



# CITY COUNCIL RETREAT SUMMARY MINUTES

Special Meeting  
February 5, 2022

The City Council of the City of Palo Alto met on this date in virtual teleconference at 9:00 A.M.

Participating Remotely:      Burt, Cormack, DuBois, Filseth, Kou, Stone, Tanaka

Absent:

## 1. Roll Call and Welcome from Mayor

Mayor Burt introduced Mary Egan who facilitated the meeting.

Facilitator Mary Egan reviewed the agenda and the allotted times for each agenda item. She requested that Council Members remain on camera when possible during the meeting. Public comment will be taken before Council begins their discussion of priorities for 2022.

## **NO ACTION TAKEN**

## 2. Council Retreat Discussion

Mayor Burt shared that Palo Alto City Council has been setting priorities since 1986. Council will identify up to three Council priorities and those priorities can carry over up to 3-years. On years of no Council turnover, the same priorities may continue unless circumstances change. Goal setting was supplemented by input through the Open City Hall process, Staff input, the National Community Survey, review of work plans and resident comments. For the year 2021, the adopted priorities included economic recovery, housing – social and economic balance, social justice, and climate change – protection and adaptation.

City Manager Ed Shikada agreed that the effort of establishing priorities on an annual basis has existed for many years. However, over the last several years, the City has implemented more structure behind the follow-up as to what happens once Council has established its priorities. He expressed that the year 2021 contained many ups and downs due to the Coronavirus (Covid) Pandemic, but the City and the community were able to accomplish many things.

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Assistant City Manager Kiely Nose presented the City's accomplishments regarding economic recovery. During the year 2021, Covid-19 vaccines were widely distributed and the City began to establish a new normal. The Economic Recovery Strategy included four tenants which were managed through the pandemic, community wellness and wellbeing, focused business support, and Citywide priority initiatives. Staff has begun and/or completed all 11 subset initiatives in the Economic Recovery Strategy Work Plan. Community wellness and wellbeing became a top priority due to folks having to quarantine and the City offered many virtual and hybrid programs. The City continued to support local businesses through Uplift Local and monthly meetings. One of the Citywide priorities included Fiber to the Home (FTTH) which was kicked off with community engagement. That project was slated to continue into 2022. Council requested that Staff focus on what the next 6-to 18-months will look like and so Staff began work on the University Avenue Redesign, refined economic development activities, and developed a Request for Proposal (RFP) for services. Council continued to explore ballot measures for the year 2022. Another Citywide project included the Foothills Fire Management Plan which Council held a study session for with other jurisdictional partners. The City will continue to engage with the community in 2022 on items like the 2022 ballot measure, fiber, and sustainability work as the community continues to navigate through the pandemic. The 2022 Work Plan for Economic Recovery included topics such as management through the pandemic, reinvestment in the Palo Alto community, continued wellness and wellbeing support through special events, support for the Chamber of Commerce, and others.

Planning and Development Director Jonathan Lait presented on the 2021 priority of housing. He shared that Council advanced a number of the City's Housing Policies in the year 2021. Several key housing initiatives included the adoption of the Tenant Relocation Assistance Ordinance, the establishment of the Housing Element Working Group and Ad Hoc Committee, updates to the Commercial Housing Impact Fee, and adoption of the Senate Bill (SB) 9 Interim Ordinance. For the year 2022, Staff will continue work on the Housing Element Update, SB 9 Interim and Long-Term Ordinances, SB 35 Objective Standards Ordinance, and several other planning initiatives. Ongoing projects included 525 Charleston which contained 50-units of affordable housing, 231 Grant Avenue which contained 110-units of workforce housing, Geng Road Safe Parking Facility, Unitarian Universalist Church of Palo Alto (UUCPA) Safe Parking Applications, and Project Homekey which contained 88-units for homeless individuals. The City was able to obtain 95 net new units of housing with the majority of those coming from accessory dwelling units. Due to recent state law changes, the City was able to claim the preservation of the Bona Vista units towards the very-low-income category for the City's current Regional Housing Needs Allocation (RHNA). In terms of the Comprehensive

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Plan, the City has produced 829 housing units through the planning cycle to date and there was potential for more housing units to be built through the Plan Home Zoning (PHZ). Staff continued community engagement on the Objective Standards, the Housing Element Working Group and Ad Hoc Committee, renter protection outreach, and other housing policies.

