



CITY COUNCIL SUMMARY MINUTES

Special Meeting
June 19, 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 in Honor of Caribbean-American Heritage Month.

Interim City Clerk Mahealani Ah Yun called roll and noted that all were present.

Special Orders of the Day

1. Proclamation Honoring Juneteenth 2023

Mayor Kou announced that it was Palo Alto's second year bringing forward a proclamation for Juneteenth. The proclamation this year was being presented formally to Live In Peace.

Council Member Lythcott-Haims read the proclamation. She declared that Mayor Lydia Kou on behalf of the entire City Council recognized and celebrated June 19 as Juneteenth Freedom Day and called upon the community reaffirm the commitment to eradicate hate, racism, and inequity and to continue the work of equity, justice, and hope.

Live In Peace Executive Director Heather Starnes-Logwood voiced that Bob Hoover, who had been honored before, could not attend this meeting. On behalf of Bob Hoover and Live In Peace, they were thankful for the recognition. She thought it was important to remember that when everybody was not free, nobody was free. They celebrated because it represented the truth of freedom in our Country. She commented that Eugene Jackson along with a group of community partners revived the Juneteenth celebrations after a lull. She thanked Palo Alto for their partnership with Live In Peace.

Mayor Kou invited Executive Director Starnes-Logwood to the dais for a photo and to receive the proclamation and thanked them for their work.

Agenda Changes, Additions and Deletions

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City Manager Ed Shikada stated there were some title changes on a couple items. He noted for the public that an item had been added to the end of the Agenda – the proposed Friendship City Program – and there was a Colleagues' Memo.

Public Comment

Liz Gardner recognized this holiday and spoke of poverty, housing, rent discrimination, wage disparities, and a lack of teen resources for the underserved in Palo Alto. She informed the public (as she had already informed Council) of a lease violation her household had received and, relatedly, she indicated there was little outdoor space at Mayfield Place, and she did not know which neighborhood Mayfield Place belonged to. She felt that complex was being subjected to oppressive rules and regulations with no resources. She hoped Council would address these issues and provide some answers.

Sharon Huang claimed that a resident was using an R1 residential neighborhood to operate a car rental business. She had videos of the happenings, and evidence had been forwarded to the City. She had been told there was no code violation. She asked the City to enforce the existing zoning code.

JT Chen spoke of safety, security, parking, and traffic concerns related to a resident using an R1 residential neighborhood to operate a car rental business. He indicated it was a code violation of 18.42.0.60. He urgently requested the City's assistance in enforcing the existing zoning code.

Zolik Fichtenholz supported the previous comments concerning a resident using an R1 residential property to operate a car rental business. He voiced that this activity would set a precedent if not addressed. He submitted a letter he had written to Code Enforcement, which he had not received a reply to. He also submitted an exhibit in the form of a photo. He requested the City enforce the codes and address the issue.

Rachel Croft commented on the reconsideration of the viaduct as an option for the Churchill crossing and explained why it was disappointing and troubling. She shared slides and discussed the narrow corridor, a shoefly track, viaduct distance from her fence, track and wire elevations, freight trains, and derailments. She asked Council to reconsider their reconsideration of the viaduct.

Aram James (Zoom) commended the City for honoring Juneteenth. He was concerned that it had not been declared a City holiday. He spoke of Bob Hoover's good work and him being excluded from purchasing property in the past. He suggested there be a conversation about reparations. He addressed an article regarding last week's LifeMoves decision.

Temo Aguilar (Zoom), a field representative for the NorCal Carpenters Union Local 405, shared what the union had done for him and his family when local projects adopted labor standards. He discussed apprenticeship programs improving lifestyles. He voiced that the union also offered an excellent healthcare program. He stated that adopting a living wage, apprenticeship program, and health program would raise the standard of living.

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Phoebe Mota-Judges (Zoom), a representative of PASCC, addressed air quality, rising temperatures, droughts, and fires. She indicated that the American Lung Associations' State of Air Report gave Santa Clara County an F in graded areas for high ozone days and 24-hour particle pollution. She discussed health concerns with gas appliances in homes. She urged Council to set a sunset date to end the flow of natural gas and that there be resources to ensure a smooth and equitable transition.

Carla Befera thanked Council for Item 13 on the Consent Calendar. She noted that members for that Committee were approved by 100% of neighbors. She voiced that the school announced it would remain on campus in the next calendar year, but due to adding enrollment, extra students would be housed at the JCC. She discussed her concerns regarding school events impacting the neighborhood and asked Council to address it.

Albert Lustre (Zoom) with Local 405 was glad to see new development coming to the city and asked that City projects be built by responsible general contractors who would hire locally and provide apprenticeships, healthcare, and a livable wage.

Council Member Burt asked if there were follow-ups for the public comments related to Mayfield Place and the issue of operating a commercial business in a residential neighborhood.

City Manager Ed Shikada stated they would be reviewing code enforcement related to operating a commercial business in a residential neighborhood. He would investigate the Mayfield Place issue and inform Council.

Council Member Questions, Comments and Announcements

Vice Mayor Stone declared that in consultation with Mayor Kou they were proposing to allocate \$10K from the Council Contingency Fund toward Third Thursday to help revitalize businesses and provide the community with a gathering place. He attended the last event and invited all to attend future events.

Mayor Kou added that these funds would come from the FY2023 Council Contingency Fund and would be in partnership with Chamber of Commerce and the Third Thursday Committee. Appropriations would go to the Chamber of Commerce for disbursement. She had met with President Biden today, and he committed to move forward with his action plan to invest in America, especially in climate and dedicating \$600M toward it. She had attended last week's ABAG General Assembly and she explained that they were having trouble with their CalPERS, so there would be an increase to ABAG dues. Palo Alto's dues were \$17,749 in FY2022-2023 and in FY2023-2024, the dues would be \$19,524.

Council Member Burt spoke of the significance of the event with the President.

