



CITY COUNCIL SUMMARY MINUTES

Regular Meeting
August 14, 2023

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

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

Present Remotely:

Absent:

Call to Order

Mayor Kou called the meeting to order. She asked for a moment of silence and shared that the meeting would be adjourned in memory of the victims, their families and communities impacted by the wildfires in Maui.

Interim City Clerk Mahealani Ah Yun called roll and reported there were six present.

Closed Session

1. ~~CONFERENCE WITH CITY ATTORNEY POTENTIAL LITIGATION Subject: May 16, 2023 letter from Rutan and Tucker, representing Hudson Palo Alto Square LLC Authority; Potential Exposure to Litigation Under Government Code Section 54956.9(d)(2) One Case, as Defendant~~

Item Removed

Agenda Changes, Additions and Deletions

Agenda Item 3 removed and will be reagendized at a future meeting.

City Manager Ed Shikada stated there would be one agenda change. Staff recommended to remove item number three on the consent calendar and it would be reagendized at a future meeting.

Public Comment:

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1. Patty Irish spoke about the Commons on El Camino Way and their service to the Community. She expressed hope that they would move away from mainly responding to the politics of grievance and would find out more about the dedication the Commons have for caring, quality and cost-conscious services.
2. Ken Horowitz spoke about a future agenda item regarding Cubberley. He encouraged the Council to picture what Cubberley could look like when they go into the upcoming closed meeting, which he believed would be the legacy for Palo Alto in the future.
3. Bill Ross spoke on behalf of Fred Balin, Hank Sousa, Jo Ann Mandinach, Doria Summa, Ann Lafargue Balin, Mary Sylvester, Annette Ross, Chuck Kalish, Ceci Kettendarf, and Mary G. regarding an article in the Wall Street Journal and Stanford Athletics. He stated the athletic tradition at Stanford University provided a financial impact to the Community and was something to be preserved. He believed there should be more local analysis of the issue. He encouraged communication with the mayor of Bloomington, Indiana on this social justice issue.
4. Thenmozhi Soundararajan (Zoom) spoke about Bill SB 403 regarding caste discrimination. She encouraged the City of Palo Alto to be thoughtful about the engagement on caste as there has been violence in the past toward caste-depressed people working on civil rights.
5. Muni Madhdhipatle (Zoom) read a statement from a friend who is a doctor who was born and raised in the United States about the issues anyone who looks South Asian faces regarding the caste system. He asked for the Council to oppose Bill SB 403 that would stigmatize South Asians.
6. Satish (Zoom) echoed the sentiments of Mr. Madhdhipatle and believed Bill SB 403 was unconstitutional and would divide the Community. He believed it to be based on false data.
7. Julia Zeitlin (Zoom) urged City Council to implement a Green Jobs Training program for communities disproportionately affected by climate change. She stated that demand for skilled electrical workers will increase as the sale of natural gas appliances is phased out and municipalities move toward electrification.
8. Vinod Rai (Zoom) agreed with Mr. Madhdhipatle and Satish regarding Bill SB 403. He also believed it to be based on false data.
9. Miya Kaiser (Zoom) spoke about the San Francisco Common Yellowthroat that can only be found in the Baylands Nature Preserve. It has suffered a population decline and is considered a subspecies of special concern. She stated it is important to sustain the Wetlands and reduce the population of feral cats and keep pets indoors in the Bay Area to promote the future of the San Francisco Common Yellowthroat.

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10. Kamaljeet (Zoom) spoke in support of Bill SB 403. She provided data regarding caste discrimination and asked City Council to be thoughtful in engagement on caste and communicate with the Civil Rights Organization who have insight on the issue and can provide trustworthy information.
11. Vinny (Zoom) expressed strong support for Bill SB 403. He stated he hoped City Council would also stand for caste equality and be thoughtful in engagement around caste. He stated the Bill would only affect people who discriminate.
12. Sandeep L. (Zoom) strongly urged support for Bill SB 403. He gave a personal account of discrimination he faced regarding caste. He stated nothing in the Bill targets religion or a particular community.
13. Sunita Singh (Zoom) agreed with everyone that had spoken in support of Bill SB 403. She gave an account of discrimination she has faced regarding caste. She urged City Council to stand strongly with Bill SB 403.
14. BAWS Curriculum (Zoom) disagreed that caste discrimination does not exist. As a physician, he has faced caste discrimination. He felt the only people who opposed the Bill were self-designated as upper caste. He strongly urged Council members to support Bill SB 403.
15. Ambedkar (Zoom) strongly supported Bill SB 403. He gave a personal account of caste discrimination suffered by him. He urged the City of Palo Alto to stand in support of Bill SB 403.
16. Lalita du Perron (Zoom) urged Council members to inform themselves about caste through historical study and academic inquiry. She stated the Center for South Asia at Stanford would be happy to any information Council members required. She stated they have caste-depressed students, fellows and colleagues who would benefit from the protections offered by Bill SB 403. She stated they also had many caste-privileged colleagues and students who support the Bill. She stated that for caste-privileged people to say that caste is not an issue would be the same as a white person saying that white supremacy is not an issue and racism does not exist. She stated those that research caste and are in support of caste protection have been subjected to violence and urged them to not comment on Bill SB 403 unless they had a process to provide safety.
17. Sai N (Zoom) stated that Bill SB 403 was fundamentally flawed and would result in profiling, stereotyping and stigmatization of communities based on perceived ethnic and religious affiliations.
18. Harsh Singh (Zoom) stated he felt Bill SB 403 was racist because it targeted a certain community. He stated the data collected by the founder of Equality Labs had been rejected by the courts and doubt cast on it by Carnegie Endowment because of faulty

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methodology in the collection of data. He stated that the 14th Amendment protected against the discrimination the Bill would present.