Deputy City Manager Chantal Cotton Gaines reported that one of the Council's 2021 priority was social justice. She shared the equity mission statement and stated that the statement was the foundation that the work was based on. Council identified 17 assignments for Staff to work on for race and equity and Staff was able to accomplish 14 of the 17 assignments. The City completed its first Demographics Survey of Board and Commission Members, implemented the Psychiatric Emergency Response Team (PERT) in collaboration with Santa Clara County, facilitated community conversations through the Human Relations Commission (HRC) that focused on race in Palo Alto and held many community events focused on different backgrounds and cultures within the community. Key accomplishments included the implementation of the new Police Records System (RMS), expansion of the Independent Police Auditor's (IPA) Contract scope, police reform legislation, hosting a successful Women and Girls Summit, and many other accomplishments. Regarding items in progress, Staff continued to work on the employee census and demographic analysis, development of an employment race and equity survey, collecting the Police Stop Data through the new RMS system, and several others. The City conducted several community engagement events such as the Women and Girls Summit and the Town Hall meetings on hate crimes. Community engagement for the year 2022 included the launch of the Calls for Service interactive map, continued community services and art center programs, continued library services, and several others. Staff will be holding a study session with City Council in 2022 to discuss race and equity. All City Boards and Commissions will have the opportunity to engage in training on diversity in action and microaggressions.

Director of Public Works Brad Eggleston presented the snapshot of the City's priority of climate change and the work on the Sustainability and Climate Action Plan (S/CAP). Staff completed the Impact Analysis on how to achieve an 80 percent reduction of greenhouse gas (GHG) by the year 2030 and that was presented to Council in February, April, and December of 2021. Also, the S/CAP goals and key actions were updated, a 3-year Work Plan was drafted based on Council recommendation, and the S/Cap Ad Hoc Committee and Working Group were established. Items in progress included exploring additional topics for the S/CAP Ad Hoc Committee to discuss and finalization of the S/CAP report. Regarding community engagement, several webinars were held regarding S/CAP, the S/CAP Ad Hoc Committee and Working Group held meetings, the S/CAP survey was implemented, and several other

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community engagement efforts. Staff planned to establish a climate action pledge, hold a two-day climate action summit and produce interactive engagement tools and marketing materials. Regarding the outlook for the year 2022, Staff had a mid-year budget request that included resources for the S/CAP. Staff will be discussing with the Utilities Advisory Commission the electrification strategy, finalizing the S/CAP goals and key actions, complete the Sea Level Rise Vulnerability Assessment, and others.

Mayor Burt invited the Council Members to ask technical questions of Staff before hearing public comment.

Council Member Cormack inquired how many new homes did the City approve in 2021.

Mr. Lait answered 95 units were approved.

Council Member Cormack asked how much of the accomplishments for social justice was Staff work and how much was Council involvement.

Ms. Cotton Gaines mentioned that the Policy and Services Committee received quarterly updates on the social justice work and provided comments on how to refine the work. Council has been helpful to encourage the public to participate in community conversations.

Council Member DuBois wanted to know if the Bona Vista units were included in the total RHNA figures.

Mr. Lait answered yes.

Council Member DuBois looked forward to hearing more about the MCT Grant for Downtown Palo Alto. He asked what type of requirements there are for the MCT Grant.

Mr. Lait clarified that Staff coming to Council with a presentation on the grant.

Vice Mayor Kou requested that Staff speak more to the online Calls for Service interactive map.

Police Chief Robert Jonsen explained that the interactive map was implemented in response to the year 2021 Department of Justice's (DOJ) mandate to protect the privacy rights of folks the police department encounters. The interactive map is a temporary solution. The department is developing a citizens RMS but that will not be available for several more months.

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Mr. Shikada confirmed that the interactive map was a product of the DOJ's mandate regarding encrypted radio communication. The City was exploring ways to provide information and explored the fire department's Pulse Point system. Pulse Point was not interested in building a platform for the police department but the City's Information Technology (IT) Department was able to build the interactive map. He acknowledged that the platform is in Beta form and Staff continued to improve it based on feedback.

Vice Mayor Kou inquired who was providing the feedback on the interactive map platform.

Mr. Shikada noted that a local media outlet provided feedback.

Mayor Burt mentioned that Council has not seen an update on the housing projects for the PHZ that they reviewed. He requested Staff to provide some color on that.

Mr. Lait shared that Staff does not have confidence that any of the PHZ projects are moving forward.

Mayor Burt recalled that several police reforms were implemented over the past several years and he requested that Staff comment on the 8 Can't Wait initiative and encryption.

Mr. Jonsen stated that the Council has been very engaged in police reform. In response to the nationwide 8 Can't Wait initiative, the police department proactively changed its policies and provided live screen educational briefings. Regarding accountability, the police department expanded the scope of the IPA. All of the police department's policies are available for public review on the City's website and those are updated every 3-months. The department also implemented the PERT program with Santa Clara County. The interactive map provided an enhanced awareness of Calls for Service. All of those items were implemented with a reduced workforce.