Consent Calendar

2. Approval of Minutes from May 22, 2023 and June 5, 2023 Meetings

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3. Approval of a Purchase Order with The Public Restroom Company in the Amount of \$369,749 to Provide and Install a Modular Restroom Building at the Cubberley Community Center Fields for the Cubberley Field Restroom Capital Project (CB-17002); CEQA status – exempt under CEQA Guidelines Section 15303
4. Approval of Construction Contract Number C23187877 with Casey Construction, Inc. in the amount of \$410,604, Authorization for the City Manager to Negotiate and Execute Change Orders up to a Not-to-Exceed Amount of \$41,060, and approval of a FY 2023 Budget Amendment in the Stormwater Management Fund for the Trash Capture Device Installation Project, Capital Improvement Program Project SD-22002; CEQA status – exempt under CEQA Guideline Section 15303.
5. Utilities Advisory Commission Recommends Adoption of the 2023 Annual Water Shortage Assessment Report
6. Grant of Easements to City of Mountain View for the City of Mountain View's Phase 2 San Antonio Area Sewer Main Improvements Project. CEQA Status – Exempt Under CEQA Guidelines Section 15378(b)(5).
7. Approval of Construction Contract with OBS Engineering, Inc. (#C23187759) in the Amount of \$4,199,222 and Authorization for the City Manager to Negotiate and Execute Change Orders up to a Not-to-Exceed Amount of \$419,922 for the Boulware Park Improvements project (PE-17005) and Green Stormwater Infrastructure project (SD-22001); and Approval of FY 2023 Budget Amendments in the Park Development Impact Fee, Stormwater Management, and Capital Improvement Funds; CEQA status—exempt under CEQA Guidelines sections 15301 (existing facilities), 15302 (replacement or reconstruction), 15303 (small structures), and 15311 (accessory structures)
8. Approval of the Conceptual Plan for Quiet Zone at Palo Alto Avenue/Alma Street Rail Crossing and Direct Staff to Proceed with Design and Construction of the Project. CEQA status – categorically exempt (Regulation 15301).
9. Approval of: (1) a Purchase Order with Pivot Interiors Inc. in the Amount of \$756,021 and (2) a Purchase Order with One Workplace in the Amount of \$480,229 for the Public Safety Building Capital Project (PE-15001); CEQA: Environmental Impact Report for the Public Safety Building and New California Avenue Area Parking Garage (Resolution No. 9772)
10. Approval of a one-year General Services contract with Stephen Ciari Plumbing and Heating, Inc. for Backflow Prevention Devices Testing, Repair, and Certification Services and Approval of a FY 2023 Budget Amendment in the General Fund; CEQA Status – Categorically Exempt 15301 and 15302
11. Approval of Amendment No. 1 with South Bay Regional Public Safety Training Consortium (Contract No S23187799) for Fire Academy and Other Training Services

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extended through 12/31/2023 and increasing the total compensation by \$114,370 for a total contract amount not to exceed \$199,000. CEQA status: not a project.

12. Approval of the Fiscal Year 2024 Investment Policy
13. City Council Appointment of the Castilleja Neighborhood Committee in Accordance With Condition Number 33 Contained in Record of Land Use Action 2022-22 Authorizing Redevelopment of Private School at 1310 Bryant Street (Castilleja School). Environmental Assessment: Exempt from CEQA Pursuant to CEQA Guidelines Section 15061(b)(3).
14. Authorization for the City Manager to Negotiate and Execute a Memorandum of Understanding and Funding Agreement with Peninsula Corridor Joint Powers Board (Caltrain) and the City of Menlo Park Regarding Emergency Repairs to the North Bank of the San Francisquito Creek
15. Adopt an Ordinance Amending Palo Alto Municipal Code (PAMC) Section 9.10.060 (f) and Adoption of a Resolution to Modify the Administrative Penalty Schedule Related to Enforcement of the City's Gas-Powered Leaf Blower Ban. Environmental Analysis: Not Subject to CEQA Review in Accordance with CEQA Guidelines 15061(b)(3).
16. Approval of a Purchase Order with Aviat Networks in the Amount of \$438,907 for Radio Communication Systems for the New Public Safety Building Capital Project (PE-15001), including \$399,007 for Basic Services and \$39,900 for Additional Services; CEQA: Environmental Impact Report for the PSB and New California Avenue Area Parking Garage (Resolution No. 9772)
17. Authorization to Execute Amendment to Legal Services Contract S22184420 with Rankin Stock Heaberlin Oneal to Increase Amount by \$150,000 for Total Not-to-Exceed Amount of \$225,000 and to Extend the Term to January 2025; CEQA Status – Not a Project
18. Approval of Contract with VOX Network Solutions (C23187554) to Procure Services to Upgrade the City's Phone System and a Three-Year Support Term for a Total Amount Not-To-Exceed \$504,107; CEQA Status—not a project
19. Approval and authorization to execute contract Amendment No. 2 with the OIR Group for an additional two-year period and an additional \$105,000 for a new not-to-exceed amount of \$212,500 for independent police auditing services with a new expiration date of January 1, 2025.
20. Approval of Amendment Number 3 to the Agreement With Palo Alto Unified School District (PAUSD) for PAUSD Athletic Field Brokering and Maintenance Cost-sharing to Extend the Term to June 30, 2024, with an Optional Extension for an Additional Six Months; CEQA status – categorically exempt (Regulation 15301).

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21. Approval of the 2023-2024 Human Relations Commission Work Plan; CEQA Status – Not a Project
22. Approval of Office of City Auditor Remote and Flexible Work Study Report; CEQA Status – Not a Project
23. Approval of Office of City Auditor Task Order Change - 04.16 ALPR Technology Contract Management; CEQA Status – Not a Project
24. Approval of Office of City Auditor Task Order Change - 04.19 Disaster Recovery Preparedness; CEQA Status – Not a Project
25. Approval of Office of City Auditor Task Order Change - FY23-01 Citywide Risk Assessment & FY23-02 Annual Audit Plan; CEQA Status – Not a Project
26. SECOND READING: Adoption of an Ordinance Amending Section 2.04.010 (Regular Meeting) of Chapter 2.04 (Council Organization and Procedure) of the Palo Alto Municipal Code to Change the City Council Meeting Start Time from Six p.m. to Five-Thirty p.m. (FIRST READING: June 5, 2023 PASSED 7-0)
27. SECOND READING: Adoption of an Ordinance Amending Section Palo Alto Municipal Code Chapter 9.68, Rental Housing Stabilization, to Clarify the Definitions of At-Fault and No-Fault Just Cause for Evictions, Extend Just Cause Eviction Protections and Tenant Relocation Assistance to More Rental Units in Palo Alto than Offered by State Law, and Adopt a Security Deposit Limit for Unfurnished Rental Units in Palo Alto. Environmental Assessment: Exempt under CEQA Guidelines Section 15061(b)(3). (FIRST READING: June 5, 2023 PASSED 6-1)

Public Comment

Liz Gardner – Item 15, 27 – commented that there should be more stringent regulation and oversight on operation times of gas-powered leaf blowers. She discussed the importance of the City supporting renters related to outdoor space and living wages.

Ken Horowitz – Items 3, 20, 37 – noted that Items 3, 20, and 27 related to Cubberley or PAUSD. He supported the items. He commented that a restroom was needed but the land belonged to PAUSD, and he had concerns that the lease may not continue. He asked that the implementation of these projects be delayed as the City would be entering negotiations, which could provide the City with leverage.

Becky Sanders (Zoom) – Item 7 – stated she was excited by the Boulware Park improvements and hoped it would be funded in its entirety.

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Aram James (Zoom) – Item 9, 16 – opined that there were too many items on the Consent Calendar. He asked why items 9 and 16 were not agendized as action items. He discussed the cost of purchase orders and the budget and referenced an article in the *Daily Post*.

Alison 1831***062, a volunteer for Downtown Streets Team, thanked Council for their support of the program and discussed her personal experience in the program.

Council Member Tanaka asked which consent items were being addressed, Items 2 through 27 or Items 30 through 40.

City Manager Ed Shikada clarified that currently Items 2 through 27 were before Council. The second Consent Calendar contained items that were dependent on the budget approval, so there would be a second Consent Calendar after budget discussions, and he believed there would be additional public comment on those items.