19. Rajinder Momi (Zoom) stated SB 403 was a landmark bill that would address caste discrimination which he believed was a serious problem. He stated that ACLU, South Asian Bar Association, #MeToo and California Labor Federation all endorsed the bill. He asked the Council to listen to the Civil Rights Organization who he believed presented facts. He believed SB 403 would only target those who practice caste discrimination. He added he had personally experienced caste discrimination and humiliation several times.
20. Sana Qutubuddin (Zoom) stated it was important for everyone to understand that caste-based discrimination exists beyond any religion and exists around the world. She did not believe the bill would target any one community. She gave an account of discrimination she experienced personally. She believed the individuals speaking against the bill were an example of the discrimination being practiced. She encouraged City Officials to be thoughtful with the regard to the people experiencing caste discrimination.
21. Gayatri Girirajan (Zoom) expressed her support for SB 403. She believed it was a response to the existing targeting of caste- suppressed South Asians. She opined that the opposition being presented was the equivalent of white people opposing discussions of racism. She urged the Council members to consider that every major civil rights association was in support of the bill.
22. Param Desai (Zoom) urged the Council to reject SB 403 as he believed it was a sham. He stated that the sponsors admitted that existing laws provide protection against all forms of discrimination. He questioned why those claiming caste discrimination have not filed any legal cases. He stated Equality Labs was a for-profit organization which would benefit from trainings mandated when the bill passed. He urged Council Members to support equality and justice by rejecting the bill.
23. Dharmesh Mandalia (Zoom) stated he lived in the United States almost 30 years. He stated SB 403 claimed to promote religious freedom and tolerance but did the opposite by singling out the Hindu-American community. He believed the bill propagated the false narrative that caste discrimination was inherent in Hindu teachings. He added caste discrimination was outlawed in India over 70 years ago and that Hindus come to the United States from all backgrounds, ethnicities and social strata. He had never experienced caste discrimination. He believed the bill would reinforce false stereotypes. He also believed the data provided by Equality Labs to be false. He believed the bill to be unconstitutional, xenophobic and in violation of First Amendment rights. He strongly urged the Council Members to oppose the bill.
24. Mohan Gummalam (9) speaking on behalf of Jaya Gummalam, Subbarao, Aparna, Mohit Thawani, Udyam Kumar, Miriam, Harish Battu, Anil R. presented slides discussing

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Hinduphobia in the United States and reasons SB 403 should be rejected. He also expressed his belief that the survey data provided by Equality Labs was unscientific by their own acknowledgement and that Carnegie Institute and Pew Research had debunked the caste discrimination claims made by them. He further wanted to play two videos but as he was out of his allotted time he was asked to send them to the Council to view.

Council Member Questions, Comments and Announcements

None.

Consent Calendar

2. Adoption of Memorandum of Agreement with Service Employees International Union Hourly Unit and Compensation Plan for Unrepresented Limited Hourly Employees, effective upon adoption through June 30, 2025; and Adoption of revised Management and Professional Salary Schedule to add one new classification effective July 1, 2023; CEQA Status - Not a project
3. ~~Adoption of a Resolution and Approving an Easement Relocation Agreement Relocating and Vacating a 25 Foot Public Service Easement at 220 Embarcadero Road~~
4. Approval of Contract with Enterprise Roofing Service, Inc. for the Lucie Stern Community Center Roof Underlayment Replacement Project; CEQA status - exempt under CEQA Guideline Sections 15301 and 15302

Agenda Item 3 removed from the agenda and will be reagendized at a future meeting.

MOTION: Mayor Kou moved, seconded by Vice Mayor Stone to approve Agenda Item Numbers 2 and 4.

MOTION PASSED: 7-0

City Manager Comments

Ed Shikada, City Manager presented slides regarding a new tracking system called Zendesk being implemented beginning August 15 for constituent email responses. This will provide the ability to track requests made. He stated more information would be forthcoming. He also reminded that the baseline system for requests to the City was www.cityofpaloalto.org/311. He wanted to make everyone aware that Code:ART would be back in town October 12 through 14 from 5 to 10 p.m. with additional information on specific locations forthcoming. He noted that they were beginning outreach on City Council's recent approval of expanded renter protections

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and provided a website for information about that. He announced 3rd Thursday would be back on California Avenue on August 17 from 6 to 9 p.m. He announced upcoming engagement opportunities to include Kind Artist in Residence program on August 24 and 30 at Rinconada Library and a session related to the Palo Alto Airport long-range plan at Bloomhouse on August 24. He highlighted activities that occurred throughout the month of July. He outlined tentative upcoming Council items.

Action Items

5. Adoption of a Comprehensive Economic Development Strategy to Guide City Priorities, Initiatives, and Project Outcomes. CEQA Status - Not a Project.

Assistant City Manager Kiely Nose presented slides outlining an overview of economic development priorities and seeking recommendations and adoption of the strategy from the Council.

Streetsense Managing Director Larisa Ortiz shared slides providing an overview of the project. She outlined the areas studied. She provided explanation of the retail ecosystem and how they work together. She gave the diagnostic takeaways from the study.

Streetsense Senior Project Director Ashley Labadie provided slides detailing the guiding principles and strategy recommendations and actions.

Council Member Veenker wanted to know more about the proposed scope, who the key partners were, the staffing expectations and if they had looked at the sibling cities' economic development.

Ms. Ortiz answered that an action plan such as this often requires targeted and dedicated focus to support execution and the recommendation was to think through how that would get done administratively.

Assistant City Manager Nose added the Council had authorized one more support position in the City Manager's office to be added through the FY24 budget. Ultimately, Staff would pull together to work through any gaps in resources.

Council Member Veenker stated the plan would go beyond FY24 and questioned what type of staffing and scope were expected from this office.

Assistant City Manager Nose answered that was an unknown beyond what was currently allocated and would depend on how aggressively the Council wished them to attack the action plan and various projects within it juxtaposed to the other priorities.

Council Member Veenker asked who they had in mind as key partners.

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Assistant City Manager Nose stated it would be the project leads on the different actions items that touch other departments.

Ms. Ortiz added they did not see economic development as something owned by an agency but to interagencies within the City.

Council Member Lythcott-Haims asked for a ballpark of what they expected a city of their size and budget to have by way of an enhanced office of economic development and how much staff they recommended adding.

Ms. Ortiz stated they would get back to her with that information.

Council Member Burt questioned what the ultimate goals were.

Ms. Ortiz stated they took cues from Palo Alto's comprehensive 2030 plan to inform the goals. Three points were a desire to be business friendly and thriving, acknowledgement of the changes in land use and issues of transportation and access.

Council Member Burt stated they would want to discuss the guiding principles from which the rest flows. He stated that their comp plan referenced Midtown and Charleston neighborhood centers but there are actually four that are defined in the City's comp plan to include Alma and Edgewood and the El Camino Corridor's needs. He asked why those were not explicitly laid out in terms of target areas.

Ms. Ortiz answered those decisions preceded their engagement in terms of defining study area and that the two study areas that were defined were taken as emblematic of corridors and types of small districts that were not limited to what could be done with the toolkits provided.

Council Member Burt believed the toolkit would be helpful on all the areas but his read of the report was not that it would apply and help the other undefined focus areas. He wanted to be sure they were included, El Camino in particular.