Council Member Stone asked when Call for Services were posted to the interactive map.

Mr. Jonsen noted they are posted in 15-minute cycles after the call has been closed. Most Calls for Service closed within 45-minutes to an hour of the call coming in. The department will continue to use public alert systems if there is a mass emergency.

Mr. Shikada noted that the interactive map also provides a link to the daily log that the police department publishes.

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Mr. Jonsen believed that having an educational briefing on the interactive map would be valuable.

Council Member Stone strongly supported Mr. Jonsen's suggestion of having an education briefing on the interactive map. He encouraged Staff to explore ways to post incidents closer to real-time. Also, he wanted to hear from other stakeholders in the area about how important it is to have that type of information in real-time compared to what was being provided now. He requested more details about the housing project that was proposed on the corner of Middlefield Road and University Avenue.

Mr. Lait confirmed that he would check in with the applicants to see what the status is.

Council Member Stone requested that Staff speak briefly about the Santa Clara County TRUST Program.

Ms. Cotton Gaines explained that the TRUST program was the rebrand of the Community Mobile Response Program. If there is a mental health situation, folks can call the TRUST Program instead of calling the police department. The program does not include law enforcement members. The Mobile Crisis Response Team (MCRT) also served the City but has a longer response time than the City's police department.

Council Member Tanaka found it helpful to understand how the City was able to accomplish its 2021 priorities. He wanted to understand how the City aligned incentives through the organization with the priorities, how other cities measured and aligned their priorities, and if there was a way to conduct quantitative scoring.

Mr. Shikada confirmed that many cities engage in a similar priority-setting exercise. Some cities have a more granular goal for the year that is within a broad topic. Staff attempted to be quantitative where possible in their summary of the accomplishments.

Facilitator Mary Egan confirmed that most cities go through a similar goal setting process. Some cities do a broad set of goals that span over 3-years. Some cities use a dashboard that provides reports quarterly or every 6-months on the progress for the priority areas.

Council Member Tanaka confirmed that priorities are important and prioritizing what is needed is critical.

Mayor Burt recommended that Council Member Tanaka hold his comments to the discussion period.

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Council Member Tanaka reminded Mayor Burt that his role was to be a facilitator and not to favor one person over another.

Mayor Burt noted that Council Members must follow the guidelines that have been set. He invited members of the public to provide their comments.

Steven Lee, Vice President of Advocacy for the PTA Council, mentioned that the Executive Board sent a letter to Council requesting that Council prioritize mental health for 2022. While the City has been heavily involved in mental health, the unique trauma of the pandemic has raised new concerns. The City must return services to pre-pandemic conditions and also increase funding and explore mental health impacts from the pandemic.

Darlene Yaplee thanked the City and City Staff for mitigating the aviation impacts to the City's residents. She looked forward to the City's exploration of the Ground-Based Augmentation System (GBAS) and additional aviation areas in 2022.

Hamilton Hitchings wanted to see the restoration of City services be a priority for the year 2022. He encouraged Council to use the Budget Surplus to accelerate the restoration of services, restore the Utility Tax, and pass a Business Tax.

Greg Schmid mentioned that the City has the highest ratio of employed workers to employed residents, but businesses only paid one-third of local taxes. He encouraged the City to limit business expansion and foster real affordable housing. He requested that the City publish data that showed approvals for new office space and new housing units, increase property taxes and/or employment taxes, and require Stanford University to contribute to local government costs.

Mark Shull disclosed that there will be major changes as San Francisco International Airport (SFO) introduces the GBAS landing system. He encouraged the City to become more involved in aviation changes and that it should be made a priority for 2022.

Mickey Suen stated that the Gas-Powered Leaf Blower Ordinance has not been enforced for 15-years. He wanted to see the community and Council come together to end the use of gas-powered leaf blowers.

Rebecca Ward urged Council to prioritize mitigation of jet traffic. She noted that Council has continued to leave advocacy and review of air space procedures to citizens instead of having City involvement.

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Karen Holman encouraged Council to focus on the tree canopy within the City. She recommended that Council include trees in the S/CAP and support the adopted Urban Forest Master Plan. She encouraged Council to focus on arts and culture.

Christina Schmidt, President of the Palo Alto Council of PTA, requested that Council make mental health a 2022 priority. She encouraged Council to prioritize social services and community programs to address the mental health impacts of the pandemic. Also, to direct the City Manager and Office of Human Services to explore additional efforts and community partnerships to address mental health. She recommended that Council direct all City departments to identify and evaluate how existing community programs and resources can address the mental health impacts of the pandemic.