Council Member Tanaka registered a no vote on Agenda Item Number 9, 17, 18, 27.

MOTION: Vice Mayor Stone moved, seconded by Council Member Lythcott-Haims to approve Agenda Item Numbers 2-27.

MOTION PASSED 2-8, 10-16, 19-26: 7-0

MOTION PASSED 9, 17, 18, 27: 6-1, Tanaka no

Council Member Tanaka spoke to his no votes and shared slides. He remarked that there were many consent items on the calendar. He addressed Item 9 and the high cost of office furniture and noted that the purchase orders did not break down the cost. He remarked that the Staff Report did not include the contract that was to be approved for Item 17 nor did the Staff Report indicate that there had been multiple bids related to Item 18. He thought it was important to get multiple bids. Regarding Item 27, he stated he previously voted no and still noted no.

City Manager Comments

City Manager Ed Shikada discussed the President's visit to the city and security and thanked the public for their cooperation. He had received questions around the City's practice of celebrating Juneteenth, so he provided some background for community members' awareness. The HRC had requested additional information on how best to recognize and celebrate dates of historic significance, and a report was pending, which the HRC should receive shortly. He expected that the Council approved dates for the calendar year would be done each year, and in future years, there would be an opportunity to consider and adjust how the dates would be celebrated. He announced that the allocation of funds from the City Council Contingency Fund was a new procedure, and the process was included in the Policy and Procedures Handbook. Concerning the Consent Calendar, he noted that Council could ask questions of staff prior the Council meeting, which would give staff an opportunity to respond to questions before the meeting. If

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new issues were raised at a meeting, staff may not be able to provide information at that time. He declared that the purchase agreement related to Item 18 was competitively solicited and explained that individual procurements for every contract was not required. He shared slides and discussed upcoming events. He reminded all that fireworks continued to be illegal in Palo Alto and encouraged attending professional fireworks shows. He discussed Summer Reading for a Cause. He noted that there would be a wildfire preparedness information session on July 6. Upcoming Council items included a number of pre-screenings and hearings on August 7, 14, and 21.

Action Items

28. PUBLIC HEARING: Finance Committee Recommends Adoption of Four Resolutions: 1) Approving the Fiscal Year 2024 Wastewater Collection Utility Financial Plan, Proposed Reserve Transfers, and Increasing Wastewater Rates by Amending Wastewater Collection Rate Schedules S-1, S-2, S-6 and S-7; 2) Approving the Fiscal Year 2024 Water Utility Financial Plan, Proposed Reserve Transfers, and Increasing Water Rates by Amending Water Rate Schedules W-1, W-2, W-3, W-4, and W-7; 3) Amending Utility Rate Schedules EDF-1 and EDF-2, to Increase Dark Fiber Rates by 4.9 Percent and amending Rate Schedule EDF-3 to make technical revisions with no rate change; and 4) Amending Utility Rate Schedule D-1 Increasing the Storm Water Management Fee by 4.9 Percent per Month per Equivalent Residential Unit for FY 2024; and CEQA Status: Not a project under CEQA Guidelines Section 15378(b)(4) and (5) and exempt under Public Resources Code Sec. 21080(b)(8) and CEQA Guidelines Section 15273(a)

Mayor Kou declared that there would first be a public hearing on proposed changes to wastewater collection and water rates as required by the California Constitution and then dark fiber rates and the stormwater management fee would be considered separately.

Utilities Director Dean Batchelor voiced that there had been numerous meetings with the UAC, Finance Committee, and City Council. The proposed rate changes had been reviewed, which staff recommended. The meetings were summarized in the report before Council, which included staff recommendations.

Senior Resources Planner Lisa Bilir represented the Rates team for the Utilities Department, and other members of the team were available for questions. The item before Council addressed the adoption of four resolutions related to water, wastewater, fiber, and stormwater.

City Attorney Molly Stump expressed that staff could address all the resolutions now and then the order of work would be adjusted to take that into account.

Senior Resources Planner Bilir furnished slides and discussed the Water rate proposal, the increase in rates and effects on customers' bills, and staff's proposal to transfer funds. She summarized the Finance Committee, UAC, and staff's recommendation.

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Council Member Tanaka asked if there was a year-by-year breakdown of operation cost.

Council Member Lauing inquired how the prior estimated increase compared to the 5% increase.

Senior Resources Planner Bilir answered that the prior increase would have been about 6%. As for the year-by-year operation cost, she furnished a slide showing water distribution cost trends.

Council Member Burt queried, related to the SFPUC commodity rate, what was currently paid per acre foot and what might be paid when the advanced water recycling facility was operational.

Senior Resources Planner Bilir responded that currently \$4.75 was being paid, which was about \$2K per acre foot, which would go up to \$5.21. The SFPUC projected that the rate would be flat over the next couple years. Staff had a 10-year projection, but she did not have it with her.

Senior Resources Planner Bilir displayed slides and addressed the Wastewater Utility increase proposal and Wastewater cost and revenue projections. She detailed the recommendation for Wastewater.

Council Member Burt questioned if the replacement rate would be increased between now and 2026 and if Slide 8 indicated the increase in the next few years would be to pay for the Capital Replacement Program. He discussed the City underinvesting since 2018 and indicated that the City needed to catch up to maintain infrastructure.

Senior Resources Planner Bilir replied that they were planning on an increase, but the five-mile project construction would begin in FY2026. She acknowledge that Slide 8 indicated the increase would be to pay for the Capital Replacement Program and that the City needed to catch up to maintain infrastructure. She noted that the slide showed the actual dollars and that there was an inflation influence.

Mayor Kou asked what the rate increase would be per residential customer.

Senior Resources Planner Bilir answered that the monthly charge would be about \$48 per residential customer.

Council Member Tanaka inquired if the wastewater plant was shared with other cities and if the operational and capital costs were split according to usage. He discussed neighboring cities growing more than Palo Alto and Palo Alto paying more relative to usage, and he thought capital costs should be split.

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Senior Resources Planner Bilir replied that the collection system sent wastewater to the shared treatment plant and the operational costs were split according to usage. She explained that the capital costs were split differently depending on the project, and a study was being done to look at that.

Public Works Director Brad Eggleston noted that a debt financed capital project was a fixed allocation with partner agencies, which they were preparing to study in their Long Range Facilities Plan update to look at other potential models. They planned to do an RFP for the study, and the work would take place over FY2023 and FY2024. He did not yet have a schedule for recommendations to Council.

Council Member Tanaka wanted the study to be done as quickly as possible.

Senior Resources Planner Bilir discussed dark fiber and stormwater management fee increases. She mentioned that the Finance Committee unanimously recommended approval of the stormwater management fee increase. She provided a slide overviewing all the rate increases, including the electric and gas increases already approved by Council. She declared that the overall impact on the residential median bill for FY2024 would be 3% or \$11.

Mayor Kou asked what EDF was the acronym for related to dark fiber.

Senior Resources Planner Bilir did not know what E represented, but DF was dark fiber.

Public Hearing opened at 7:11 P.M.

