



# CITY COUNCIL SUMMARY MINUTES

Special Meeting  
September 5, 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

Present Remotely: None

Absent: Veenker

## Call to Order

Mayor Kou called the meeting to order in honor of National Wildlife Day and Childhood Cancer Awareness Month.

## Special Orders of the Day

### 1. Interviews for the Architectural Review Board

The 6:00 P.M. interviewee was unable to attend tonight due to an emergency and the interview postponed to a future date.

1. Sam Zucker addressed the Council. The Architectural Review Board (ARB) required at least three architect members but there were currently five. He has been a corporate lawyer for over 25 years. His job entailed project management and bringing people together to find a good solution for everybody. He thought those skills were very useful for the ARB. He stated he had a longstanding interest in housing and community development. Before he was a lawyer, he was an urban housing specialist in New York City and Brooklyn. He published on housing topics. He has been a homeowner in Palo Alto since 2006. He would love to give back and assist the community.

Council Member Lauing asked the applicant to elaborate on his interest in planning and design. Mr. Zucker published an article in *The Urban Lawyer* on eviction without cause and setting up an insurance regime for evicting longstanding tenants.

Council Member Lythcott-Haims requested the applicant to explain his approach to dealing with conflict. Mr. Zucker explained his process was to understand the proposed

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project and what people wanted, what interests they were trying to accommodate and flesh out objections or concerns.

Vice Mayor Stone wanted to know how the applicant's skills as an attorney made him a better fit than those who have education and experience in architecture. Mr. Zucker pointed out that the ARB had five architects, so there was no absence of architectural expertise. An outsider's perspective can be useful when the community has concerns arising from architecture and design. He stated he was very good at helping people reach a solution and an expert in getting people to communicate better.

Mayor Kou queried what aspects of Fire Station 4's architecture the applicant liked. Mr. Zucker replied that initially the design of the back was boring, so the visual variety of the back was increased. He believed the whole structure should be visually appealing because it is on Middlefield Road.

2. Mousam Adcock is an architect and has worked in the field for close to 20 years. She is a principal and partner at CAW Architects in Palo Alto. She has practiced in this area for about 12 years. She worked on many projects at Stanford University, UC Santa Cruz and UC Berkeley. Her parents, brother and sister were architects. She comes from Kathmandu, Nepal, where her parents practice. She is very proud of her mother for being the first female architect of their country.

Council Member Lythcott-Haims asked the applicant how design, build, construction and architecture must and can respond to the challenges of global warming. Ms. Adcock responded it was possible to build Net Zero. She believed we must make as light a touch as possible on the planet. She helped clients, mechanical and electrical engineers to make the right choices on site-specific materials because the biggest impact is the choice of energy and equipment. Many jurisdictions help by banning or reducing the use of greenhouse gas-emitting energy sources. Architects need to educate themselves and their clients in making the right choices. Review boards can help architects make a positive impact by steering the design.

Vice Mayor Stone queried if the applicant was familiar with the City's Sustainability and Climate Action Plan (S/CAP) and how the ARB could help the City achieve the 80 x '30 goal and other sustainability plans. Ms. Adcock clarified that her personal work was not within the City of Palo Alto's jurisdiction. She believed architects should have knowledge about making the right choices but the ARB could steer the design to more sustainable choices.

Council Member Lauing asked for the applicant's opinion of the adjudication process for using parkland for the Palo Alto Junior Museum and Zoo (JMZ). Ms. Adcock stated it was a very close collaboration between many parties. She thought it was lovely but she pointed out she was slightly biased because it was her office's project. Her kids visited when they were little and still enjoy it now as teenagers. She saw it as a benefit

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question. She felt it was the right location to have a community resource close to neighborhoods. Children can get hands-on education they cannot obtain in large zoos.