Public Comment:

1. Annette Glanckopf, speaking on behalf of Sylvia Gartner, Hamilton Hitchings (Zoom), Andie Reed (Zoom), Esther Nigenda (Zoom), stated that the report appeared to her as standard content and recommendations from studies from other cities with some Palo Alto statistics sprinkled in. The examples were cities that were not similar to Palo Alto. She did not believe the report adequately addressed the main causes of retail loss which was the unsustainable rent demands, increasing operations and utility costs and difficulty finding and maintaining staff. She challenged the four assumptions in the report regarding Midtown. She opined that Midtown is out of balance with little true retail and a surplus of personal services. She provided five high-priority recommendations for Midtown she had outlined in a letter that she would leave with the City Clerk and asked the Council to consider them.

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2. Charlie Weidanz stated the Chamber supported the Staff recommendations to approve the comprehensive economic development strategy developed by Streetsense to guide, form and support ongoing economic vitality. They agreed with the key strategies to promote Downtown as a destination for visitors and residents. They particularly agreed that recent trends in retail and changing work patterns were not revisiting Palo Alto zoning, in particular Downtown and Cal Ave. They asked that Council look at a more flexible zoning structure and provide more clarity in what is and is not allowed to aid tenants to encourage more variety in business.
3. Len Filppu served on the committee that rewrote the City's latest comprehensive plan. He stated Policy L4.18 essentially directs the City to maintain Midtown Shopping Center as an attractive, pedestrian-oriented neighborhood center with diverse, local-serving uses and gathering places and encourages retention of Midtown's variety of neighborhood retail shops and services. Mike's Diner in Midtown is facing an existential crisis because he missed paying rent by one day. A petition to save Mike's has gathered 1300 signatures in nine days and asks the City to do whatever it can to find a solution to this potential eviction. He asked Council to help find a way to save Mike's.
4. Mike Wallau, owner of Mike's Diner, stated he previously had a great relationship with the owners of the property but the current situation was unreasonable. He expressed worry for the future since they have attempted eviction for being one day late with rent. He wondered if there was a way to mediate the situation between merchants/tenants and property owners.
5. Celina Tracy expressed her support in saving Mike's Diner. She stated Mike has taken great pride in his restaurant and the property. She is confused at the garbage on the ground, the weeds on the sidewalk and the rundown state of the Midtown Shopping Center. She asked for help in saving Mike's Diner.
6. Stephen Levy encouraged Council to adopt the economic development strategy framework knowing that the implementation details heard that night would come later. He favored Recommendation 10 to build more housing Downtown. For filling vacancies and making Downtown vital, he would go for services.
7. Jeff Levinsky (Zoom), member of the executive committee for Palo Alto Neighborhoods (PAN) who sent a letter outlining concerns about the study, which he summarized. He urged them to study and keep all community serving retail areas in the mix.
8. John Shenk (Zoom), with Thoits Brothers, iterated the immediate need for vast improvements to safety and cleanliness. He asked that police foot and bike patrols be reinstated Downtown. He asked Council to direct staff to work the retail owners to address the zoning maps and permitted uses. He hoped that the report would begin a collaborative effort to revamp Downtown.

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Vice Mayor Stone believed that what the Community wanted to know was what could be done to protect small businesses like Mike's Café in Midtown. He felt that other's agreed the eviction letter after missing rent by one day was unjust and unfair. He stated they had talked about rental protection for residential but not for commercial and he was curious what kind of protections existed in other municipalities.

Ms. Ortiz answered they had to begin with the acknowledgement that you influence but do not control the actions of private property owners. She stated they were there to help understand their lane and the investments they could make to create better business conditions. She stated what has worked in other communities is over time as Staff has built relationships over time with property owners, they have contributed and supported them. She stated that businesses have to anticipate what a lease says at the beginning when signing it.

Vice Mayor Stone asked if other cities create regulations in order to address landlords who are unreasonable.

Ms. Ortiz's perspective on that was a lot of well-intentioned regulations end up working against a community. Her professional recommendation was to enable some flexibility in places that have vacancies.

Ms. Labadie added that they did have a recommendation about connecting vacant properties with businesses that want to be in brick-and-mortar. The Office of Economic Development would be the conduit that brings everything together to work with them on leases, the regulations and navigating that process and helping them improve the property. It is a program the Office of Economic Development would need to create if given the direction to do so with the adoption of this plan. They recognized the need to help support small and local businesses. She emphasized that districts were in a place of many symbiotic uses.

Council Member Tanaka thought the report was inciteful and hoped his colleagues would follow their recommendations. He commented that on 1.1, he believed the plan to redesign the area should be accelerated and they should collaborate with the property owners. On 2.1, having a task force of the people who control the properties would be important. He proposed the Downtown Parking Assessment District as an example. On 3.1, he felt prioritizing [inaudible] was important. He felt number 8 was a good idea. On number 9, he felt they should be more flexible because having something occupied was better than nothing. For number 10, he felt there was more that could be done in that area. On number 3, converting to retail and not office would cause more vacancies because people would be hesitant to rent out the properties. On number 7.1, he believed they had to make sure the public right-of-way was clear and easy and there was no trash in those areas.

City Manager Ed Shikada stated he believed one option for the Council to consider would be getting direction for the overall plan in any particular areas they thought additional follow-up may be necessary to come back for a deeper dive on the priorities themselves. He referred to packet pages 195 to 197 at-a-glance recommendations which provided some annotation noting

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the actions that were already underway versus those that were mid-term, near-term or may require some additional resources. He suggested to get direction on the overall strategy and then go back for further discussion on priorities within the strategy.

Council Member Lauing agreed on coming back to some of the minor points. He believed all of the neighborhoods were their responsibility and not just the ones bringing in the most tax revenue. He believed to create great experiences they had to take a broad view. He stated their role was to help the tenant get into the shop. The areas he believed Council could have the highest leverage in were items 9, 10 and 1.1 and there was a Downtown study underway to address 1.1. He discussed ideas that were being considered and stated he had thoughts on how to structure this if the Council was ready to address it. He questioned how they could get distinctiveness in the branding.

Ms. Ortiz responded that stabilizing and reinforcing Downtown as a destination was about creating a best-in-class environment. She opined they needed to make that level of investment on University Avenue. She stated the current regulatory frameworks eliminate many of the uses that are neighborhood serving for California Avenue. They recommend that what is seen as regulatory oversight be fixed so that they can get more businesses. She stated that the two areas did not have to have a separate distinctive brand relative to the shops or ambience.

Council Member Veenker thought it would be a good idea to explore the idea of retractable bollards for initiative 1.2. She wondered about the possibility of changing the ordinance for the first two and not the third and saying it could go to services or residential but not office space so it would be more tailored and not all or nothing.

