council Member Stone was in favor of taking the Julia Morgan Building at MacArthur Park off the site list and preserving it as an historical building. He stated regarding Program 1.5 it would be worth looking into requiring ADUs be used for housing. Regarding Program 6.8, he asked if the Palmer Fix was included and why Program 6.4A was not scheduled to begin until 2026.

Assistant City Attorney Albert Yang provided reasoning why it would be difficult to adopt and enforce a regulation requiring ADUs be used for housing, but it could be consider it.

Director Lait stated in reference to the Palmer Fix, 2.2B referenced a study. Program 6.4A can be moved to a more appropriate timeline. The City does not have the Cubberley locker rooms under lease, and we do not have control over it, so we may want to modify the program and discuss the interest the City has to match participants into facilities not specific to Cubberley.

Council Member Filseth asked if 1.4B potentially expanded to all City-owned parcels; if the Hostess House could contain fewer units; regarding 3.3A and churches, if we are making a commitment to allow apartment buildings in R1 zones; and if the Palmer Fix hurts us with HCD.

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Director Lait stated 1.4B focuses on the HomeKey site and opportunities of City-controlled land and was not the intent it be placed in City parks but surplus land, etc. It could be changed to focus on the site at Project HomeKey. It was possible something be designed to preserve the historic integrity of the Hostess House. To deal with the Hostess House issue tonight, the Council would need to determine how strongly that policy should be advanced. The Transit Center was appropriate for a study. He suggested we take the Hostess House off the inventory this round, do the study, and come back with it on the inventory for RHNA Cycle 7. It needed to be included, and if not this cycle, the next one. Regarding 3.3A, the objective was to amend the code to extend AHIP to all housing opportunity sites in the commercial, industrial, and multifamily districts and consider extension to religious institutions in the R1 zone. He provided examples of the Palmer Fix not hurting with HCD.

Mayor Burt asked if SB 35 required approval by-right of projects. Clarification was needed for 3.3A, as not all religious institutions were in the R1 district. The way it was written sounded binary, and he wanted the language changed. He spoke of it being premature going forward with the proposal in 1.6D regarding the 27 University site and suggested deletion or a placeholder of a lower housing density. We and other cities should engage with HCD and make sure ADUs are used for housing. Airbnb and related problems need to be addressed. Those receptive to participating in a Safe Parking Zone were candidates for transitional housing, and we would not have a pool of candidates for safe parking once that occurs. He spoke of various Stanford-owned properties being prime opportunities in the Housing Element. Stanford needed to provide evidence the ground leases prohibited housing development in the Research Park within this cycle, and the specifics of the leases needed to be investigated. He asked if the Stanford Shopping Center was receptive why we did not push in that direction in this Housing Element.

Director Lait stated regarding SB 35 there could be examples of generating more of a housing demand. Regarding 3.3A, if not in the R1 district, it would then fall under commercial, industrial, or multifamily. The language related to R1 can be changed to consider affordable housing incentives for religious institutions located in the R1 zone. Staff previously did not include the 27 University site in the Housing Inventory. Program 1.6F relates to Stanford Shopping Center for the next RHNA cycle. Staff met with Simon Properties and they were willing to have housing but with other developments. Housing was not the prime focus, and there was too much distance between where they wanted to be and what was achievable in this housing element.

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Mayor Burt stated he was very receptive on the hotel side. We had housing proposals for low-density hotels in the City, which made economic sense and should be looked at. He was concerned 1.6B stating up to 75 feet in height granted them that height as opposed to something less precise in the discretionary approval process. He spoke of housing in the downtown areas.

Director Lait will strike the reference to height in 1.6B and revisit it if there is a problem.

Vice Mayor Kou asked if when the police move to the new Public Safety Building the police station can be explored as a HomeKey site and if we could have a motion and a second considering that and if Program 3.5B was cost recovery paying for staff time.

Assistant City Manager Kiely Nose stated Public Works was going to embark on a space-planning exercise for City Hall this coming fiscal year in anticipation of that vacancy. She will make a note of that interest for the Public Works Director.