Interim City Clerk Mahealani Ah Yun announced there were no requests to speak on wastewater collection or water rates. She advised the public that this was the last opportunity to submit protests related to rates. She closed the public hearing on wastewater collection and water rates. She declared that there were three written protests for wastewater rates.

City Attorney Stump announced that Council could discuss and take action on the rate this evening.

Interim City Clerk Yun noted there were three protests for the water rates.

City Attorney Stump declared that Council could proceed with this item this evening. She explained why this process was occurring for these rates but not the other two rates.

Mayor Kou clarified that Council would consider the resolution to adopt wastewater collection and water rate increases.

Council Member Tanaka asked that the vote be split and voiced why he did not support Number 1.

MOTION SPLIT FOR THE PURPOSE OF VOTING

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MOTION: Council Member Burt moved, seconded by Council Member Lauing to adopt the following for the Wastewater Collection Utility, a Resolution:

- a. Approving the Fiscal Year 2024 Wastewater Collection Financial Plan, including a 9% wastewater rate increase; and
- b. Approving a transfer of up to \$3.178 million from the Capital Improvement Projects Reserve to the Operations Reserve in FY 2023; and
- c. Approving a transfer of up to \$342 thousand from the Rate Stabilization Reserve to the Operations Reserve in FY 2023; and
- d. Increasing the Wastewater Collection Utility Rates via the Amendment of Rate Schedules S-1 (Residential Wastewater Collection and Disposal), S-2 (Commercial Wastewater Collection and Disposal), S-6 (Restaurant Wastewater Collection and Disposal) and S-7 (Commercial Wastewater Collection and Disposal – Industrial Discharger)

MOTION PASSED: 6-1, Tanaka no

MOTION: Council Member Burt moved, seconded by Council Member Lauing to adopt the following for the Water Utility, a Resolution:

- e. Approving the FY 2024 Water Utility Financial Plan, including a 2% water distribution rate increase; and
- f. Approving a transfer of up to \$3.746 million from the Capital Improvement Program (CIP) Reserve to the Operations Reserve in FY 2023; and
- g. Approving a transfer of up to \$3.0 million from the Rate Stabilization Reserve to the Operations Reserve in FY 2023; and
- h. Increasing Water Utility Rates via the Amendment of Rate Schedules W-1 (General Residential Water service), W-2 (Water Service from Fire Hydrants), W3 (Fire Service Connections), W-4 (Residential Master-Metered and General Non-Residential Water Service), and W-7 (Non-Residential Irrigation Water Service)

MOTION PASSED: 7-0

MOTION: Mayor Kou moved, seconded by Council Member Burt to adopt the following:

1. A Resolution Amending Utility Rate Schedules EDF-1 and EDF-2 to increase Dark Fiber Rates 4.9 percent, and amending Schedule EDF-3 to reflect minor edits with no rate change;

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2. A Resolution Amending Utility Rate Schedule D-1 increasing the Storm Water Management Fee by 4.9 percent consistent with the applicable Consumer Price Index.

MOTION PASSED: 7-0

Public Hearing closed at 7:22 P.M.

29. PUBLIC HEARING: Adoption of the Budget Ordinance for Fiscal Year 2024, Including the Operating and Capital Budgets, Table of Organization, and Municipal Fee Schedule; Acceptance of Updates to the Capital Improvement Plan, and Acceptance of Updates to the Salary Schedule for the Management and Professionals Group; CEQA Status – Not a Project

Public Hearing opened at 7:23 P.M.

Assistant City Manager Kiely Nose appreciated Council, staff, and the community for their participation in this item.

Budget Manager Paul Harper supplied slides and noted that they were before Council to finalize the adoption of the FY2024 budget, which included the operating and capital budgets and the municipal fee schedule. He indicated the budget represented a pivot point from the pandemic recovery to a steadier state of operations for the City, which enhanced City services and added resources for critical needs. He shared a slide summarizing the FY2024 budget in comparison to prior years and slides showing the Finance Committee's recommended adjustments. He provided tables showing revenue and expenditure changes for Council priority areas and a slide representing additional recommended adjustments, which he detailed. He outlined that there were two potential referrals to staff that needed a Council vote to allow staff to work on them and then return to Council. He presented and detailed the draft motion for Council's consideration. He outlined the order of proceedings for the item since Council Member Veenker would recuse herself from the discussion related to Attachment C of the Memo, Packet Page 902.

Council Member Burt, Finance Committee Chair, asked if Packet Page 820 contained all the Finance Committee's recommendations.

Budget Manager Harper believed all the recommendations were summarized on Packet Page 820, although the funding level of Project HomeKey needed to be discussed.

Council Member Veenker believed there had been a recommendation for 50% for T2 full EV fleet replacement, which was now zeroed out. She asked for clarification of the \$900K that was still in the budget. She queried if there was an insurance component with respect to the Mitchell Park Library repair.

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Budget Manager Harper confirmed that there had been a recommendation for 50% for T2 full EV fleet replacement, which was now zeroed out. He expressed that the \$900K could be thought of as the cost that would be borne in the other funds, not the General Fund. He explained that it was not part of the budget.

Assistant City Manager Nose clarified that this did not mean there would be no replacement of fleet EVs but would move all replacements to EV, including heavy equipment. The budget contemplated truck replacement. There would be a pullback of the 100% EV level related to heavy equipment not common in the EV world, but it would be revisited midyear. They were prioritizing EV purchases over ICE vehicles. As far as an insurance component with respect to the Mitchell Park Library repair, she did not know the exact status of this specific instance, but the City would always pursue subrogation revenues; however, in the absence of that being resolved, they wanted to bring forward the budget action to ensure that improvements would move forward.

Council Member Burt questioned if the life of internal combustion heavy-duty vehicles would be extended in anticipation of a more mature EV market in the next couple years and if no additional internal combustion engine vehicles would be purchased.

Public Works Director Brad Eggleston confirmed that internal combustion heavy-duty vehicles would be extended in anticipation of a more mature EV market and that no additional internal combustion engine vehicles would be purchased. He discussed the replacement program for smaller, medium, and heavy-duty vehicles, which he expected to increase over time.

Council Member Tanaka did not believe more management was needed but that there should be growth of employees who served the public. He discussed salary raises and thought raises should be awarded to high performers. His concern with the budget was expenses growing faster than revenue.

Mayor Kou asked which department the Assistant Director of Sustainability and Climate Action would report to. She inquired if the extra \$150K to HSRAP had been dedicated and if any portion would go toward Ada's Café.

Assistant City Manager Nose answered that the Assistant Director of Sustainability and Climate Action would report to Public Works.

Budget Manager Harper believed there was a plan for allocating the extra \$150K if appropriated. There was a report referenced in the Memo.

Community Services Director Kristen O'Kane confirmed that the HRC did additional allocations assuming Council would allocate more funding. There was an allocation, though not the full amount requested, to Ada's, which would be distributed for FY2024.

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Council Member Lythcott-Haims asked if the HRC's recommendations for HSRAP allocations needed to come before Council and if Council would have an opportunity to discuss the suitability of the allocations. She was concerned that the allocations to Ada's was low.