Council Member Lythcott-Haims asked how Palo Alto was different or similar to other jurisdictions the applicant worked with. Ms. Adcock noted that the City had very strong design review similar to other small Bay Area cities. The City differed from many K-12 school projects because DSA issues permits, there was not a strong design review and every school district had different inputs. The City had a streamlined process of going through the ARB, then building review and building permits. The City had more continuity between the various stages versus design review or discussion with a school district and then obtaining a permit from a different entity.

3. Alex Lew grew up in Palo Alto. Three generations of his family had been in Palo Alto for 55 years. He lives in Mountain View but owns property in Palo Alto. He has housing work experience. He studied Palo Alto and Stanford history. He previously worked at Stanford University Architects and Planning Director's Office. He served on the ARB for 4½ terms. He thought the ARB should have a mix of new and old members. He applied for the ARB because it was a six-month term.

Council Member Burt asked the applicant to describe his approach to reconciling competing interests in the community. Mr. Lew responded he tried to be neutral. He explains the appeals process and that ARB recommendations were based on their interpretation of zoning but the Planning Director or Council makes the final decision.

Mayor Kou requested the applicant to elaborate on his thoughts about the Avery building at Columbia University as an example of human-scale design. Mr. Lew realized height was an issue of concern in Palo Alto. The eight-story Avery building looked like a three-story building. A good designer architect can hide floors in a building and use design dimensions scaled to the human body. Danish urban designer Jan Gehl wrote a series of books and encouraged designing buildings to a pedestrian walking 3 miles/hour on the sidewalk. To interest a pedestrian, windows should be vertical, closely spaced and varied because at 3 miles/hour you see something different every 30 seconds. Mr. Lew thought that designing cities with that in mind would solve a number of problems.

Council Member Lythcott-Haims was intrigued with the applicant's work with micro studio apartments in Escondido Village at Stanford, affordable housing with Seattle's HUD project and Congress for the New Urbanism (CNU). She asked if there was a linkage between those three as well as his thoughts on how to achieve greater density, human-scale and habitable microenvironments that are beautiful and sustainable. Mr. Lew replied the three were tied together. He worked with Dan Solomon, one of CNU's founders. HUD's HOPE VI program applied CNU's standards. CNU and HUD make concerted efforts to build projects not available in the private market, such as flats for seniors or four-bedroom units for large families.

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4. Stephen Sun studied at Carnegie Mellon, SCI-Arc and Harvard Graduate School of Design. He believed we bake into buildings our values, inspirations and aspirations for humanity to inherit and learn. He saw it as his civic imperative to help guide development, ensure built spaces are environmentally restorative and intellectually stimulating while enhancing the beauty of the city. Good policy promoted the affect, effect and impact of good design.

Mayor Kou asked the applicant how he incorporated the community's preferences into his designs. Mr. Sun responded that design begins by listening to the community via surveys or direct engagement. One of the projects he was most fond of was designing a school in Haiti. They spent four months talking to every constituent. As a result, everyone had a say and bought into the design process.

Vice Mayor Stone noted Mr. Sun mentioned on his application that he was interested in serving on the ARB to balance the threatening influence of AEC/real estate tech on the urban fabric. Mr. Sun explained that the older the building, the more it had to offer in lessons learned from the past. Capitalism influenced the design of homes and buildings, which was alarming because it instrumentalized buildings for profit instead of people. Tech software speeds up design development but it may not be the best solution for a community. The longevity of an urban fabric is what drove him to apply.

Council Member Lauing asked about Mr. Sun's comment on wanting to facilitate negotiations between private equity-driven design and human-centered spaces. Mr. Sun responded that buildings require capital, especially in real estate development. It is important to deploy capital to make long-lasting healthy spaces in addition to obtaining a very good return on investment. The lifespan of a building lasts for centuries and we should all strive to design with that in mind. Mr. Sun's startup failed, which was a website that optimized land by entering an address and it calculated how much more could be built and how many more occupants could fit. They designed multiple homes in the Bay Area (one in Palo Alto) using that website. Mr. Sun realized there needed to be more design input and control as opposed to mass development.