Amrutha Kattamuri spoke on behalf of Indira Selvakumaraswamy, Vice President of Health and Wellness Committee Palo Alto Council of PTA. She noted that the pandemic and health restrictions have exacerbated many mental health issues for citizens. She strongly encouraged the City to make mental health a top priority for the year 2022.

Aram James requested that Police Agent Nick Enberg of the Palo Alto Police Department be fired. He requested that the IPA report that Council will have at their February 14, 2022 meeting be made an action item.

Jennifer Landesmann wanted to have a quieter Palo Alto and urged Council to make aviation noise a top priority for 2022.

Kerry Yarkin suggested that Council use the Fast Track Process for airplane noise. She strongly encouraged the City to be involved in the discussions for GBAS and advocate for Palo Alto to not have more flights directed over it.

Shani Kleinhaus shared that she is a Parks and Recreation Commission but spoke on behalf of herself. She supported a previous speaker's comment to prioritize Palo Alto's tree canopy in 2022. She requested that the Objective Standards include bird safety and lighting standards. Lastly, she agreed that airplane noise should be the top priority for 2022.

Katherine Miller, Member of the League of Women Voters Task Force on Campaign Finance Reform, stated that campaign finance reform should be a priority for 2022 as part of the Council's social justice plan. Many cities in the State of California have already adopted campaign reforms.

Lisa Ratner shared that she is on the Board of the League of Women Voters of Palo Alto. She mentioned that the Grand Jury recommended changes in

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four broad areas of City policy and the League of Women Voters urged that those policy changes be a priority for 2022.

Karen P noted that airplane noise presented a serious risk to health and the environment. Palo Alto airport was the busiest single-runway airport in the State of California and has been the source of very high lead emissions for years. She recommended that the City stop the sale of leaded fuel at the airport as well as be transparent about who uses the airport.

Sheryl Klein, Co-Chair of the Housing Element Working Group, remarked that the City must encourage all types of housing production to meet the goals outlined in the Housing Element. She commented that she, and 370 Palo Alto community members, have signed a petition recommending that the City prioritize the recommendations made in the Grand Jury report.

Catherine Crystal Foster believed it was fundamental that Palo Alto adopt sensible local campaign finance reform. At a bare minimum, the City should enact a significantly lower individual contribution limit for local elections and include enhanced discloser requirements.

Deborah Simon, Chair of Friends of Cubberley, shared that the Friends are exhausted waiting for action from the City Council and the School Board to address the concerns at the Cubberley Community Center.

Penny Ellson spoke on behalf of herself and requested that the Council tie together priorities and focus on more specific problems and projects. She requested that Council prioritize timely decision-making for multi-modal grade separations. Also, to tie housing, transportation and community services together and adopt the Housing Element to increase and diversify housing stock. She encouraged the City to restore Staffing positions and fund projects to facilitate economic recovery.

Andrea Gara spoke as a Member of the 350.org Palo Alto Climate Team. The group requested that Council continue to make climate change and mitigation a top priority for 2022. Also, to prioritize electrification, transportation and to set annual goals and benchmarks to track progress.

Nancy Tillman asked that Council reopen California Avenue to vehicle traffic as soon as possible.

Adrienne Yue, a Member of the League of Women Voters, emphasized the urgency of implementing some type of campaign finance reform.

Suzanne Keehn believed that Palo Alto does not have enough open space and/or parks. She recommended that the City use the surplus to restore City

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services. She supported the City implementing a Business Tax and she supported requiring Stanford University to make contributions to the City.

Helene Grossman expressed her support for a focus on safety, health and quality of life in the community. She shared that gas-powered leaf blowers have greatly disrupted her quality of life. There has been no enforcement of the City's Leaf Blower Ordinance.

Tim Heilig agreed with the previous speaker regarding leaf blowers. If a leaf blower is near a school or park, the air quality will diminish for up to 6- to 8-hours after its use. He emphasized that the City must act to protect the youth in the community.

Matthew Lennig spoke in favor of enforcing the leaf blower ban. He noted that outdoor living cannot happen due to the noise and pollution of gas-powered leaf blowers.

David Axelrod supported the comments that the City show investigate code enforcement for gas-powered leaf blowers. He shared how emissions from gas-powered leaf blowers can be detrimental to children's health.

City Council went on break at 11:22 A.M. and returned at 11:31 A.M.

Ms. Egan asked if any of the Council Members had additional questions of Staff before Council begins their deliberations.

Council Member DuBois recommended that the discussion be broadened to include comments on 2021 priorities as well as the general work plan.

Mayor Burt agreed.

Ms. Egan articulated that the goal is to provide Staff with direction on what the priorities will be for the year 2022 and if any of the year 2021 priorities be continued into the year 2022.