Community Services Director O'Kane did not know if the additional allocations needed to go to Council, and she directed the question to Human Services Manager Minka Van Der Zwaag. She noted that the original \$6K allocation to Ada's had been increased to \$10K.

Council Member Burt discussed the value of Ada's and shared his concerns regarding the allocation. If HRC had already made their allocations, he understood that the HRC could be asked to redirect the same dollars or additional funding could be pursued and a request made to HRC or Council to add it as a specific line item. He inquired if there was a breakdown of Utility staffing increases versus 2020 actuals compared to General Fund increases.

Budget Manager Harper expressed that a breakdown of Utility staffing increases versus 2020 actuals compared to General Fund increases should be in the Table of Organization, but they could [inaudible].

Council Member Lauing inquired, regarding HSRAP, if the \$150K was an incremental allocation over the original allocation and if was separate from what staff wanted direction on in terms of a new way forward on HSRAP and whether it should be a percentage. He asked the total of the original allocation.

It was confirmed that the \$150K was an incremental allocation over the original allocation.

Council Member Burt acknowledged that the 150K incremental allocation was separate from what staff wanted direction on in terms of a new way forward on HSRAP; however, they were related.

It was stated the original allocation was \$50K. The total allocation was \$200K.

Mayor Kou asked if the future formula for HSRAP had been referred to the Finance Committee.

Council Member Burt asked how the referral was done related to the future formula for HSRAP funding.

Council Member Lythcott-Haims thought it had been referred to P&S.

Assistant City Manager Nose did not know if it had been referred to a specific body, but staff could address it if Council were to make a referral.

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Assistant City Manager Nose asked Human Services Manager Van Der Zwaag if the additional HSRAP allocations had been approved or if it would be brought to Council in a separate action item and within the \$200K of additional allocation how much was allocated to Ada's.

Human Services Manager Minka Van Der Zwaag discussed being in unchartered territory with the Contingency Plan. The HRC had made recommendations for the additional allocations. She asked Finance staff or Council to let her know if that needed to be a separate action. She noted that the current allocations without the increased amounts were in the proposed Operating Budget for FY2024. Ada's would receive \$10K. She noted of the 25 grantees that 6 grantees would receive \$10K or less. She discussed starter grants of \$5K.

Mayor Kou asked how much Ada's had requested.

Human Services Manager Van Der Zwaag answered that Ada's had requested \$75K.

City Manager Ed Shikada suggested staff bring the specific recommendations to Council to give the HRC a chance to report their process and the basis for their recommendations.

Mayor Kou agreed with City Manager Shikada, which would allow discussion of the recommendation.

Council Member Burt asked if there were other options and discussed the dilemma with locking the dollar amount in the budget.

Assistant City Manager Nose believed the current recommendation from the HRC chose to reallocate within the \$200K. It could also be chosen that funding be added from the Budget Stabilization Reserve at any time. The funds did not need to be put aside now. It was always the Council's discretion to reallocate from the BSR.

Council Member Veenker referenced Packet Pages 824 and 225, capital project adjustments with the Mitchell Park Library repair and the adjustment to FTTP, and it appeared as though there would be a \$7M surplus, and she questioned how that would impact budget flexibility. She had suggestions for allocations, which she would address later.

Budget Manager Harper answered that the two funds did not comingle. To answer Council Member Burt's question about additions to staffing, about 55% had been in the Utilities Department from FY2020-2024.

Public Comment

Justine Burt, Executive Director of PATMA, discussed their work in relation to essential workers, traffic congestion, parking demand, equity issues, GHG, free train and bus passes, and Bike Love and refurbished bikes. She appreciated the City supporting PATMA's programs.

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Ken Horowitz implied that General Fund and the Infrastructure Fund was being mingled. He requested the infrastructure fund be built up, as it would be essential in starting the community center at Cubberley. He asked that there be an audit of all funds related to Cubberley. He suggested not replacing the HVAC system or the synthetic turf for the Cubberley fields right away and instead waiting to see what would happen with the PAUSD lease, etc.

Aram James (Zoom) asked what percentage of the overall budget was allocated to law enforcement each year and if there was a PERT member and, if so, the PERT member's wages. He suggested hiring psychiatric social workers. He did not support increasing management salaries and requested salaries be frozen.

Mayor Kou inquired if questions from the public could be answered. She questioned what percent of the budget went to law enforcement; if the cost for the Public Safety building was still within the budget; and if anyone had been hired for PERT.

Assistant City Manager Nose noted questions could be asked to the extent that Council had questions and staff would do their best to respond.

Budget Manager Harper answered that 18.5% of the General Fund was going to the Police Department.

City Manager Shikada noted the percentage going to the Police Department was low among cities.

Assistant City Manager Nose voiced that the number Budget Manager Harper quoted was the Operating Budget and that the Capital Budget would be in addition to that. The Public Safety building was a significant undertaking, but Council did issue debt financing for it, and it was within all the appropriations in the FY2024 Operating and Capital Budget.

Police Chief Andrew Binder remarked that they had retained the officer of PERT, and there needed to be pairing with a clinician, which would move forward once the budget was finalized.

City Manager Shikada added that the clinician would be an employee of Santa Clara County.

Mayor Kou asked if the funds pertaining to Cubberley should be audited or if staff should have a clearer list.

Assistant City Manager Nose recommended staff provide a clearer picture of Cubberley funds.

City Attorney Molly Stump addressed Council Member Veenker's recusal and declared that the budget conversation would be divided into two parts and that items related to the recusal would be addressed first and then the recused Council member would return for the rest of the

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discussion, and all could vote on the final item. She noted that the nature of Council Member Veenker's recusal was noted in the Staff Report.

Veenker recused for Stanford related items.

City Attorney Stump announced that Council would focus on Attachment C, Packet Page 902, Staff Report Page 91.

Assistant City Manager Nose remarked that staff did not have a presentation. If the Council had discussion, questions, or modifications on the attachment, it should be discussed and agreement found now.

Council Member Tanaka asked how many riders Palo Alto Link had and how much it had cost to this point.

Chief Transportation Officer Philip Kamhi answered that, based on early information, they were on track to surpass ridership of the final year of operating the cross-town shuttle. He would have to return with information related to the cost. He noted it was a grant-funded project.

City Manager Shikada clarified that Transportation staff was working on a routine reporting cycle, which he would share as soon as it was available.

Mayor Kou asked, regarding the Fire Training facility replacement, if there had been discussion with Stanford related to updating their site or if Fire had another location in mind.

Assistant City Manager Nose specified there would be a study related to the Fire Training facility replacement. It had been made clear to staff that Stanford may look at alternative purposes on their campus, so staff wanted to be prepared, and the study would help identify locations, needs, etc.

Mayor Kou invited Council Member Veenker back to the meeting.

Council Member Veenker spoke about the Sea Level Rise Adaptation Plan that had been removed and wanted to know if \$100K could be taken from S/CAP studies (with the funds being put back at the midyear review) and applied to the Sea Level Rise Adaptation Plan with the thought that it would be done in the second half of FY2024.