Council Member Lauing pointed out Mr. Sun listed two bachelor degrees in architecture from different institutions in 2011. Mr. Sun clarified he graduated from one institution. He left Carnegie Mellon in 2008 to finish his bachelor's at SCI-Arc.

Mr. Sun was the architect for 916 Colorado. Council Member Lythcott-Haims asked Mr. Sun to comment on his experience and any feedback about working with the City. Mr. Sun remarked that the City was helpful and conversations were never a waste of time. He was most impressed when requesting additional subject matter expertise and the City quickly brought in two experts for a Microsoft Teams meeting.

5. John Kunz was a recent emeritus from Stanford's Civil Engineering program. He spoke of the need for having value for the builder to get a return on their investment but also

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value across the community. He was the first in Stanford to teach the use of 3D modeling. He related an experience his students had with building a 3D model for high-speed rail in Palo Alto. Mr. Kunz lives in Palo Alto. In 1983, he moved into a single-story overlay in Triple El when his kids were little. He rides his bike a lot in Palo Alto as well as all over the region and more broadly in the American West. He advocated for bike access. He spoke about previously living with his wife in a 12-story building in Santiago.

Council Member Tanaka asked for the applicant's thoughts on the design of El Camino near the Caltrain station. Mr. Kunz remarked that his dental hygienist lived in Gilroy. He could go to Gilroy once or twice a year to see his dentist. His grandkids do not live in Palo Alto. We need less expensive housing available for critical workers to enable them live here and serve us, including schoolteachers and those needed for the next earthquake or fire. He remembered the fire chief saying that 25 years ago all members of the Fire Department were Palo Alto residents but now the fire chief was the only resident.

Mayor Kou thanked Mr. Kunz for being a Block Preparedness Coordinator and Neighborhood Preparedness Coordinator.

## Agenda Changes, Additions and Deletions

City Manager Ed Shikada stated there were no changes to the agenda.

## Public Comment

1. Liz Gardner wanted help for a family (grandmother, daughter and baby) evicted from Mayfield Place who were living in a car on the streets of Palo Alto, working low-wage jobs and sharing childcare. Ms. Gardner spoke about the difficulty they had trying to obtain help from LifeMoves since January. Ms. Gardner felt that the Palo Alto Renters Association's was responsible for keeping their membership informed on what the Association was doing and their plans.
2. Talya Schube, Palo Alto Student Climate Coalition, is a junior at Gunn High School. She spoke about California's wildfires, Hurricane Hillary and Hurricane Idalia. She felt it was partly our responsibility to prevent climate events. Staff asked her to submit her comments to the Council via email because of audio issues.

## Council Member Questions, Comments and Announcements

None

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## Consent Calendar

Council Member Tanaka registered a no vote on Agenda Items 4, 5 and 6. On Item 4, he was very hesitant about the Palo Alto History Museum because there were many other uses, it cost a lot of money and the City would put this project onto its insurance policy. He shared his screen to show the budget website. General Fund expenditures planned for 2023-2024 were \$246 million, resulting in a -\$9 million difference. Council previously voted to approve a certain amount of money and he believed it should not increase. Item 5 was a \$96,000 cost increase to almost \$500,000. He expressed his concerns on Item 6. Help to other states can come from the federal level. The City's jurisdiction is within the borders of Palo Alto, so he does not believe the City should force everyone to donate money to another state. It is a personal choice for Palo Alto residents to decide where to donate their money.

Council Member Lythcott-Haims registered a no vote on Item 4. The tenant work letter between the City and the Palo Alto History Museum required their general contractor, Vance Brown, to obtain builder's risk policy coverage. According to the terms of the construction contract between the Museum and Vance Brown, the Museum assumed responsibility for providing and maintaining the builder's risk policy. The Museum asked the City to cover them. The staff report mentioned it was City policy to ask contractors to be responsible for builder's risk insurance. Council Member Lythcott-Haims expressed her concern that the City treated this contract differently. She hoped there would have been an opportunity to discuss it.