Ms. Ortiz answered that a review of that policy was what they were recommending.

Assistant City Manager Nose added that removable bollards were part of the Car-Free Streets scope.

Council Member Burt stated he wanted to focus on the economic part of it. He felt it was overwhelmingly focused on discussions about retail as opposed to TOT from hotels. There had been a rebound from the hotels. He felt their decision to abandon the Silicon Valley Visitors Bureau was a mistake. He stated they touched on the Community assets as attractions but there were far more than what was them and many were not just the additional Palo Alto assets not listed but Stanford. He stated Stanford was an international draw as the shopping center itself was. He felt they needed to look at the connectedness between the shopping center, hospitals and Downtown. He also felt the transformation in who was supporting their retailers and when was not looked at enough. Downtown and Cal Ave were highly dependent on office workers and that was diminished by them allowing a bunch of food, beverage and services to be provided onsite so the office workers did not support the retailers. A parking garage was built on Cal Ave to accommodate a lunch hour peak but it is currently largely vacant at lunch hour. The vitality is more in the evening than daytime. He felt they need to be looking at not only where dollars are being spent but when. He mentioned that he supported what was

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said about how cleanliness and safety were important and helped support vibrancy and should be looked at in the near-term.

Council Member Lythcott-Haims stated she really liked recommendation 9 and 10 and the innovative-thinking expressed. She liked the small solutions. She liked 3.1. She stated the open question for her was South Palo Alto. She wanted to know the plan to ensure the residents did not have to shop elsewhere.

Ms. Ortiz stated they did not look at the new development housing plan. She would recommend looking to see how to make sure that connectivity of access from those places to the existing concentration of retail was comfortable and safe and that making E-mobility possible would be important.

Council Member Lythcott-Haims asked why they recommended against a vacancy tax. She offered that Cal Ave struck her as a great place to promote non-consumerism but humanism and would be a way to revitalize Cal Ave and asked how they could make that concept more attractive.

Ms. Ortiz answered when a structural oversupply of retail was identified and businesses were prevented from doing other things, the property owner could not be penalized for having a vacancy.

Ms. Labadie added they recognize the entrepreneurial spirit around Cal Avenue which inspired the recommendation of connecting vacancy with small businesses that have been market tested and getting them into those brick and mortar spaces. She said that UVFM was onboard with partnering with the City, property owners and merchants within Cal Avenue in finding those spaces and filling them.

Mayor Kou felt they should consider continuing this topic and asked if Council Members had more to add. She added she would like the public comments to be reviewed to include the five recommendations Ms. Glanckopf gave. She wanted more understanding about the vacancy tax and asked if there was a way to explore a base rent.

City Attorney Molly Stump stated that was an acceptable form of rent but that the consultants would have more information about whether that is typically done in an environment like this. The City could not impose this as a regulatory matter.

Ms. Ortiz said this issued would fall under what they could influence and not control and getting between a tenant and landlord in their lease was outside of the purview of what they could participate in.

Mayor Kou stated she would also like to see different districts with different kinds of businesses. She agreed South Palo Alto and El Camino shopping areas needed attention. She would like to see guiding principle recommendations 9 and 10 be study sessions at a different time. She wanted to better understand what the Parking Assessment District did, did not do

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and what they expected. She did support that they had to look at some of their regulations in terms of some of the spaces that were no longer viable for retail and where those spots were and what businesses would benefit what streets. She agreed with 1.1, redesigning streetscape, but that they needed to regulate the signage and furniture on it. She wanted to know who would research businesses and retail personal services to see whether they were viable in a certain location. She also wanted to hear what their economic development person's manager or coordinator and the new person's job description looked like.

Vice Mayor Stone stated he was interested in a deeper discussion about re-evaluating the City-wide retail preservation ordinance in 9.3 given the surplus of retail supply creating market failure. He felt forcing retail where it was not in demand was questionable but he was also concerned about the pendulum swinging too far the other way and allowing for office conversion did not seem wise but maybe allowing for conversion to some sort of mixed use with retail and housing could be appropriate. He felt they should be careful that would not apply to areas like Downtown Core, Cal Ave, neighborhood shopping centers, Midtown, Charleston, Alma Plaza and other neighborhood shopping centers that were not explicitly called out in the report but evaluating the ground floor retail preservation outside of those core areas seemed appropriate. He was curious if a disproportionate impact of vacancies in particular shopping areas.

Ms. Ortiz answered the data they have from Q1 found about 243,000 square feet of vacancy throughout Palo Alto, which was 8%. The national average at that time was 6.5%. California Avenue had a 15% vacancy rate, Town and Country had a 12% vacancy rate, Downtown had a 10% vacancy rate and Stanford had 4% so there was a wide range of where the vacancy occurred as a percentage. Of the 243,000, 88,000 was in Downtown, 31,000 was on California Avenue and the rest was sprinkled throughout. This gave a sense of where the greatest impact was seen.

City Manager Shikada pointed out the general topic of the retail preservation and what would be coming back to the Council was an existing assignment that was already a part of the Economic Development Priority. Before the end of the year, Staff would be coming back for that deeper dive on that topic. This was where the overall strategy Streetsense was working on was somewhat distinct from the specific assignments that were already underway.

Vice Mayor Stone expressed interest in the pro-housing policies in 10.1 through 10.3 but wanted to see how targeted that was intended to be and he continued to have concerns about removing ground floor areas of the City. A member of the Community suggested more proactive programs and have Staff potentially engage potential retailers. He was interested in seeing if other cities did that successfully. He asked if there was a recommendation from the consultants about a big-box retail ban and he would like to understand that better.

Ms. Labadie thought that was somewhat neutral at the time because there was so much on the periphery and if that were to be added into Palo Alto's mix of retail, it would be a gross oversupply of something already available. Palo Alto has the opportunity to focus on the more

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niche things the Community really likes. Their recommendations were to continue in that realm for now.

Mayor Kou stated she would like to have a way of finding out why California Avenue was not as vibrant in retail business and personal services and if it had to do with the closed streets. She was interested in finding if the movie theater could be revitalized as an attraction.

MOTION: Council Member Lauing moved, seconded by Council Member Burt to accept the Comprehensive Economic Development Strategy developed by the City's consultant Streetsense and approve this report to guide and inform City priorities, initiatives, projects, to support outcomes in support of economic vitality and to:

- A. Direct staff to return to Council with options for increasing housing in the California Ave corridor, and;
- B. Create an Ad Hoc committee to work with staff to create revised ordinances to streamline retail tenant regulations including, CUPS, zoning overlays and permitting processing, and;
- C. Refer to PTC a review of the Retail Protection Ordinance with a focus on optimal geographic coverage by this ordinance in the city – taking into account the current RHNA allocation of 6086 new homes over the next eight years, and;
- D. Return to Council for a discussion of near- and medium-term initiatives that would focus on enhancing retail land and hotel use.

