



CITY COUNCIL SUMMARY MINUTES

Regular Meeting
March 11, 2024

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

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

Present Remotely:

Absent:

CALL TO ORDER

Mayor Stone called the meeting to order, and roll was taken.

CLOSED SESSION

1. CONFERENCE WITH LABOR NEGOTIATORS City Designated Representatives: City Manager and his Designees Pursuant to Merit System Rules and Regulations (Ed Shikada, Kiely Nose, Sandra Blanch, Nick Raisch, Tori Anthony, Molly Stump, and Jennifer Fine) Employee Organization: Service Employees International Union, (SEIU) Local 521, Utilities Management and Professional Association of Palo Alto (UMPAPA), Palo Alto Peace Officers' Association (PAPOA), Palo Alto Police Management Association (PMA), International Association of Fire Fighters (IAFF) local 1319, Palo Alto Fire Chiefs' Association (FCA); Authority: Government Code Section 54957.6 (a)
2. CONFERENCE WITH CITY ATTORNEY- EXISTING LITIGATION Subject: Eric Figueroa, et al. v. City of Palo Alto Santa Clara County Superior Court Case No. 21-CV-383740 (One Case, as Defendant) Authority: Government Code Section 54956.9(d)(1)
3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS Authority: Government Code Section 54956.8 Property: 445 Bryant Street, Assessor's Parcel Number 120-15-107 Negotiating Parties: La Comida de California, Unlimited Mojo, Inc. Operating as an Iron24 Franchise, Silicon Valley Bike Exchange, Stealthmode LLC City Negotiators: Ed

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Shikada, Kiely Nose, Kristen O’Kane, Sunny Tong Subject of Potential Negotiations: Lease Price and Terms of Payment

PUBLIC COMMENT:

1. Donna Johnson (Item 3) described her goal to enhance the downtown retail and social ecosystem by adding an Iron24 Fitness + Recovery location. She detailed the ways this business would benefit the downtown and noted the accessibility of the location. She discussed that opportunities for health and fitness are essential to the health and wellbeing of a community. She concluded that opening a neighborhood gym has long been a dream of hers and asked for the City's support.
2. Russ Kahn (Item 3) spoke in support of Ms. Johnson in the need for a gym in Palo Alto. He detailed her history and experience in health and fitness.
3. John St Clair, III (Item 3), spoke as the Co-President of La Comida Senior Nutrition Program, which is a nonprofit organization that has been serving Palo Alto's seniors since 1972. Their mission is minimize food insecurity and social isolation for seniors. He described the reasons that 455 Bryant was an ideal location for this program.
4. Bill Blodgett (Item 3), Co-President of La Comida, explained the organization has been trying to establish a downtown location for six years and there is a demand for it. He hoped to be able to establish at 455 Bryant as a permanent home.
5. Aram J. (Item 2) speculated that this was a frivolous lawsuit that was politically driven. He felt the City could respond with an abuse of process suit against the involved officers. He requested public records for the pleadings involved in the suit and the cost to the City.

Council Member Kou disclosed that her husband serves uncompensated on the La Comida de California board.

MOTION: Council Member Veenker moved, seconded by Council Member Lythcott-Haims, to go into Closed Session.

MOTION PASSED: 7-0

Council went into Closed Session at 5:45 P.M.

Council returned from Closed Session at 8:50 P.M.

Mayor Stone announced no reportable action.

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AGENDA CHANGES, ADDITIONS AND DELETIONS

Ed Shikada, City Manager, noted that Item 7 was removed from the Consent Calendar. He also stated Item 14 was expected to be a very brief discussion and suggested the Council may wish to hear that before Item 13.

PUBLIC COMMENT

1. Yazan A. spoke on behalf of (8): Yafang B., Talha B., Tuba S., Makenzie H., Noel S., Tuba O., and Michelle H. He presented photos of children living in the Gaza strip prior to October, many of whom had been killed. He stated that watching children suffer was harder as a father and noted that over 12,000 children had been killed thus far. He asked that politics not be put over human rights and the rights of children.
2. Jonathan G. Spoke on behalf of (7): Giora, Estee, Avner, Elinor T., Edith C., and Adele G. He described why he believed that Israel was not an apartheid state and presented examples of this. He explained that Israel had secured their border to safeguard citizens of all ethnicities due to terrorist activity and also listed some instances of discrimination in the West Bank.
3. Deborah G. believed calling for a ceasefire resolution was anti-Semitism as there were no calls for ceasefire resolution in Qatar or for bringing down Egypt's borders.
4. Elaine E. stated that continued silence implies Palo Alto's support for condoning genocide. She requested that the City call on the President to get the border with Egypt open to allow relief supplies to enter.
5. Marilyne U. spoke about a past friendship with a Muslim woman as a Jewish individual in Palo Alto. She did not know if the same type of relationship would be possible today with the divided community.
6. Deborahlise believed those who share a history of ethnic cleansing would demand a ceasefire. She felt Israel was a dangerous mafia, asking that Palo Alto be on the right side of international law.
7. Debbie M. (Zoom), with 350 Silicon Valley Palo Alto team, voiced her concern regarding the 9th Circuit Court of Appeals against Berkeley's similar ban on gas in new construction. She hoped to see the One