Item 3 removed from the Agenda.

**MOTION:** Council Member Burt moved, seconded by Council Member Lauing, to approve Agenda Item Numbers 2, 4-6.

**MOTION PASSED ITEM 2: 6-0-1, Veenker Absent**

**MOTION PASSED ITEM 4: 4-2-1, Tanaka no, Lythcott-Haims no, Veenker Absent**

**MOTION PASSED ITEMS 5-6: 5-1-1, Tanaka no, Veenker Absent**

2. Approval of Minutes from August 14, 2023 Meeting
4. Approval of First Amendment to Tenant Work Letter for the Roth Building at 300 Homer Avenue between the City of Palo Alto and the Palo Alto History Museum. CEQA Status: Not a Project.
5. Approval of Amended and Restated Purchase Order Number 4522000178 with Interstate Truck Center, to Increase the Purchase Order Amount by \$96,767 for a New Not-to-Exceed Amount of \$487,768, Which Includes a 5% Contingency in the Amount of \$23,227 for Unforeseen Price Increases, for the Purchase of a 2024 Peterbilt 537 with a Western Truck Fab Service Body. CEQA status: Exempt under CEQA Guidelines, Section 15061.

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6. Approval of a Donation of \$25,000 from the City Council Contingency Account to Support Maui Wildfire Relief and Recovery

## City Manager Comments

City Manager Ed Shikada called attention to upcoming trail and street closures. September 5-8 between 9 a.m. and 3 p.m., Caltrain's work will affect vehicle lanes on Alma Street in the area of Meadow and Charleston. Community members need to plan for traffic impacts. Additional details are on the City's website under News Articles. Pearson Arastradero Preserve Creek, Arastradero Lake and Acorn Trails were closed until mid-October for needed repairs. In the Baylands area, the Adobe Creek Loop Trail was closed this week for Valley Water to conduct work at the Tide Gate.

There will be a groundbreaking celebration on September 7 at Boulware Park. Other upcoming events include the Siblings Cities Virtual Author Talk and Town Hall Meetings, Friday Night at the Art Center on Boom Oaxaca, Coastal Clean Up and the Great Glass Pumpkin Patch at the Palo Alto Art Center. On Sunday, September 24, there will be a Town Hall for the neighborhoods of Old Palo Alto, Leland Manor and Southgate. See the City's website under News Articles for more information on upcoming events.

Youth Community Service (YCS) National Day of Service events on September 10 and 11 provide opportunities for community members to volunteer. The September 11 event at King Plaza conflicts with the Council meeting but Council Members can attend during their break.

Community members will soon see public announcements related to the upcoming storm season. Those who are subject to the National Flood Insurance requirement should contact their insurance agency to ensure they are receiving a discount related to the City's participation in community outreach programs. For more information on storm preparation, go to [cityofpaloalto.org/PrepareForRain](http://cityofpaloalto.org/PrepareForRain). There will be a multiagency inspection of San Francisquito Creek and upcoming actions related to Newell Road Bridge.

In the next few weeks, there will be additional information on the Palo Alto FireMed program. This is a subscription program for residents and businesses to receive low-cost ambulance rides.

Upcoming Council items for September 11: Prescreening of proposed residential development on El Camino Real, HSRAP funding recommendations on Consent Calendar, next steps and actions on the Permanent Parklet Program as well as Human Relations Commission recommendations for race and equity dates of significance. September 18: Priority Development Area, Ellsworth Place development application and Natural Gas winter rate purchasing strategy. October 2: Update to the Stanford University Medical Center Development Agreement as well as building and zoning requirements for residential electrification. September 12 Special Meeting: Closed session for performance of City Manager Shikada and

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the City Attorney, followed by Council deliberations on the Portage/Park Boulevard proposed development.

[The Council took a 15-minute break.]