Public Works Director Eggleston expected to get funding and begin work on the Sea Level Rise Adaptation Plan in the second half of FY2024. They were working with Valley Water and hopefully the Corps of Engineers to get more information and to plan a community meeting that would happen either late summer or early fall 2023. Pulling money from S/CAP studies made him nervous, as that work was supporting the 80 x 30 goal, which was on a much tighter time frame than sea level rise adaptations. It was feasible to take funds from S/CAP with the funds being put back at the midyear review. He noted that the \$600K was an estimate, that

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there would be a request for proposals to review and the numbers could be different. He thought sea level rise was a critical part of S/CAP that needed funding, and he would push for midyear funding.

Council Member Lythcott-Haims reported, on behalf of the Finance Committee, that they were not deprioritizing youth mental health programs by removing the \$200K allocation. They had learned from Director O’Kane that the \$200K request was a placeholder and that it was not attached to a specific program or priority. They hoped to get specific youth mental health programs to tie dollars to.

Council Member Lauing noted that the Budget Ordinance would return in January, which would allow for adjustments. He noted that once-in-a-lifetime/generation investments were being made that had to be done. He thought housing was underfinanced, which was okay for now, but it needed to be revisited and invested in accordingly. He was happy with the budget and supported it.

Council Member Tanaka asked the status of the funding for Pope-Chaucer Bridge. Due to past flooding in the area, he wanted to make sure the project would be funded.

City Manager Shikada answered that the Pope-Chaucer Bridge was not funded by the City. It was led by the San Francisquito Creek Joint Powers Authority and was in conjunction with the Reach 2 improvements and there was a funding plan yet to be finalized. The City could not assume zero responsibility related to funding. There was not a need to budget for it in the upcoming fiscal year. He stated the City’s priority, as it related to the San Francisquito Creek capital improvements, was the replacement of the Newell Road Bridge among multiple projects related to the segment between 101 Freeway and Middlefield Road. Within the proposed budget was a funding allocation for the Newell Road Bridge and was the priority to address flooding. He noted that Newell and Pope-Chaucer were multiagency projects with the immediate priority being Newell Road Bridge. Pope-Chaucer was the topic of an involved discussion with the Joint Powers Authority agencies, which there was not a specific date other than general planning dates as work would proceed. The ongoing work with the other agencies could proceed with Palo Alto allocating funds in the upcoming fiscal year budget.

Vice Mayor Stone provided an update related to the last JPA meeting and the studies concerning to the Pope-Chaucer bridge, and the discussion needed to be reopened as a JPA and possible changes to Reach 2 discussed. Communications would be forthcoming, and meetings would happen over the next several months.

Mayor Kou questioned if the light pollution issue had been moved to midyear.

Budget Manager Harper believed light pollution was funded as part of the budget.

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Assistant City Manager Nose believed light pollution was included in the bird-safe glass and wildlife protection project.

Planning Director Jonathan Lait believed the budget proposal included the light pollution request.

MOTION: Council Member Burt moved, seconded by Council Member Lythcott-Haims to:

1. Adopt the Fiscal Year 2024 Budget Ordinance which includes the Operating and Capital Budgets, Table of Organization, and Municipal Fee Schedule, as amended by actions outlined in this report; and
2. Accept the FY 2024-2028 Capital Improvement Plan as amended by the actions outlined in this report; and
3. Adopt the amended salary schedule for the Management, Professionals and Confidential Group; and
4. Refer staff follow-up on the below items recommended by the Finance Committee:
 - a. HSRAP Funding
 - b. Eucalyptus Tree Removal Study

Council Member Burt spoke of the budget returning services to prior levels and addressing key forward-looking needs.

Mayor Kou thanked staff and the Finance Committee for their work.

MOTION PASSED: 6-1, Tanaka no

Public Hearing closed at 8:35 P.M.

[The Council took a 15-minute break]

Consent Calendar

30. Adoption of a Resolution Proposing the Appropriations Limit for Fiscal Year 2024
31. Approval of an Agreement Between Santa Clara Valley Water District and the City of Palo Alto for Administration and Funding of Water Conservation and Stormwater Rebate Programs and Advanced Metering Infrastructure for a Total Not-To-Exceed Amount of \$1,575,000 Over a Seven-Year Term Ending June 30, 2030 (This is not a project and therefore is exempt from California Environmental Quality Act (CEQA))
32. Approval of a Blanket Purchase Order with Graniterock Company for the purchase of Sand, Rock, and Cutback-Cold Mix Asphalt Materials for the Public Works and Utilities Departments for a three-year term ending June 30, 2026; CEQA – Not a ProjectX

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33. Approval of Contract No. C23187298A with MuniServices, LLC for Tax and Fee Consulting Services in a Total Not-To-Exceed Amount of \$1,161,550 Over a Five-Year Term and Contract No. C23187298B with HdL Coren & Cone for Property Tax Consulting Services in a Total Not-To-Exceed Amount of \$111,800 Over a Five-Year Term; CEQA Status – Not a Project
34. Approval of Professional Services Contract with Kittelson & Associates for a Not-to-Exceed Amount of \$333,945 for the Bicycle and Pedestrian Transportation Plan Update
35. Approve and Authorize the City Manager to Execute a Grant Agreement with the Federal Highway Administration (FHWA) to Develop the Palo Alto Safe Streets for All (SS4A) Action Plan by Receiving \$160,000 in Federal Funds and Requiring \$40,000 in City Matching Funds over Two Years and Approve a FY 2024 Budget Amendment in the Capital Improvement Fund; CEQA status – not a project.
36. Approval of Contract Number C23187284 with Michael Baker International (MBI) for a Not-to Exceed Amount of \$211,310 to Provide Administration and Consulting Services for the City's Community Development Block Grant (CDBG) Program for a Term of Two-years Through June 2025
37. Approval of Amendment No. 1 to the Lease Agreement between the Palo Alto Unified School District (PAUSD) (Landlord) and the City of Palo Alto (Tenant) for Extended Day Care Spaces for an Initial 12-Month Term, Rent Not to Exceed \$707,676 per Year; CEQA Status – Not a Project
38. Approval of a Professional Services Agreement (Contract No. C23184669A) with LifeMoves for the provision of Homeless Outreach Services in an Amount Not to Exceed of \$460,000 for a term of two years; CEQA status – not a project.
39. Acceptance of an Outdoor Environmental Education Facilities Grant from the California Department of Parks and Recreation in the amount of One Hundred and Sixty-Two Thousand Dollars (\$162,000) for Signage and Exhibits at the Palo Alto Baylands Nature Preserve, Approval of Deed Restrictions in the Baylands, and Approval of a FY 2024 Budget Amendment in the Capital Improvement Fund; CEQA – categorically exempt (Regulation 15311).
40. Approval of Contract with Downtown Streets Team, Inc. (C23188369) for a Total Not-to-Exceed Amount of \$168,340 for Fiscal Year 2024 for Workforce Development Services: Environmental Assessment: Exempt in Accordance with CEQA Guidelines Section 15061(b)(3).

Public Comment

Aram James spoke of the Consent Calendar containing many items and referenced an article in the *Daily Post* by Rebecca Eisenberg.