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Margin approach to stopping the use of methane gas on the agenda and hoped the Council would support it.

8. Lori M. asked the Council to focus on local issues and not divide the community with a resolution that opines on foreign affairs.
9. Phoebe M.-J. (Zoom), member of Palo Alto Student Climate Coalition, urged the Council to prioritize getting the Staff the resources needed to stay on track to reaching 80/30 and S/CAP goals as well as making sure time is not lost in the transition to One Margin.
10. Isaac spoke on behalf of (8): Tania B., Vadim K., Alex L., Itai D., Sarith H., Mika I., and Barak. He explained why he felt anti-Zionism was anti-Semitic, describing why Israel is part of Jewish identity. He felt that to deny the right of Israel to exist was racist.

COUNCIL MEMBER QUESTIONS, COMMENTS AND ANNOUNCEMENTS

Council Member Lythcott-Haims noted as Chair of the City's Cubberley Ad Hoc Committee that there was a meeting with the school district counterparts last week. Those conversations continue.

Council Member Veenker stated that Cal Cities was having a city leader summit in Sacramento and the Peninsula Division would be co-hosting a lunch with the North Bay and East Bay Divisions. She also noted that, as the Legislative Action Committee representative for Santa Clara County, she was working with a colleague to put together a multi-hour session on April 18 to meet in small groups with legislators.

Council Member Burt explained that the Caltrain Local Policymaker Group will have its next in-person workshop on Thursday at the Redwood City Council Chambers for a continuing discussion on the corridor-wide grade crossing strategy. It is open to all interested parties.

CONSENT CALENDAR

4. Approval of Minutes from February 26, 2024, Meeting
5. Authorize Transmittal of the 2023 Comprehensive Plan Annual Progress Report to the Office of Planning and Research and the 2023 Housing Element Annual Progress Report to the Department of Housing and Community Development.

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6. Stanford University Medical Center (SUMC) Annual Report to Council for Fiscal Year 2022-2023
7. Approval of Amended Palo Alto CLEAN Program Rules and Requirements, Handbook, and Power Purchase Agreement; CEQA Status: Not a Project under CEQA Guidelines Sections 15378(a) and (b) *Item Removed*
8. Approval of Construction Contract C24190072 with O'Grady Paving, Inc. in the Amount of \$5,432,037 and Authorization for the City Manager or Their Designee to Negotiate and Execute Change Orders for Related Additional but Unforeseen Work that May Develop During the Project Up to a Not-to-Exceed Amount of \$543,204 for the Fiscal Year 2024 Asphalt Paving Project, Capital Improvement Program Projects PE-86070, PO-89003, CB-17001, PE-20001, PE-09003, and SD-06101; CEQA status - exempt under CEQA Guidelines Section 15301(c) and 15301(d)
9. Approval of Professional Services Contract Number C24190133 With Anne Rosenthal Fine Art Conservation Services in an Amount Not-to-Exceed \$118,624 for preservation of frescoes by artist Victor Arnautoff created in 1932 at the Roth Building (the former Palo Alto Medical Clinic) at 300 Homer Avenue for a period of 18 months; CEQA status - categorically exempt.
10. Adopt a Revised Interim Ordinance to Extend the Interim Parklet Program to July 31, 2024 (from March 31, 2024) and Phase-in Enforcement of the Ongoing Parklet Program through November 1, 2024; and Extend Parking Lot Eating/Drinking Uses to December 31, 2024; CEQA Status- Categorically Exempt (Sections 15301 and 15304(e))
11. Adopt an Ordinance Increasing Council Member Salary From \$1,000/Month to \$1,600/Month, Effective January 1, 2025, as authorized by State law

Council Member Veenker recused on Agenda Item Number 6.