## Action Items

7. Quasi-Judicial/Legislative. 3200 Park Boulevard/340 Portage [22PLN-00287 and 22PLN-00288]: Adoption of a Resolution Certifying an EIR, Adopting Findings of Overriding Considerations, and Adopting a Mitigation Monitoring and Reporting Program; Approval of Applicant's Request for a Development Agreement, Comprehensive Plan Amendment, Rezoning to Planned Community Zones, and a Vesting Tentative Map with Exceptions to the Private Street Width to Allow Redevelopment of a 14.65-acre site at 200-404 Portage Avenue, 3040-3250 Park Boulevard, 3201-3225 Ash Street and 278 Lambert. Environmental Assessment: A Draft EIR for the 200 Portage Townhome Development Project was Circulated September 16, 2022 through November 15, 2022. A Revised Final EIR was Made Available for Public Review on June 2, 2023. The Proposed Development Agreement and Associated Actions is Evaluated as Alternative 3 in the Draft EIR. For More Information Contact the Project Planner, Claire Raybould at [Claire.Raybould@Cityofpaloalto.org](mailto:Claire.Raybould@Cityofpaloalto.org).

Council Member disclosures: Council Member Burt recently met with representatives of Sobrato Corp but did not receive information outside of the public record. Council Member Lythcott-Haims recently met with the applicant's representatives and walked through the site to look at the building. She does not believe she received any information different from what is contained in Council's written materials. Vice Mayor Stone met with the applicant for a site tour but to the best of his knowledge he did not receive information outside of the public record. Mayor Kou met with the applicants a long time ago when on the ad hoc committee. Council Member Lauing met with the applicant's representatives, toured the site and saw what was included in today's packet. Council Member Tanaka toured the site a long time ago, before the ad hoc committee. Council Member Tanaka recently spoke to someone for about 10 minutes but did not talk about anything that was not in the packet.

Mayor Kou noted that Council was scheduled to meet last week, so Council Member Veenker planned her vacation for this week and sent her regrets for missing this meeting. Council Member Veenker will catch up on the presentations and public comments before joining deliberations next week.

Senior Planner Claire Raybould delivered a slide presentation. The 3200 Park Boulevard/340 Portage project included a development agreement, comprehensive plan amendment, PC rezoning, vesting tentative map with exceptions and CEQA findings of overriding consideration for impacts to a historic resource.

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The ad hoc key objectives were housing, particularly affordable housing, park and open space adjacent Matadero Creek, retention of the cannery building's historic features, retail or community space, pedestrian or bicycle connections, a Transit Demand Management (TDM) plan as well as avoiding lawsuit and uncertainty.

Key public benefits stipulated in the development agreement included: 2.25 acres of land adjacent Matadero Creek dedicated to the City for a future public park and one additional acre of land for an affordable housing project. CEQA analysis assumed 74 market-rate townhome units. \$5 million to the City for affordable housing or park-related uses per the City's discretion. A historic covenant requiring the remaining portion of the cannery building to be maintained in its rehabilitated and restored state. Improve bicycle and pedestrian connections across the site. A connection between Park Boulevard and Portage Avenue proposed as a multiuse path and an associated public access easement as well as a TDM plan for the commercial uses.

In exchange for the above benefits, the City would allow the following: Nonconforming research and development (R&D) uses to remain within the cannery and office use on Ash. Conversion of the Audi building from automotive services to R&D use. Construction of a parking garage adjacent to the cannery to address loss of surface parking on the parcel dedicated to the City. A California Register-eligible (CRHR) resource would be partially demolished. The City would honor those approvals for 10 years (normally expires in two or three years). The City would be precluded from applying most new regulations to the site for 10 years.

Staff recommendations to Council: (1) Adopt the Environmental Impact Report (EIR) and resolution in Attachment B making findings of overriding consideration and adopting the Mitigation Monitoring and Reporting Plan. (2) Adopt the resolution amending the comprehensive plan and comprehensive plan Land Use Map. (3) Adopt the five Planned Community (PC) ordinances for each of the resulting parcels, amending the zone districts across the project site. (4) Adopt the Record of Land Use Action, including architectural review findings for approval of the development plan, findings for a vesting tentative map with exceptions and conditions of approval of the proposed project. (5) Adopt the ordinance approving the development agreement.