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Chris Richardson, Chief Program Officer for Downtown Streets Team, addressed funding, homelessness, and employment and thanked City staff and the Planning Department for their help over the transitioning funding period and allowing the Team to continue their work.

Council Member Tanaka registered a no vote on Agenda Item Number 33, 36, 38.

MOTION: Mayor Kou moved, seconded by Council Member Burt to approve Agenda Item Numbers 30-40.

MOTION PASSED 30-32, 34-35, 37, 39-40: 7-0

MOTION PASSED 33, 36, 38: 6-1, Tanaka no

Council Member Tanaka addressed his no votes. He stated he did not support Item 33 as it was more money for the business tax, which he did not originally support. Regarding Item 36, the bid amounts did not make sense to him, and he noted that the more spent on analysis meant less for the people needing it. He remarked that Item 38 was consistent with his prior vote on LiveMoves. He noted there were 800 pages in the packet and many consent items and that questions had been submitted to the City Manager, which he had not received answers to. He announced that he would not approve a contract if the contract was not included the packet.

Study Session

41. Tree Protection Ordinance Year One Implementation Update

Public Works Director Brad Eggleston noted that after the first year of implementation staff was to review the ordinance implementation with PTC and PRC and return to Council with any recommended adjustments. He indicated that the implementation of the ordinance had been somewhat interrupted by last winter's storms. They intended to go to PTC and PRC in late summer or fall to follow up with them.

Manager Urban Forestry Peter Gollinger supplied slides related to the timeline of the review process in place and summarized the key changes included in the ordinance that related to an expanded definition of protected trees, allowable reasons for removal of protected trees, and maintenance of private protected trees, and there had been major revisions to the notification and appeals process. He provided a list of protected species under the updated ordinance, which was estimated to be about 224,000 trees. He discussed data they collected in the first 10 months of the ordinance. A key update was maintenance notification, which he outlined. He discussed the noticing system and the completed outreach efforts. He spoke of the 2023 unprecedented winter storms. He provided data related emergency tree removal permits, limb failures, city tree removals, tree-related electric outages, and green debris removed, which he compared to 2022. He detailed upcoming outreach efforts.

Public Comment

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Bob Sanner opined that the Palo Alto ordinance did not comply with State law, which could mean legal fees and litigation, and he did not believe the City was being nontransparent with residents and that it would be more difficult to take down trees in Palo Alto.

Karen Holman (Zoom) speaking on behalf of Terry Holzmer, Bob Philips, Andie Reed, and Hank Sousa spoke on behalf of Tom DuBois and read a letter from him that stated there was a misunderstanding of the ordinance, that severe weather needed to be in perspective and not be justification to weaken a reasonable ordinance, that the implementation of the ordinance was minimal, and that smaller diameter trees needed to be protected. She read a letter into the record that she was asked to do by the Canopy Board, which related to their support of the updated ordinance, and they looked forward to continuing to partner with the City as implementation of the ordinance continued. She thanked staff and Council for their commitment to the canopy.

John Kelley explained why he urged Council to undue the ordinance. He indicated the canopy had been growing in the past and asked why this ordinance was done. He did not believe Palo Alto should compare themselves to other jurisdictions. He calculated that each permitted tree removal would cost the City \$10K a tree. He claimed that the ordinance did not comply with State law regarding statewide exemption ADUs.

Leah Russin spoke of the ordinance impacting her and her family in a negative way. She asked for flexibility in implementing the ordinance or that it be rescinded. She would submit her written comment.

Jeff Greenfield, Chair of PRC, liaison to the Urban Forestry within PRC, and advisor for Canopy, spoke primarily on his own behalf and commented that the updated ordinance was a result of a comprehensive review and would result in a broad range of benefits. He noted that the process would include adjustments to the ordinance and that the item would go before PRC. He looked forward to returning later in the year to further discuss the Title 9 Tree Ordinance update.

Aram James (Zoom) agreed with the positions of Bob Sanner and John Kelley. He opined that that one representing themselves as a private citizen and as part of a committee seemed to be a conflict. He discussed the arborists concluding that certain trees were healthy, yet fell during the storms. He claimed that State and Federal law occupied City territory.

Winter Dellenbach wished for protection of more trees. She requested the City educate tree owners to preventatively care for their trees, and information could be found on the Urban Forestry website and Canopy's website. She recommended the City provide an insert in utility bills or direct mail and email to alert residents to needed preventative care maintenance and that the City sponsor a community workshop with Urban Forestry and Canopy to discuss the new ordinance.

Council Member Lauing questioned when the new Tree Permit Workflow would be active. He stated that "no decisions rendered" on Packet Page 755 indicated that a decision had been

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rendered. He noted that the core issue seemed to be educating residents and thought a letter or a flier was needed instead of just a postcard.

Manager Urban Forestry Gollinger commented that the new Tree Permit Workflow should be live next week. He noted that that Packet Page 755 had a bullet error, and he provided details related to the denials.

Council Member Lythcott-Haims discussed the intersection of the Tree Ordinance and the Housing Element. When the item returned to Council in the fall, she requested there be data reflecting the impact of the ordinance on request for housing permits. She inquired if there was a way to replace a removed tree with two to five trees in areas of the city without trees where housing was planned.

Council Member Burt was struck by the number of protected trees under the old ordinance versus the new ordinance, which he calculated to be about nine trees per household. He inquired how the notification for maintenance standard would be applied to City contracted street tree maintenance. He thought there was a disconnect between contractual standards and the way trees were trimmed and was interested in better compliance. He requested staff provide insights related to the State Code 3497 requirement addressed by the public and asked if it was referenced in the ordinance and, if not referenced, why it was not referenced. He queried if State law would prevail in terms of that definition or if the City could establish a definition. Going forward, he wanted to consider adjustments to the ordinance.

Manager Urban Forestry Gollinger declared that best practice standards were included in the tree maintenance contracts, and the standards had been a requirement for years. He recalled that State Code 3497 was language in the State's definition of nuisance, and he did not think it was specific to trees, although others had applied it to trees. Regarding the ordinance not referencing the code, he understood that the ordinance was more stringent by design than the code language allowed.

City Attorney Molly Stump recalled that State Code 3497 was considered when the issue was raised. She did not recall the details and could not currently respond without the Section number. She was confident that the content of the proposal was reviewed to ensure they were enforceable at the local and State level.

Council Member Veenker spoke of the canopy increasing before the ordinance had been passed and wondered if it was passed with the intent that there be a balance with the planned housing builds. She encouraged being pro tree and pro housing and hoped that would be considered on coming back to Council. She requested staff think about canopy equivalents, which she explained. She remarked that the standards to remove trees needed to be investigated.

Council Member Tanaka requested that a member of the public be allowed to speak again. He asked if in the event the City refused to allow a tree to be removed and if the tree then should fall if the City would have liability. He asked why the fees for tree removal permits were \$457,

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which he opined was high, and asked what would happen if a person could not afford it. He thought the City should be gracious in issuing permits for hazardous trees and that the process should be easier and streamlined. He asked how long it took to get a permit. He thought waiting for an arborist to respond placed liability on the City, and he looked forward to the City Attorney's analysis related to this.