Mayor Burt stated he was not comfortable with a motion regarding the police station tonight but was an interesting idea.

Director Lait stated Program 3.5B was to formalize and publish the process.

**MOTION:** Council Member DuBois moved, seconded by Mayor Burt to modify programs in the proposed housing element as follows:

1. Program 1.6 Stanford Lands
- b. Eliminate 27 University as a housing opportunity site and the corresponding program 1.6D
- c. Eliminate the reference to 75 feet in height for program 1.6B
- d. Eliminate the reference to 65 feet for section 1.6C

**MOTION PASSES:** 5-1-1, Tanaka no, Cormack recused

**MOTION:** Council Member DuBois moved, seconded by Mayor Burt to modify programs in the proposed housing element as follows:

1. Program 1.6 Stanford Lands
- a. Evaluate creation of new neighborhood along Foothill expressway for 7th Cycle Housing Element

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2. Program 4.2 Housing Preservation
  - a. Add a program to evaluate amending the muni code to restrict short term rentals, particularly where owner is not residing in property, to insure housing stock is used for long term rentals
3. Program 6.4A Homelessness Programs
  - a. Add another program to include Commercial lots in the SPP.
  - b. Remove the reference to Cubberley but retain language to for support services for participants of a SPP
4. Program 3.3A
  - a. Modify reference to "religious institutions located in R1 district" to clarify that we will evaluate affordable housing with less dense incentives in R1.
5. Add a program to review the PTOD development standards for greater housing production
6. Evaluate the feasibility of potential regulations to incentivize housing units to be used for the purpose of housing

## **MOTION PASSES:** 6-1, Cormack recused

Director Lait stated they will use their judgment if sites need to be removed from the Housing Inventory. He spoke of refinement to programs as more information is received and will inform the Council of changes. He spoke of missing the deadline.

## **AA3. City Auditor Vacancy: Council Direction on Next Steps**

Assistant City Manager Kiely Nose framed the issue.

Mayor Burt stated the Council was pleased with the services of Baker Tilly and Mr. O'Rourke. He spoke of available options. He supported referral to the CAO Committee and then a public meeting reviewing next steps. An Ad Hoc could be appointed.

Assistant City Manager Nose spoke of the contract with Baker Tilly.

Jonathan Erman expressed his opposing opinion of outsourcing the position of City Auditor.

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Robert Sanner, retired CPA, spoke of the poor record of Baker Tilly regarding Russia.

Council Member DuBois asked Baker Tilly to provide a couple candidates for the interim auditor and then a CAO meeting to discuss the long-term approach and a recommendation to the Council.

Council Member Cormack aligned herself with Council Member DuBois. She wanted a few choices, then an interview being in closed session with the full Council, and then the CAO Committee considering how to move forward.

Council Member Tanaka was comfortable with the CAO evaluating our choices.

**MOTION:** Council Member Cormack moved, seconded by Mayor Burt to request up to three individuals to interview from Baker Tilly to act as an interim Auditor, and the Council Appointed Officers Committee to meet to address the next steps for filling the Auditor position for the medium to long term.

Assistant City Manager Nose established it will be Council's intention the Chair of the CAO provide logistical direction and facilitate communications with Baker Tilly.

Council Member DuBois asked if the CAO Committee would have involvement with the interim auditor review before going to closed session and if we may ask Baker Tilly for candidates beyond three and screening by Council before going to closed session.

Council Member Cormack addressed the terms of the contact. The Chair of the CAO would communicate with Baker Tilly. The CAO needs to screen candidates in closed session.

Assistant City Manager Nose stated the CAO did a round of screening and interviews when Council issued an open solicitation for an auditor and made recommendations of finalists and then went into closed session. It was Council's discretion to use that type of system. Criteria in our code must be met.

**MOTION PASSED: 7-0**

## Council Member Questions, Comments and Announcements

Mayor Burt spoke of the Community Health Fair that was at Mitchell Park and the upcoming Art Festival and rededication of our Sibling City sign with an event and ceremony open to all.



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Adjournment: The meeting was adjourned at 11:38 P.M.