City Attorney Molly Stump spoke about what would happen if the City and property owner did not reach agreement on development of this site. There was another application on file for 91 townhomes, so that application would likely move forward because Council authorized the City to enter into an agreement with the developer. The application raised an issue of interpretation of local law. The City and property owner have different interpretations of the zoning provision about nonconforming uses on this site. If that disagreement was not resolved, the Superior Court had authority to make a definitive ruling. The 91-townhome project potentially could raise a question that had not been definitively litigated and decided in our courts concerning the interaction of the SB 330 Housing Accountability Act and California Environmental Quality Act (CEQA) for a historic resource.

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Architectural Review Board Chair Peter Baltay addressed Council. The ARB reviewed this project over the past nine months, twice in study sessions and twice in formal hearings. The ARB persuaded the applicant to make several important design improvements. In June, the ARB unanimously recommended that the Planning Director approve the project, subject to a few important conditions. Critical design modifications included the following: Greater variation of townhouse facades, especially as seen from Park Boulevard, through greater variation of roof heights. Use softer and warmer materials and colors. Lower the freestanding parking garage structure behind the existing cannery building to minimize neighborhood impact and preserve visual importance of the cannery building. Reduction of new two-story elements at the front of the cannery building to better preserve the visual dominance of the existing cannery building. The proposed new windows on the cannery building should have greater historical accuracy.

Two important design modifications remained outstanding. The ARB urged City Council to uphold the following conditions of approval: Additional modifications of a portion of the end facade of Building #1, which remained too angular and did not present well when seen from Park Boulevard or Olive Avenue. The ARB unanimously decided the central paseo should be at least 28 feet wide, which was reasonably achievable without undue burden on the applicant and critically important for future residents to enjoy and benefit from the outdoor spaces created by the paseo.

The ARB unanimously found the project was significantly lacking in two important aspects. The use of 340 Portage was historically significant and the cannery building should be preserved so the public can experience the interior of the building. At least the area underneath the monitor roof portions of the building should be publicly accessible and usable space such that the entirety of the length of the monitor roof was visible. The ARB believed it was important to understand that the application before Council does not let the public go inside the building. You can go into one small storefront that has a flat roof carved out from this space with a small opening in it to see what was there. The ARB thought that was inappropriate as a design treatment and for the nature of this building. There were other ways to develop this site while retaining the building's use. Secondly, the portion of the site designated for townhomes should be higher density residential housing. The ARB had substantial discomfort with these shortcomings and felt it was important for Council to consider how much better the project could be if there was a large public open space to help preserve an important part of our history in the old cannery building as well as a greater variety of housing types and densities on this site.

Planning and Transportation Commissioner Bart Hechtman stated the PTC held three meetings between November and last month. At their last meeting, they were largely supportive of staff's recommendation with one notable exception. Staff recommended base zoning be a service commercial designation. The PTC voted unanimously (with one member absent) to recommend mixed-use designation rather than service commercial. PTC's recommendation to staff was to make sure the designation was consistently changed to mixed use in all documents before Council tonight, including the comp plan, development agreement and rezoning. The PTC recommended a change to the mixed-used text to allow up to 100% of available FAR to be

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used for residential to encourage housing, multifamily housing in particular, in mixed-use developments.

Senior Planner Raybould spoke on behalf of the Historic Resources Board (HRB) as they were unable to attend. The HRB held a study session on January 12, 2023. The HRB's motion advised Council to include the following as conditions of approval: HABS-like (Historic American Buildings Survey) documentation augmented by the best current technology available for the entire cannery structure and establish an appropriate repository for information. Conduct a postconstruction analysis of the remaining monitor roof building section to evaluate for inclusion and nomination to the National Register of Historic Places, local listing, California Landmark status and California Point of Historical Interest status. The applicant should look at additions to and separations from the monitor roof section of the building to enable eligibility for the National Register of Historic Places.