Mayor Kou denied the request for a member of the public to speak again.

City Attorney Stump indicated, regarding City liability, that advice was generally not provided based on generalized hypotheticals. She requested to be allowed to look at the records and to then advise on the issue, so on coming back to Council, she would provide an answer.

Manager Urban Forestry Gollinger broke down the cost of the tree removal permits. If a person could not afford the permit, he explained that the City could work with residents, and he declared that no-fee permits had been issued for dead trees, but it was on a case-by-case basis. He expressed that there was a process for removing trees posing an imminent hazard, which would be reviewed by an arborist. He noted that obtaining a permit took a couple weeks; however, if there was an imminent hazard, an immediate permit would be issued.

City Manager Ed Shikada commented that if there was an imminent safety issue that staff would address it on a case-by-case basis.

Vice Mayor Stone spoke of the data comparisons for 2023 and 2022 being dissimilar. He asked if there was an estimate of the limb failures or tree-related electric outages that could have been caused by the updated tree ordinance. He discussed the ordinance being meant to move Palo Alto to the median in the region. He spoke of the tree canopy and reaching S/CAP goals. He addressed an article published by Penn State concerning trees being the best carbon capture technology. He spoke of older trees being replaced by younger or multiple trees and noted that there were reports from the U.S. Geological Survey stating older trees sequestered more carbon than young trees and that cutting down older trees released carbon into the air, and he was interested in hearing PTC's thoughts on the issue. He stated that the ordinance was not yet completely implemented, that PTC and PRC needed to contribute further and refinements were needed.

Manager Urban Forestry Gollinger did not think the updated ordinance influenced the limb failures, etc.

Council Member Lythcott-Haims spoke of a Berkeley study that indicated urban infill was the greatest lever to reduce GHG emissions, and she did not think the housing infill goals should be shortchanged by prioritizing trees over infill in every instance. On return to Council in the fall, she wanted to see data comparing Palo Alto's protection efforts with surrounding cities and data related to the growth of the City's tree canopy over time. She asked if staff could return to Council with information related to those who had been persuaded to not seek a permit, as she thought it was important to know the number of such interactions.

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Council Member Veenker spoke of canopy equivalency and wanted to learn more from experts.

Mayor Kou voiced that the canopy needed to be a part of the solution to climate change and sequestration and would be needed to help meet the 2030 Sustainability Climate Action Plan. She noted that the Climate Action Plan included increasing the tree canopy. She hoped staff would return to Council with data reflecting the amount of carbon sequestered and, if it could be calculated, the amount of potential oxygen release from different maturities and sizes of trees.

Council Member Burt did not think any Council member was advocating for radical departures from the ordinance and thought all supported growth of the canopy. He proposed there be a greater focus on the heritage trees. He thought tradeoffs or other goals related to this ordinance needed to be considered. He believed there needed to be a balance of specifically identifying a tree hazard and a perspective tree hazard that could not be determined. He questioned if there should be a differentiation between trees in backyards versus front yards. He noted that the quantitative numbers of the increasing canopy were a value, but he was not wedded to placing all 15-inch diameter trees in a protected status, and he would rather rebuild a canopy that reflected a natural ecosystem.

NO ACTION

Action Items

AA1. Colleagues Memo: Approval of a “Friendship City” Program

Council Member Veenker questioned the process for creating a Friendship City and who would be involved. She proposed that it come to Council.

Mayor Kou thought alternatives for approval could be investigated.

Council Member Burt noted that Council was trying to streamline the process, but there was an alternative. He asked if a Colleagues’ Memo would come to Council as an action item or as consent. He proposed going through a Colleagues’ Memo. He spoke of the differences of a Friendship City and a Sister City and the intended purposes of this item. He agreed with the alternative process.

City Attorney Stump explained why she did not think a Colleagues’ Memo could come to Council as consent.

Public Comment

Sarah Burgess, President of Neighbors Abroad, spoke of Sister City relationships being broad and benefitting the City. They would like to be able to select from those seeking to be a Sister City but that there be a simpler method to do it.

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Interim City Clerk Mahealani Ah Yun announced that Sarah Burgess had reached her speaking time of three minutes.

Council Member Burt asked if Sarah Burgess could continue speaking.

Mayor Kou invited Sarah Burgess to continue speaking.

Sarah Burgess voiced that they wanted a dedicated committee in place to run the relationship and a contract for the relationship setting forth simple and limited goals, so it would not be the broad relationship, and they wanted the three-year duration, which could be extended or morphed into a traditional Sister City relationship. They could not take on cities to the degree they had in the past, but they did not want to turn down cities in the offing.

Aram James (Zoom) noted that the last speaker received 4 minutes and 30 seconds to speak, which he did not find fair. He spoke of his past experience as an exchange student in the former Soviet Union. He wanted to there to be a Palestinian Sister City and requested there be a discussion to address Palestinian rights.

Council Member Lauing thought items on Page 909 needed to be arranged and asked how this item should be processed – if the Colleagues' Memo recommendation should be revised or if it should go to P&S.

Council Member Burt stated there were two alternatives, which included referring it to P&S with guidance from Council.

Council Member Lythcott-Haims liked the idea of having a different tier of a City relationship and the idea of a community member taking responsibility for the relationship and becoming a Board member of Neighbors Abroad. However, she thought staff was concerned that the resource impacts could be significant, and she wanted to be respectful of their concerns. If this were to go to P&S, they would review staffing impacts. She thought this could be a stepping stone to there being more staff presence around the issue.

Council Member Tanaka thought it was good to learn more about others and best practices. He wondered if there was time to maintain the current Sibling City and Sister City relationships and questioned if more could be taken on with City resources, staff time, and funding. He supported the idea but did not support there being additional staff time or funding.

Council Member Burt explained that he wanted to be judicious in adding additional relationships. He discussed City resources, Neighbors Abroad, events, sharing best practices, diversity objectives, community involvement, and economic development relationships. He stated that P&S may need to look at moving this forward, but he noted Neighbors Abroad had the same concern.

Mayor Kou believed that different cities wanting a relationship with Palo Alto needed to be recognized and acknowledged, but she knew that Neighbors Abroad worked hard to ensure

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that a relationship would be maintained. She noted that a number of mayors had contacted Palo Alto with interest. She hoped that developing a Sister City relationship could be moved forward and that it be sent to P&S. She noted that Dunderry, Ireland, wanted to be a Friendship City, and she hoped this could progress to giving them an answer.

Council Member Burt noted that in each case they were not looking to do a Friendship City, but there was economic development value.

MOTION: Council Member Burt moved, seconded by Vice Mayor Stone to refer the Colleagues Memo for Approval of a “Friendship City” Program to Policy and Services Committee for further discussion and to review the staffing impacts of this program.

Council Member Tanaka stated he could not support this if there was resource impact to the City.

Council Member Burt anticipated there would be a modest resource impact.

MOTION PASSED: 6-1, Tanaka no

Adjournment

The meeting was adjourned at 10:57 P.M.