Council Member DuBois commented on the economic recovery priority of the year 2021. He recommended that Council discuss fair rental rates for use of public property for the permanent parklets. Also, the City should explore reshaping the business mix, explore ways to help hotels and promote Palo Alto as a destination city. Regarding FTTH, the timeline needed to be more concrete and have coherent messaging. Regarding housing, he recommended combining the Downtown Master Plan with the grade crossing for Palo Alto Avenue and the train station as well as reevaluate vehicle dwelling. Regarding social justice, the City has made great progress and that work should be carry forward into the year 2022. Regarding climate change, the City must focus on

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action and execution of the plans that are in place. He wanted to see Castilleja School Expansion Project come back to Council for further discussion, completion of the Roth Building Project, the Tree Ordinance and rebalance the Capital Infrastructure Plan (CIP). Regarding the Planning Department's Work Plan, he wanted to discuss the PHZ, workforce housing, seismic upgrades and seismic incentives, transparency and labor negotiations, La Caminda's ability to serve elderly folks in the downtown area, and enforce the gas-leaf blower ban. He noted that the National Citizen Survey was always a very useful document. He encouraged Council and Staff to fund the survey, accelerate it, and have the next survey completed by January 2023 for Council's retreat. He stated that it is important to discuss items that were not a priority for 2021. He shared that based on the feedback that the Policy and Services Committee received, six Council Members were interested in climate change, six Council Members were interested in economic recovery items, five Council Members were interested in housing, four to five Council Members were interested in City processes and fiscal balance, three or four Council Members were interested in social justice, and one or two Council Members were interested in public safety and crime.

Council Member Cormack continued to believe that economic recovery is very important. It if continued as a priority, Council should rethink what the City is trying to achieve and how to achieve it. She was grateful for Staff continually keeping in touch with the business community. She did not agree that the City is teed up for success with housing for social and economic balance. Many PHZ projects received negative feedback from the Council as a whole and now those projects were not moving forward. She supported a more holistic approach to affordable housing rather than the historical tactical approach the City has taken. Social justice continued to be a value that the City holds and should be worked into all aspects of the City's work. Climate change continued to be important work and should be made a priority for 2022. She remarked that the City has reached the point where it needs to adapt to climate change instead of mitigating it. Regarding healthy City healthy community, many of the concerns raised by members of the public including mental health, noise, air quality, fall under that category. She agreed with the suggestion to rebalance the CIP and to place Cubberley Community Center on the CIP. She remarked that Cubberley Community Center could be delegated to the Finance Committee rather than made a priority. She reminded the Council that priorities are supposed to be items that Council spends extra time on, not Staff. With that said, she suggested that Council explore creating a new vision for the downtown area due to the massive shifts of who visits that area. She recommended referring to the Policy and Services Committee to explore limiting individual donations for campaigns to \$500.

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Council Member Stone thanked Staff and the community for the progress that the City made in 2021. He supported moving forward the priorities of climate change and economics. He encouraged Council to focus on affordable housing for the coming year. Palo Alto continuously meets the market-rate housing RHNA goals and so focusing on affordable housing for low-incomes was very important. He wanted to see community safety and health be a priority for 2022. That category would include belonging, social justice, healthy City healthy community, and public safety. He emphasized that property thief and crime are on the rise throughout the country. Public safety also included fire prevention, code enforcement, emergency services and the City should ensure that it is fully Staffed in those critical positions. Focusing on community healthy would demonstrate the City's commitment to protecting the mental health of the community, impacts of noise pollution, protecting the City's tree canopy and open space. He argued that work has already been completed or was underway for a variety of topics under community safety and health. The City would use that work to enforce or expedite additional work that the City was already working on.

Council Member Filseth aligned his comments with Council Member Cormack's comments regarding the post-pandemic economy and fiscal sustainability. The City must identify if recovery should be to pre-pandemic levels or should be a recovery that includes significant shifts. The pandemic proved that the City greatly depended on out-of-town visitors for revenue and there was no understanding if that type of interaction would return to pre-pandemic levels. He encouraged the City to reevaluate the long-term revenue streams and stated that should be a priority for 2022. He agreed with Council Member Cormack and her views on climate change. He believed that housing and social-economic balance continued to be an issue and should remain a priority. He mentioned that the Bay Area's jobs to housing ratio have continuously increased over the last 5-years, but Palo Alto's ratio has begun to decrease. Also, the rate of appreciation of rents has slowed down. He expressed disappointment that none of the PHZ applications have not come back to Council for further review. Regarding aviation noise, he believed that was not a top priority of the community but suggested that the City have more engagement with SFO. He agreed with the comments regarding the National Citizen's survey. Regarding public safety, he acknowledged that property crime has increased and needed further attention from the City. The City has made progress with police reform, but emergency response needed to be reevaluated. He suggested that campaign finance reform focus on out-of-town money and professional financial interest funding.