MOTION PASSED: 7-0

The Council took a 10-minute break.

6. Approval of a revised Term Sheet with Pets in Need for Operations of the Palo Alto Animal Shelter and an Interim Payment in the Amount of \$55,535 per month beginning June 1, 2023 until a new Agreement is executed; CEQA status - not a project.

Community Services Director Kristen O'Kane presented slides asking for approval of a revised Pets in Need term sheet. She outlined a proposed term sheet for operations of the animal shelter and an interim payment to Pets in Need each month until a new agreement was executed. She reviewed previous Council actions and discussions. She described key terms of the proposed revised terms and levels of service and the compensation and gave explanations for the revisions. She outlined the FY24 adopted budget amendments.

Pets In Need Chief Executive Officer Laura Toller Gardner stated that Pets in Need appreciated their collaboration with the City and were enthusiastic about moving forward.

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1. Carole Hyde with Project Humanekind spoke about TNR which reduced killing rates in shelters and feral cat numbers. She stated they had reached out to Audubon to discuss a partner program as they were asked but received no response. She respectfully asked for the removal of the TNR ban from the contract and to instead create a stakeholder group to include animal rescue advocates, Animal Control and Pets in Need to recommend a policy.
2. Michele Hollar, cat trapper and colony manager, stated the ASPCA, National Institute of Health and the Humane Society of the United States all agree that Trap, Neuter and Return (TNR) was the most effective and humane way to reduce the number of feral cats. She believed the solution of trapping to kill abandoned cats was morally repugnant to many people. She urged Council to require Pets in Need to increase, not eliminate, their spay/neuter and return service and authorize returning cats to their colonies or homes if they are in the service area.
3. Charlene Mercadaute, founder of Pink Paws for the Cause, had a message from Lisa Schmidt, Los Altos Hills City Council member, giving her support in this matter because they contract with Palo Alto for animal services. She had seen that when efforts are focused on spay and neuter, cat populations reduce. She stated every other jurisdiction in the Bay Area except Palo Alto endorses, supports and funds TNR and asked how they justified their isolated stance and why they had never reached out to her or any other cat expert, who knew how to deal with reducing the cat population from experience during deliberations on this issue.
4. Jeannette Washington, Animal Control officer for Palo Alto, acknowledged that animal rescue for Pets in Need was a valuable resource but they are not a municipality. Prior to the Pets in Need takeover, Palo Alto Animal Services was a fully functioning animal control and services agency. She wished the focus for the in-house model was taken into consideration, which would bring back a fully functioning municipality staff, education programs and expand more community involvement. She stated the current proposed contract asked for more money with less services. She asked if this contract was accepted, to please add Palo Alto Animal Services or Animal Control to it.
5. Leonor Delgado, Project Humanekind, asked Council to ratify the need for establishing a viable TNR program in Palo Alto, Los Altos and Los Altos Hills. She stated the Baylands is not overrun by feral cats as the local Audubon would have people believe and that feral cats in those cities are returned to and cared for in well-maintained colonies with vet care paid for by private groups.
6. Antonia DeMatto, cofounder of Community Cat Rescue, stated that banning TNR was the equivalent of trying to reduce teen pregnancy with abstinence-only program while banning birth control and sex education. It was her belief that a ban on TNR would deter people from seeking help and lead to more cats.

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7. Wendy Eilers, caregiver of cats on Stanford Campus, referenced an article in the Daily Post that explains how the Stanford Cat Program can model an effective approach to feral cats in Palo Alto. She stated TNR was the only humane way proven to reduce the population of homeless cats in the communities. She asked Council to consider moving the probation from the Animal Shelter contract and allow for a discussion that includes the local rescue community in developing a program to address the feral cat issue.
8. Debra King expressed her understanding that the reason for the TNR ban was that the feral and homeless cats were believed to be responsible for the reduction in the small bird population. She stated small birds had many threats besides feral and homeless cats. She added that studies prove that TNR is the most successful method of stabilizing and reducing the feral cat population.
9. Scottie Zimmerman stated cats were not released but returned and went to communities where they are cared for. She claimed to be a member of the Audubon Society but believed the statistics about how many birds the cats are killing and how many homeless cats exist are ridiculous. She expressed her support for TNR.
10. Shani Kleinhaus [inaudible] in Mountain View was the most traumatic experience she had in her advocacy life. Dr. Alan Launer, Director of Conservation Planning at Stanford University, believed that feral cat colonies perpetuate the problem rather than solve it and the impacts on birds and other creatures is consequential. She did believe there was a risk to public and environmental health due to parasites and diseases. She believed Jeannette Washington was the expert on what should be done in Palo Alto.
11. Rani Fischer (Zoom), volunteer for the Santa Clara Valley Audubon Society, expressed her support for the decision to reject TNR as it did not significantly reduce the feral cat population or the proportion of pregnant feral cats. A study of the TNR program in Onomichi, a city in Japan, found that it was ineffective. She stated feral cats not only hunted birds but also harm other species by spreading the parasite Toxoplasmosis gondii and feral cat feces was found in people's vegetable gardens, children's sandboxes and dogs eat it. She believed Palo Alto was the only city in the area dealing with feral cats responsibly and they should continue to do so.
12. Michael Ferreira (Zoom) was under impression that the issue before the Council at this time would be whether the term sheet in front of them corresponded to the instructions at the last meeting. He believed Ms. Kleinhaus briefly referenced the ability to oversee that correctly. He reiterated that he was not pleased to hear people denigrate the Audubon Society or Palo Alto.
13. Suzanne Freeze (Zoom), Los Altos resident, stated she had been feeding homeless cats in local colonies for the past several years and rehomed many previously unwanted cats to loving homes. She stated cats were only homeless because of residents abandoning them. She asked Council to please reconsider funding the TNR Project.