MOTION: Vice Mayor Lauing moved, seconded by Council Member Burt, to approve Agenda Item Numbers 4-6, 8-11 (Item Number 7 removed from Agenda).

Council Member Kou registered a no vote on Agenda Item Number 5.

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Council Member Tanaka registered a no vote on Agenda Item Numbers 9 and 11.

MOTION PASSED ITEMS 4, 8, 10: 7-0

MOTION PASSED ITEM 5: 6-1, Kou no

MOTION PASSED ITEM 6: 6-0-1, Veenker recused

MOTION PASSED ITEMS 9, 11: 6-1, Tanaka no

Council Member Kou explained the report did not list any of the costs the City has incurred in putting this together.

Council Member Tanaka noted that on Item 9, there were not multiple bids, so the City did not necessarily get the best deal. On Item 11, he stayed consistent to his previous vote opposing salary increases for City Council.

CITY MANAGER COMMENTS

Ed Shikada, City Manager, gave an update on the heat pump water heater program. He encouraged residents to take advantage of the time-limited savings program, which will continue until prices are revised in April. The application deadline for City Boards and Commissions closes Sunday, March 17. He noted a few upcoming sessions and programs focused on community health and wellness. The City Earth Day Festival will take place April 21 at Rinconada Library. He reviewed upcoming Council items, including a study session with Cal Poly San Luis Obispo team, a tree ordinance update, and Council Procedures and Protocols annual discussion on March 18.

ACTION ITEMS

12. Approval of the 2024 City Council Priority Objectives and Finance Committee and Policy & Services Committee Workplans (Item Continued from March 4, 2024 City Council Meeting)

Mayor Stone noted this was continued from the March 24 meeting. Public comment was taken previously, and the Public Hearing was closed.

Lupita Alamos, Assistant City Manager, explained that the discussion would be on the 76 proposed objectives supporting the 4 priorities adopted by Council, which reflect the organization's capacity to accomplish and advance

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within the calendar year. Staff recommended Council review each of the different priority areas and objectives and make tentative agreements for final adoption after all four priorities have been reviewed.

Mayor Stone noted Consent Item 10 extended parking lot eating and drinking uses to December 31, 2024. He questioned whether Council would need to direct Staff to complete the work this year if the desire was to allow permanent parking use extension into parking lots for businesses that do not face a public street.

Jonathan Lait, Planning & Development Director, responded that Staff would need direction from Council to advance that.

Ed Shikada, City Manager, explained Staff was aware of only one business using a city parking lot with a few parking spaces for the purposes of an exterior parklet. He noted that there were questions about design standards and the tradeoff between the parklet versus parking in this unique situation.

Holly Boyd, Assistant Director Public Works, added it was something Staff could look at and she would ask the Attorney's office to help guide Public Works on how best to handle that.

City Manager Shikada also stated that would effectively be a new project and Staff would need the opportunity to determine resource implications for that project.

Council Member Lythcott-Haims described that there had been a fairly robust conversation about Cal Ave with Council ultimately deciding to keep it closed. Items 6, 7, and 8 relate to Cal Ave, and she asked for an update on those items.

Assistant City Manager Alamos understood the urgency of those improvements and explained Staff was taking steps to address concerns and engage in conversations with those businesses. There was a workshop planned to address the issues, and there were not enough RSVPs received to hold the workshop. It will be rescheduled to try to meet and engage with businesses to make Cal Ave a more enjoyable place.

Vice Mayor Lauing was in favor of limiting the number of projects. He felt some items (for example, support visible police presence by ensuring stable staffing, recruiting, and retention through Hiring Ahead Program) were more best practices and happening all the time and did not need to be called out as an item to be done. He believed several items needed measures to work toward, such as facilitate the establishment of sustainable business organizations.

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Council Member Burt noted many of the things on the list would occur regardless of the priorities. He felt this was a way to organize and use Council priorities to frame many of the projects, while other projects were because of the set priorities. He did not want to imply these things were all being done in response to the priorities. He echoed Council Member Lythcott-Haims's concern that the measures on Cal Ave were happening too slowly and wanted to ensure it was not being overcomplicated. He noted he has heard from a number of merchants and tenants downtown a concern over deterioration in the cleanliness of downtown. He detailed the issue around the Downtown Streets Team's ability to provide the same level of service. He emphasized that getting the streets and sidewalks cleaner was the first thing that could be done to improve downtown.