Vice Mayor Kou aligned her comments with Council Member DuBois's as well as Council Member Filseth's comments regarding aviation involvement. She agreed that there are health impacts when it comes to airplane noise. She

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recommended that the City explore the City's current noise levels and code enforcement. She supported Council Member Stone's comment about exploring community safety and community health. Her recommended priorities for 2022 include healthy City healthy community, local economic development, climate change protection and adaptation, and push back on state legislation that trumps local control. She encouraged Council to revisit the City's quiet zones to help with train noise. She referenced the Healthy City Healthy Community Resolution and recommended that the City make it a priority for 2022. Regarding street redesign, she encouraged the City to work with the businesses, the residents, and the City's economic development manager. She wanted Council to not only focus on housing but incorporate all quality of life components.

Mayor Burt agreed with Council Member Cormack that some of the priorities are more values of the community than priorities. He recommended that the Policy and Services Committee evaluate fiscal sustainability, social justice, and environmental sustainability. He found Council Member Stone's recommendation for community safety and health priority intriguing. He appreciated Council Member Cormack's comment on whether recovery was an adequate way to capture both recovery and transition. He did not agree that the priorities are topics that only Council Members should focus on and stated that the priorities drive Staff's work plan. He linked youth wellbeing to healthy community and stated that should be a broad value concept. He encouraged Palo Alto Council of PTAs and Palo Alto Unified School District to reengage more with Project Safety Net.

Council Member Tanaka wanted Council to focus on basic City functions. He supported Council Member Stone and Council Member Filseth's comment regarding crime. He noted that many members of the public have sent in letters that expressed concern about crime in the City. He wanted to see crime prevention be the number one priority for 2022. He agreed with Council Member Filseth that many companies are allowing their employees to continue to work from home. Working from home helped the environment, but was bad for the economy. He shared that the City of Mountain View rents their City properties out for market rate. Palo Alto does not and he encouraged Council to consider moving to the City of Mountain View's model to help with economic recovery. Also, Council should discuss how to continue City services to residents while decreasing expenses and increasing revenue. He agreed that Downtown Palo Alto needed to be revitalized. He suggested that the City explore having a Palo Alto coin, similar to Bitcoin.

Ms. Egan suggested that a referral be made to the Finance Committee to explore a Bitcoin for Palo Alto.

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Council Member Tanaka mentioned that many cities are moving toward city coins because it kept money in the City. He wanted to understand what more the City can do for mental health. He believed that through better City operations, the ban on gas-powered leaf blowers can be enforced. Regarding aviation noise, he felt that was more of a federal issue than a City issue and he encouraged the City to have a representative who can advocate for the City to explore the topic more.

The Council went on a lunch break at 12:30 P.M. and returned at 12:50 P.M.

Mayor Burt asked how the other Council Members felt about referring to the Policy and Services Committee the values that have been raised. Those would include items that are critical for the City to continue year after year.

Ms. Egan agreed that Council did have fiscal and environmental sustainability as priorities but those have changed into values. Based upon the conversation, the goal of economic recovery should be retitled and housing should continue as a priority for 2022 as well as climate change and adaptation. Council Member Cormack recommended that social justice be considered a value and incorporated into all City activities. Several Council Members supported having healthy City healthy community as a priority and that would include public safety, mental health, noise, and quality of life goals.

**MOTION:** Council Member Cormack moved, seconded by Council Member Stone to select the following as the 2022 Council Priorities;

- A. Economic Recovery and Transition;
- B. Climate Change – Protection and Adaptation;
- C. Meeting Housing Obligations, with an emphasis on Affordable Housing; and
- D. Community Health and Safety.

Council Member Cormack agreed that the City is at an inflection point in terms of economic recovery. She stated that many Council Members shared concerns about climate change. Regarding housing, she noted that 2022 is a crucial year for the City to make key housing decisions. She believed that a healthy City healthy community enabled the City to address many of the concerns expressed by the public. Regarding crime and safety, she was persuaded that there was an increase in crime nationwide and having a healthy community would allow folks to feel safe.

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Council Member Stone recommended that Item C of the motion call out affordable housing.

Council Member Cormack agreed.

Council Member Stone suggested that Item D have a focus on community health and safety. He agreed that crime was rising nationwide, but wanted to address the concerns regarding crime within the City.

Council Member Cormack believed that Council Member Stone's amendment was an umbrella description and requested that Staff provide comments.

Mr. Shikada expressed his concern that a healthy city and safety may not be easily interpreted. He requested that Council clarify how the two are linked together.