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14. Eileen McLaughlin (Zoom), representative of Citizens Committee to Complete the Refuge, stated she had participated in the effort at studying this problem in Mountain View mentioned by Ms. Kleinhaus. She objected to the removal of the phrase "causing them to be released" from the term sheet as there may be people that did not abide by the jurisdiction requirements. She agreed with Ms. Kleinhaus and Ms. Fischer that no studies demonstrated that TNR actually works. She hoped Council would continue with the practice proposed at the last meeting and included in the current term sheet.
15. Rhonda Stiegel (Zoom) stated she had been doing TNR work for 40 years throughout all the counties and she had seen it work. She stated TNR relied heavily on organizations like PIN and putting constraints on them to not release feral cats was inhumane and nonviable. She asked that Council ensure they have objectively looked at the benefits of TNR before putting constraints on PIN and that they not let a well-funded organization like the Audubon Society have undue influence on the Council.

Council Member Veenker had toured the current shelter facility and found caring staff and volunteers but it was physically rundown and outdated. She and Council Member Burt toured the Detkin Oates Animal Shelter, the world's first modeled shelter as certified by the Association of Shelter Veterinarians. She stated not only what they had but how it was run was interesting. Her thoughts were that before deciding on what the capital improvements were, they should be sure what services they, as a City, want to offer. It was also clear to her that when the Humane Society of Silicon Valley declined to respond to their RFP in 2016, it was because of at least one misunderstanding and now a couple of changed circumstances. One thing they wanted to make sure was that Animal Control Officers continued to do Animal Control functions. It was her thought that they should proceed with the contract but take a closer look at what services they should be offering as a municipality over the course of the next couple of years and let that guide the physical plan improvements. She stated that compared to what was said in June, the MOU was close but the five-year term was different than the original direction and Staff reported there was a termination clause but she did not see it. She wanted to confirm that the intent was that anything not specifically in the MOU would get carried over from the prior agreement, including the termination clause.

Ms. O'Kane stated they were expecting the termination clause that was in the current agreement to carry over with some minor wording changes.

Council Member Veenker asked that that be expressly recited. She asked how many animals go through their shelter per year.

Ms. Toller Gardner could not give the total number at the time but she would send the number to her.

Council Member Lauing asked if they were going in at less than full cost so it would be more easily accessible for everybody of every income level. He commented as they had higher

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expenses for medicines and staff, he presumed they could both be adjusted over the course of the contract. He expected the termination clause to be a part of the contract.

Ms. Toller Gardner answered they were currently abiding by the municipal fees the City establishes. She agreed the expenses could be adjusted over the course of the contract and if they considered that, they needed to consider that there would be an inverse response. She confirmed the termination clause to be a part of the contract.

Vice Mayor Stone expressed approval of removing the phrase "will cause them to be released". He asked if PIN could talk about the current process when someone brings in a feral cat.

Ms. Toller Gardner answered that in 2022, 22 cats were brought in either by ACOs or over-the-counter, which was not very many. Eight of those qualified as having severe behavior and fourteen were deemed feral. She described the process of how the cats were treated in the most humane way and rehomed.

Vice Mayor Stone asked how many of the 14 that were deemed feral were euthanized and what would be a reason for euthanizing a cat that was brought in.

Ms. Toller Gardner did not believe any of the cats deemed feral were euthanized and were able to be placed into programs. She stated a cat would only be euthanized in the case of serious injury or illness or if it truly could not be handled and there was no alternative program for it. The decision was made very a very involved process with counsel from internal vets and a veterinary behaviorist consultant.

Vice Mayor Stone referenced the term sheet phrase stating a feral cat policy will develop a humane practice that reflects shelter best practices. He asked if she could speak to the argument of some that TNR is the accepted best practice.

Ms. Toller Gardner answered their hope was that they could be in dialog and cooperation with the City and partners to come up with something that is positive for birds, wildlife and for community cats.

Vice Mayor Stone wanted to make sure moving forward that the policy in place did not euthanize cats.

Council Member Burt wanted to follow up in the issue that Council Member Veenker raised about the dilemma on sequencing what the capital investment should be for the facility and needing to precede those actions with making sure they were aligned on the functions that should be done in Palo Alto. He was not clear on adoptive services and asked if those needed to be done in Palo Alto and if it would be better to invest in high-quality facilities for the core functions and moving adoption to a better facility a few miles away. He questioned if they could define the scope of services they agree on over the course of one year.

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City Manager Shikada said that the question was whether Palo Alto should get out of providing the service of adoptions within the City. He believed the scope of services was developed around the assumption they would continue to provide that. He stated if Council wants to revisit that question, it would be a separate but significant consideration.

Council Member Burt added that the Humane Society of Silicon Valley's adoption facilities and breadth of animals that were up for adoption was impressive. He did not think they could duplicate that. He did not feel they had the budget to support all of the services they wanted.

Ms. Toller Gardner asked if he was envisioning one model where Palo Alto, Los Altos Hills and Los Altos residents were not able to adopt animals in their own community.

Council Member Burt answered that out of all the services, he would not have heartburn going to another city where there would be a broader selection to adopt an animal.

Ms. Toller Gardner stated she heard what he said but respectfully believed the inability to being able to adopt in their community might be a barrier to adoption.

Council Member Burt stated they had not been presented with any evidence that that was the case but he was open to that evidence.

Ms. Toller Gardner expressed her belief that the evidence was the work they had been doing.

Mayor Kou referenced Packet Page 264 showing the arial view of the site where there are buildings backing up to Pets in Need for the Animal Shelter. She originally thought that portion was supposed to go to Pets in Need and she wanted to explore returning that portion back to them and if not those buildings should move to the other side so it is not backed up to the Pets in Need site.

City Manager Shikada recalled there had been interest in expanding the footprint for the Animal Shelter but there was no proposal for accomplishing that.

Ms. O'Kane confirmed that was correct. She stated it was Police Department and Office of Emergency Services so if they continue that conversation with them, they need to make sure they have the ability to store what they need to store in the event of an emergency and can access the storage containers.

Mayor Kou asked about the progress on work toward an Emergency Preparedness Plan.

Ms. Toller Gardner answered that was in process and it would probably be completed around the time and agreement was reached on a contract.

Ms. O'Kane added the goal was to have a new contract by the end of the calendar year.

Council Member Veenker thought it was a financial thing when the services were outsourced in 2016. She felt when considering what services they offer they needed to consider what they

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could afford. Her intent was to decide on the contract and then try to look at the separate question regarding with or without adoption services. She stated it would be interesting to know the delta in the dollar figure because that was a factor in how the whole thing got started. At that point they could do research on the demand in terms of people willing to drive to another city to adopt. She would like to see that as a motion in approval of the contract to direct that they go look at that. She requested that the corrective action provision in Item U be made compatible with the termination clause. She did not understand where the feral cat colonies were and wanted to say she did not think that was the intent at the time of the June meeting to say someone else could take them out of jurisdiction like has been the past practices.