Council Member Kou agreed that progress on Cal Ave has been slow but has been progressing a little faster. She questioned if there was a reluctance to review the design submitted by one of the merchants on Cal Ave for the orange barriers. She asked for more information on the planned workshop. She also noted the Caltrans proposal for El Camino to have a bike lane and no parking might have impact on some of the business districts. She hoped the items that had to do with California Avenue were connected to make sure they are up to date.

Assistant City Manager Alamos responded that the design for the barrier was received by Staff, who are looking into having it made. The workshop was a reflection of the Cal Ave merchants' expression of wanting immediate improvements, including branding, which cannot be done by Staff alone. Branding will then also inform what the signs and barriers look like, so it is all connected.

Council Member Lythcott-Haims asked if, regarding the workshop, Staff was bringing ideas for the community to respond to or creating a space for a meeting to happen and expecting the community to come with ideas. She suggested a workshop during Third Thursdays.

Assistant City Manager Alamos stated that Urban Field Studio has been engaged. Staff has heard feedback from merchants and are presenting designs that reflect that. The workshop is to cement the ideas of how merchants would like the space to look.

Mayor Stone asked if people attending Third Thursday are allowed to have an open container of alcohol and walk along the closed portion of the street.

Assistant City Manager Alamos responded that the current monthly permit does not allow alcohol. Staff is in conversation with the legal team to understand what that change would mean.

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Molly Stump, City Attorney, added it would likely require both local action, which the Council would have discretion to take, and ABC approval.

Council Member Burt questioned the monthly permitting for Third Thursdays as he believed the leadership was interested in an ongoing permit.

Assistant City Manager Alamos stated Staff would engage in that conversation when that request is received.

There was discussion about potential collaboration between Third Thursdays and the City, which will be further discussed later in the objectives.

MOTION: Council Member Lythcott-Haims moved, seconded by Council Member Burt, to approve the 2024 Proposed City Council Priorities and Objectives: Economic Development & Transition (ED&T) section and additionally:

1. Direct Staff to work with and report to the Retail Ad Hoc Committee to explore a permanent ordinance allowing parking lot eating/drinking uses for businesses that do not face public streets; and,
2. Direct Staff to take action to improve the cleanliness of the University Ave. downtown area.

There was discussion about the wording and scope of the motion.

Council Member Kou questioned whether closed streets and using some of the parking spaces for establishments for eating and drinking required analysis of the impact on parking.

City Manager Shikada noted that could become a concern depending on how big the program were to become. At this time, it is only one business in that category of use.

MOTION PASSED: 7-0

Jonathan Abendschein, Assistant Director of Utilities, gave an update on the One Margin ordinance. There is a good staff team together and a great consultant agreement. It will likely come to Council on April 1 to add some money to that consultant agreement. He was cautiously optimistic that it was on track to meet the June timeline. There have been some light impacts to other projects, but he hoped for delays on the order of weeks rather than more significant.

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Council Member Burt stated San Jose, San Luis Obispo, and Santa Cruz had adopted One Margin programs ahead of Palo Alto. He asked whether the City was engaging with those cities to get clarity on their programs.

Assistant Director Abendschein explained that San Jose was the best analog for Palo Alto and that Palo Alto was using the same consultants that designed San Jose's ordinance.

Council Member Burt explained the positive thing he has heard from San Jose about One Margin was they have been able to demonstrate it is more cost effective to go all electric than gas, so they have not had any major commercial developments who have chosen gas.

Council Member Veenker encouraged Staff to come back to Council if there are additional hurdles. She noted some of the models were encouraging and hoped to be able to rebut some of the narratives that it is expensive to switch to electric.

Agenda Item Number 12 to be continued to the March 18, 2024 City Council Meeting.

13. Policy and Services Recommendation to the City Council for the creation of a Citizens Advisory Committee on a Potential Charter Amendment on Council Member Compensations

Agenda Item Number 13 not heard and to be continued to a City Council meeting date uncertain.

14. Discussion of Interview Process for City Auditor Selection; CEQA - Not a project

Vice Mayor Lauing, speaking as Chair of the CAO committee, explained there is an opening for an auditor who has left the firm. The interim liaison from the same firm has internally recruited four candidates for the position. The process for how to interview them needs to be decided.

MOTION: Council Member Lythcott-Haims moved, seconded by Council Member Veenker, to refer the Council Appointed Officers Committee to screen applicants and bring no fewer than two forward for Council selection.

Council Member Lythcott-Haims had complete faith in the CAO committee and felt it was much more efficient to have the committee do that work than the Council looking at all four candidates.

MOTION PASSED: 7-0

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Adjournment: The meeting was adjourned at 10:39 P.M.