Council Member Cormack accepted Council Member Stone's amendment. She inquired if referrals to Council Committees should be part of the main motion or be a separate motion.

Mayor Burt recommended they be done separately.

Council Member DuBois remarked that crime is a basic mission of the City and viewed any actions as being part of the budget process. He did not support it being a strategic focus. He found the comments about having Stanford University make contributing payment instead of tax interesting. He cautioned on including several subsets under broad priority topics. He agreed with Council Member Cormack that the priorities should be specific, and he agreed that Item D, community health and safety, was an umbrella item. He suggested that the priorities for 2022 should be climate change, focus on developing a community-serving business mix, and streamlining City processes. He mentioned that housing has been a priority for the last 6-years and has become operationalized. He recommended that economic recovery not be a priority because the City must plan for an economic shift. The discussion should be focused on economic development and the City's existing business mix. Regarding streamlining City processes, he mentioned that there is a unique opportunity for the City to explore avenues of how to deliver services, jobs design and how to invest differently. He recommended removing Letter C, meeting housing obligations with an emphasis on affordable housing, from the motion.

Council Member Cormack did not support that amendment.

**AMENDMENT:** Council Member DuBois moved, seconded by Vice Mayor Kou to remove Part C, 'Meeting Housing Obligations,' from the motion.

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Council Member DuBois emphasized that he was not against housing production. The Housing Element will be completed in 2022 and will require a lot of Staff and Council time.

Vice Mayor Kou agreed that the City was currently working on the Housing Element, but also that there was new state legislation that was coming. She wanted to focus on all components that go with housing and not focus just on producing housing.

Mayor Burt mentioned that he wanted to retain the housing priority of 2021 for social and economic balance. He mentioned that housing was an item that the City has not had success on. One of the social issues was that RHNA treated all housing elements the same which incentivized Cities to have non-family housing.

Council Member Filseth agreed with Mayor Burt's comments and he supported using the language from the 2021 housing priority. He agreed that the City will focus on finalizing the Housing Element. He did not understand what 'obligations' meant in Letter C of the motion.

## **AMENDMENT FAILED:** 3-4 Burt, Cormack, Stone, Tanaka

Mayor Burt proposed to change Letter C of the motion to housing for social and economic balance.

Council Member Cormack accepted the amendment.

Council Member Stone accepted the amendment.

Council Member DuBois understood the interest in community health and safety but felt it was too broad. He recommended replacing the language of Letter D of the motion to read 'with a focus on streamlining City processes'.

Council Member Tanaka agreed that focusing on streamlining City processes was a good idea but should not be a priority.

Mayor Burt announced that there is no second for Council Member DuBois's amendment. He remarked that the City must focus on both economic recovery and transition. He supported Council having climate change as a priority as well as community health and safety. He acknowledged that there were drastic cuts several years ago to the police and fire department. That has resulted in increased crime within the City. He emphasized that it was Council's job to communicate with the community the reality of the challenges that the City faced and the impacts of the budget cuts that were made several years ago.

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Vice Mayor Kou inquired if each priority should contain action items to help Council be more focused and provide Staff with better direction.

Mr. Shikada explained that Staff will be bringing forward Work Plans for each priority.

Vice Mayor Kou asked when those work plans would be coming to Council.

Mr. Shikada answered it depended on how broad the priorities were defined.

Mayor Burt noted that the proposed priorities are not any broader than past Council priorities.

Mr. Shikada explained that community health and safety may require more time to draft a Work Plan for.

Mayor Burt noted that Council will be discussing the mid-year budget at Council's next meeting.

Mr. Shikada emphasized that Council should not believe that the Work Plans coming back is an insignificant effort.

Council Member Filseth understood that Council Members were hesitant to use the word "recovery" in Letter A of the motion because of the implication that the City would be returning to a pre-pandemic state. He recommended renaming Letter A to post-pandemic economy and recovery.

Council Member Cormack did not accept the amendment due to local businesses requesting that the City focus on recovery.

Mayor Burt agreed that there was no need to reference the pandemic in the motion.

Council Member Filseth suggested that Council include high-level bullet points under the priorities to help focus the priority.

Council Member Cormack agreed.

Mayor Burt agreed and suggested they not be included in the priority but be supplemental to the priority.

Council Member Tanaka emphasized that crime prevention has strong support among the community. He proposed to change Letter D, community health and safety, to community health and crime prevention.

# SUMMARY MINUTES

Council Member Cormack did not accept the amendment because safety encompassed more than crime prevention.

Mayor Burt noted that there was not a second to the amendment.

Vice Mayor Kou recommended to include under Letter C, housing for social and economic balance, to adopt the Palmer Act and explore no net loss of housing and commercial development.