Cody Macartney, Animal Control Officer, responded that they had not done studies on where colonies were and that Baylands had always been a hot spot. In his anecdotal knowledge, there are hot spots around town where there may be 15 to 20 cats living in a neighborhood and the residents require help dealing with that.

Jeannette Washington, Animal Control Officer, stated the stretch of dirt area alongside Palo Alto Square was a big hotbed of feral cats that over the years with Palo Alto Humane Society's help and some feral cat trappers, the colonies have basically disappeared. Barron Park area and Hillview area were some others.

Council Member Lauing addressed the idea on the table because they need to ask the CEO if they would be interested in such an agreement that could change substantially over the course of a year which would be a major reduction in their revenue as they would not be signing up for a five-year contract with five-year renewal but a maximum of a one-year contract with a possible suggestion that the revenue would go down.

Ms. Toller Gardner stated she was surprised to hear this as a consideration. She stated adoption was critical to humane work and having adoption services in communities ensure that animals' stay in the shelter is as short as possible and that was one of their major goals. She was not prepared to say what Pets in Need would or would not do but she did not believe that was a sheltering best practice. She stated they would have to study that and understand the implications before making a decision.

Council Member Burt wanted to make sure everyone understood that out of the animals that were adopted locally, not all of them were animals that were locally abandoned or strays versus ones that were being brought in from outside the area to help facilitate adoption. He asked if they had the statistics of what animals that were up for adoption in their facility were from their community.

Laura Birdsall, Pets In Need Director of Shelter operations, stated approximately 80% of the animals on the adoption floor in Palo Alto originated from Palo Alto. She cautioned the City that the animals that come into Palo Alto typically would not be the ones that organizations like PHS or HSSV would want to bring in because they are not great adoption candidates. The question

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would be what they would do with the animals if HSSV or PHS would not take them. She stated paying rescues to take those animals would run \$3000 to \$5000 an animal.

Council Member Veenker expressed confusion about her saying people would not go out of jurisdiction but if they could not take animals back and forth between Palo Alto and Redwood City would be a problem.

Ms. Birdsall clarified that they do have an adoption center in Redwood City they leveraged a lot. If they did not have a contract with the City of Palo Alto, that would not happen so they would have to find a similar partner that would probably involve some sort of financial investment.

Council Member Veenker stated it was kind of two different services to do stray holds when animals are brought in and cannot be adopted out for a certain period of time and they were just suggesting perhaps not doing it at the same site.

Ms. Birdsall encouraged her to go to PHS.

Council Member Tanaka stated the service was a multicity program and he wondered if it should be more of a regional thing versus them footing the bill for everything.

Ms. O’Kane stated services for Redwood City residents and animals was solely paid for by Pets in Need, not Palo Alto City. They also serve Los Altos and Los Altos Hills and they pay their share of the services provided to them. She added Council has already directed them to continue negotiating with Pets in Need. She felt deviating from that would go back a year and a half in progress.

Council Member Tanaka asked what the rules were regarding going to Mountain View for pet services.

City Manager Shikada clarified that Mountain View does not provide the service. They work through the Silicon Valley Animal Control authority. There are resident versus nonresident rates and he assumed other jurisdictions would do the same.

Council Member Tanaka expressed doubt that they had the funds to provide all services in-house and mentioned there are also private animal shelters available.

City Manager Shikada stated they were there with their partner that has worked with them to get to this point and hopefully to proceed and if he were a perspective partner listening to the Council’s discussion, he would be wondering about the nature of that partnership going forward. Ultimately, they would take the Council direction but he did think they should be mindful of the impact that brainstorming has on their attractiveness as a partner.

Vice Mayor Stone expressed his hope that there would be an attempt to consult with the other stakeholders.

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Council Member Veenker commented she would like to go forward with the contract with Pets in Need with the appropriate provisions talked about. She also wanted to offer a friendly amendment to direct Staff to explore the appropriate services for them to offer and the corresponding financial attributes for the shelter such as whether to continue adoption services separate from the contract term.

Mayor Kou questioned if she was asking for exploration only to come back when the contract expired or telling them to change in the middle of the five-year contract.

Council Member Veenker answered the contract would be set and would be explored in year one in parallel.

Mayor Kou expressed concerns about that because they were operating in good faith and moving forward and she did not want to cause the partner any iffy feelings and she could not accept this.

MOTION: Vice Mayor Stone moved, seconded by Mayor Kou to approve:

1. A proposed Term Sheet with Pets in Need for operations of the Palo Alto Animal Shelter and direct staff to return to Council for approval of an Agreement reflecting these terms, and;
2. An interim payment to Pets in Need in the amount of \$55,535 per month beginning June 2023 and each month until a new Agreement is executed, and authorize the City Manager to execute any contract amendment necessary.

MOTION PASSED: 6-1, Tanaka no

AMENDMENT: Council Member Veenker moved, seconded by Council member Tanaka to approve:

1. A proposed Term Sheet with Pets in Need for operations of the Palo Alto Animal Shelter and direct staff to return to Council for approval of an Agreement reflecting these terms, and;
2. An interim payment to Pets in Need in the amount of \$55,535 per month beginning June 2023 and each month until a new Agreement is executed, and authorize the City Manager to execute any contract amendment necessary, and;
3. Direct staff to explore the appropriate service offerings and the corresponding financial implications for the shelter

AMENDMENT FAILED: 3-4, Lythcott-Haims, Stone, Kou, Lauing no

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7. Update on Pending State and Federal Legislation and Advocacy and Grant Writing Support Activities; Consideration of Resolution Offering Comments on SB 532 - the Safe, Clean, and Reliable Bay Area Public Transportation Emergency Act

Deputy City Manager Chantal Cotton-Gaines gave an overview on state bills that were being sought to include two related to mental health and one related to transportation. They were recommending Council taking action on those and asking for feedback on anything on the monitoring list or any other bills.

Townsend Consultant Niccolo De Luca presented an overview of state legislation.

Townsend Consultant Carly Shelby presented slides representing all the positions the City has taken a formal position on and recommended legislative positions and provided explanations of the two behavioral health infrastructure and policy reforms.

Mr. De Luca added that the Governor was very focused on those two measures and a lot of municipalities have been supporting the two measures. He presented a slide outlining a bill dealing with a toll increase on the seven state bridges and sought input from Council on this piece of legislation. He presented a slide on state advocacy looking forward.

Townsend Consultant Joseph Mellow gave an update on state appropriations and earmarks on the federal side and provided descriptions and explanations.

Townsend Consultant Alex Gibbs presented slides outlining grant funding updates. He highlighted pending grant programs and applications currently being worked on.

Deputy City Manager Cotton-Gaines presented a slide outlining their recommendations.

Council Member Tanaka spoke about flooding of Chaucer Bridge and asked if the funding could be used for that.

Mr. De Luca stated they had been working with the Public Works team for legislative strategy to get Caltrans to help front funds for Newell Bridge and once that was addressed they would go to Chaucer Bridge.

Council Member Tanaka commented that he believed Chaucer Bridge was higher priority because it caused a lot of property damage.

Mr. De Luca stated the Public Works team had identified that and they were looking at state and federal grants and in addition district-directed funding and earmarks.

Ms. Shelby added they focused on the Newell Bridge predominantly because that is where the Council's efforts have been to make the project happen and the JPA is leading on the Pope-Chaucer.

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Mayor Kou added it was her understanding the reason they were focusing on the Newell Bridge was because it was the downstream one that had to be taken care of before the Chaucer one could be addressed.

Council Member Tanaka asked how the organized Retail Theft Prevention grant program would actually change things as he believed nothing could be done if the theft was below \$900.

Mr. Gibbs answered that the grant and implementation strategy suggested through that was additional law enforcement officers partnering directly with the shopping centers so law enforcement would be located at the shopping centers considered hot spots.

Mr. De Luca added that in addition to the retail theft funding, the governor led hard on providing funding for DAs, sheriff departments and others to go after the organized rings. He talked about Prop 47 regarding the value of theft being below \$900 stating legislation needed more data to make decisions to change that.

Council Member Tanaka believed any legislation that could cut that back would be good. He asked if the automatic ones like AB 12 on slide 9 were applying to policy or were actually voted on.

Ms. Shelby answered they took that before Council in April.

Council Member Tanaka stated he did not support AB 12. He asked for better explanation on the 3 bills listed on slide 23.

Ms. Shelby stated both bills on slide 12 work in tandem with one another. The goal is to create unlocked residential care facilities for those experiencing behavioral health and substance use disorders and provide them with services. It is not as concrete as typical multifamily housing developments. The goal is to identify sites throughout the state to develop these facilities. The funding component via AB 531 would kickstart the development of these facilities.

Mr. De Luca added that Senate Bill 326 would make alterations to the billionaire's tax so the funding that used to go to operations would also go to capital to help create more beds and more facilities to help address those having mental health issues. This helps compliment the Governor's CARE Court proposal from last year. SB 532 is the bill on the \$1.50 toll increase for the seven area bridges for five years for operations for transit agencies through MTC.

Public Comment:

1. Adina Levin encouraged Council to support or modify the comments on SB 532. She sent a letter with information about equity amendments to include relief for fines and fees for people who cross more than one bridge and a cap for people who cross bridges multiple times in a week. She said 67% only cross a bridge once a week so putting a cap for low-income people would provide significant relief for those coming into Palo Alto.

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Palo Alto depends on continuing to have Caltrain, BART and AC Transit run in order to meet the City's goals for congestion relief for parking.

2. Atuc Sham presented a video of District Attorney Jeff Rosen speaking about the various different opinion of what caste is. He stated there were hate crimes in the County but he was not aware of anything related to caste. A bill talking about caste discrimination struck him as discriminating against Indian-Americans.
3. Sharish A., longtime Palo Alto resident, expressed his strong opposition to SB 403. He stated caste is not an issue in America. He believed the bill was an attempt to stigmatize Hindu-Americans and could result in widespread discrimination in schools, offices and other institutions.
4. Ravi B. stated SB 403 was discriminatory converse to what it claims to achieve and is based on an incorrectly conducted survey by a for-profit organization, Equality Labs. He stated it referenced a case that was tossed out of court as a frivolous lawsuit and there had been no cases of discrimination in California based on caste. He requested Council pass a resolution against SB 403.

Council Member Tanaka asked the lobbyist to weigh in on SB 403.

Ms. Shelby stated SB 403 would make ancestry a protected characteristic under the State's antidiscrimination laws and further definitions for certain elements of caste. The bill is supported by the California Labor Federation, opposed by the Hindu-American Foundation and there are logged concerns positions from the Jewish Institute for Liberal Values. It has been a defeated bill. It will appear before the Assembly Appropriations Committee the following Wednesday which would provide additional insight of the progress. She stated they would be happy to send over any updates regarding the progress later in the week.

Mayor Kou stated there were already antidiscrimination laws in place in the state as well as national Constitution. She had concerns about the unintended consequences causing further discrimination acts. She commented on the divisiveness this proposed legislation has caused. She said Palo Alto has a resolution, number 9653, specifically stating the City of Palo Alto does not tolerate discrimination, hate crimes, harassment or assault and opposes any attempts to undermine the safety, security and rights of members of the Community.

Vice Mayor Stone believed this issue was too complicated for Council to make an absolute decision and would be better suited to be referred to the HRC.

Council Member Lythcott-Haims supported this motion because she felt there were compelling arguments both for and against SB 403 and felt the HRC was better positioned to help Palo Alto formulate and opinion.

Council Member Veenker asked that the Human Relations Commission look at that question because in 2021 the Council adopted a policy called strategic weighing in on issues of interest

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to the City. That strategy was that the City would lean heavily on the categories identified in the legislative guidelines and comment only on a handful of bills. With respect to draft bills, the strategy would focus on bills that directly impact Palo Alto and have a fair or high likelihood of passage. She stated it was a state bill not specific to Palo Alto. She believed Council should be very careful what they take positions on.

Council Member Tanaka asked if the bill had time to go through HRC.

Ms. Shelby answered it would be voted on the next Wednesday but if it was not positively passed by September 14 it could be reintroduced in January in which case they did have time to hear opinions from HRC on whatever iteration of the bill comes back.

Mayor Kou stated she would prefer to give clear opposition or support as they go forward as it does affect the residents of their City.

Council Member Burt spoke about the pros and cons of the bill and recommended not taking a position on it.

MOTION: ~~Council Member Tanaka moved, seconded by Mayor Kou to oppose SB 403.~~

SUBSTITUTE MOTION: Vice Mayor Stone moved, seconded by Council Member Lythcott-Haims to refer SB 403 to the Human Relations Commission (HRC) for discussion.

SUBSTITUTE MOTION PASSED: 5-2, Kou, Tanaka no

MOTION: Vice Mayor Stone moved, seconded by Council Member Lauing to support AB 531 (Irwin), SB 326 (Eggman), and continue monitoring SB 532 (Weiner).

MOTION PASSED: 7-0

Adjournment: The meeting was adjourned at 12:32 A.M.