Mayor Burt requested the Council Members not to be granular on guidance to Staff.

Vice Mayor Kou withdrew her suggestion.

Ms. Egan suggested that Council provide guidance to Staff for each priority.

Council Member DuBois recommended adding air quality to Letter D of the motion. He restated that the post-pandemic mix may not be considered recovery in Letter A of the motion. He wanted to explore what makes sense post-pandemic and understand that the pre-pandemic state of the City may not make sense. He confessed he did not know what the definition was for the word recovery and recommended adding under Letter A, cohesive vision for the City's commercial core.

Council Member Cormack accepted the amendment.

Council Member Stone accepted as well.

Vice Mayor Chair Kou recommended adding noise to Letter D, i.

Council Member Cormack agreed. She recommended adding "sense of belonging" to Letter D, i.

Council Member Stone supported the addition.

Mayor Burt agreed with the concept of sense of belonging but was not sure about the phrasing.

**MOTION:** Council Member Cormack moved, seconded by Council Member Stone to select the following as the 2022 Council Priorities:

- A. Economic Recovery and Transition;
  - i. Cohesive vision for our commercial cores;
- B. Climate Change – Protection and Adaptation;

# SUMMARY MINUTES

- C. Housing for Social and Economic Balance; and
- D. Community Health and Safety:
  - i. Crime, mental health, air quality, noise, sense of belonging.

**MOTION PASSED:** 7-0

Mr. Shikada mentioned that Council can move the discussion of the Committee Work Plans to an upcoming Council agenda.

Mayor Burt inquired if the Policy and Services Committee should take up the discussion regarding community values.

Council Member DuBois supported Mayor Burt's idea.

Council Member Cormack wanted Council to discuss referrals to the Policy and Services Committee in their entirety in conjunction with what the Policy and Services Committee already has.

Mayor Burt acknowledged that other Council Members may have referrals they wish to make to Committees. He commented that referring community values to the Policy and Services Committee was linked to the priority setting.

Mr. Shikada recommended that Council keep in mind the expectation of Staff report work that would lead into the Committee discussion.

Mayor Burt envisioned no Staff work for the guiding values. As Staff does ongoing work, the work would be filtered through the guiding values of the community such as social justice and sustainability.

**MOTION:** Mayor Burt moved, seconded by Vice Mayor Kou to refer to the Policy and Services Committee on:

- A. Recommending to the Council a set of values that would continue over successive years as values of the city and the community;
- B. Considering the following topics, but not limited to:
  - i. Fiscal Sustainability;
  - ii. Social Justice;
  - iii. Healthy City Healthy Community; and
  - iv. Environmental Sustainability.

# SUMMARY MINUTES

Mr. Shikada noted that there are a set of values in the annual budget document. Those values were quality, courtesy, efficiency, integrity, and innovation.

Mayor Burt stated that those are internal operational values as opposed to a City Government values. He recommended that the Policy and Services Committee review those operational values and statements as well.

Council Member Cormack understood that the operational values are more about how the City does it work and not what kind of work it performs. She mentioned that the Policy and Services Committee will have to determine what other community values there may be and how to integrate those. She appreciated the motion as a way to segregate the items that are important to the City and the thing that are important for the City to do.

Council Member Tanaka requested clarification on how the motion is different than the priority setting motion.

Mayor Burt explained that within each value are many subtopics and elements. Priorities are supposed to be on focused areas for up to 3-years and the values are enduring.

Council Member Tanaka felt that the recommendation was ambiguous.

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

Ms. Egan announced that the discussion about Committee work will be moved to a future Council meeting. She asked if Staff was clear on what the next step was with the values discussion.

Mr. Shikada did not expect there to be substantive report writing, but that there would be community interest.

Ms. Egan summarized that Staff will take the adopted priorities and draft Work Plans that will be submitted to Council for adoption.

Mr. Shikada confirmed that is correct.

Council Member DuBois asked when will protocols and procedures be discussed.

Mr. Shikada mentioned that the protocols and procedure document was being reformatted and will come to Council in March 2022.

Ms. Cotton Gaines mentioned that the draft version will be presented to the Policy and Services Committee in March of 2022.

# **SUMMARY MINUTES**

Council Member DuBois stated that the document has been with the Policy and Services Committee for 3-years and recommended that it be brought to Council. He shared that a member of the public had suggested aligning the Municipal Code with the City's practice of supplying reports 11-days before a meeting. He supported that recommendation.

City Attorney Molly Stump announced that Staff can bring that forward if there is a misalignment.

Mayor Burt found the process efficient and appreciated the public participating.

Adjournment: The meeting was adjourned at 2:02 P.M.