The EIR evaluated the project and determined it would not continue to be eligible for the California Register or the National Register. Senior Planner Raybould stated there is generally more latitude on the local register but she did not want to give any false expectations. The local registry does not have many restrictions. Code 16.49 protects resources in the downtown area from demolition and requires evaluation by the HRB but recommendations were voluntary. A 60-day evaluation was required but it would not stop demolition. It was protected under CEQA as a California Register-eligible resource but did not provide additional protections for this resource.

If this property were sold in the future, the purchaser could not demolish it because the development agreement included a historical maintenance deed restriction on this site to protect what remained of the resource unless the City agreed to remove the deed restriction. Assistant City Attorney Yang confirmed that while the deed restriction was in place and the City had not agreed to its removal, the cannery needed to be maintained in perpetuity in the rehabilitated state it would be in following this project.

A proposed two-way bicycle/ped path would connect Park Boulevard to Ash Street by spanning part of a City parcel, a small portion of the Ash parcel, the cannery and the townhome parcel. The path would mostly be 12 feet wide but narrowed to 10 feet wide next to the Ash building. Some improvements on Park Boulevard, Portage and Ash would provide safe connections as per the Palo Alto Bicycle Advisory Committee's feedback. With the TDM plan, there would be a 15% reduction in vehicle trips for R&D uses through passes and other plan elements.

Vice Mayor Stone asked if the HRB opined whether Council should approve the project. Senior Planner Raybould replied that the HRB did not specifically recommend approval or denial of the project.

Senior Planner Raybould stated it was the City's position that any reuse of this property would require substantial modifications to the site to comply with life safety requirements. It was an awkward building for the purposes of a housing project. It was very wide. To create housing

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units that allowed air and light to come in, staff thought the building needed light wells because of its depth. The staff report elaborated on this subject in more detail.

Vice Mayor Stone asked if the cannery building would maintain its eligibility status on any of the historical registries at the local, state or federal level if it were reused for housing or retail. Assistant City Attorney Yang responded there may be commercial uses but the City's consultants would need to review a set of plans to make that determination. Any residential use would require such a great amount of change that it would not retain its eligibility. City Attorney Molly Stump added that the cannery would not comply with the Secretary of Interior's Standards. Senior Planner Raybould remarked there were character-defining features inside and exterior to the cannery. At next week's meeting, the historic consultant can comment on this.

Mayor Kou queried if passes for Caltrain and VTA were part of the TDM. Planning Director Lait replied that the lease agreement required future tenant to provide free transit passes to all R&D employees per Condition 50 of the Record of Land Use Action and the TDM.

For next week's meeting, Mayor Kou requested a Trip Generation Table using Palo Alto data instead of national data as well as for staff to address how the City would enforce the TDM.

Matthew Davis with ARG (Architectural Resources Group), historic architecture consultant, stated the focus was on honoring and maintaining the historic character of the cannery building through repairing where feasible and replacing in kind where necessary.

Jennifer Easton, art consultant, spoke of Artist Kyungmi Shin. Ms. Shin had an extensive background in public art and her work was well known for its integration of historic elements in contemporary and cultural settings. Ms. Shin met with community members, the Public Art Commission and Thomas Foon Chew's family to develop her historical background on the project.

Sobrato Vice President of Development Robert Tersini and KTGY Associate Principal David Burton delivered slide presentations.

Ms. Shin had not finalized her design. Ms. Shin was scheduled for the Palo Alto Public Art Commission on September 21. Ms. Easton stated they selected this artist because her past work delved into the history of the site and the community in which the artwork was placed. Mayor Kou was looking for reassurance that the art would stick with historical facts on Mr. Thomas Foon Chew the person and his great work as well as the different events that occurred at this site.

In reply to Mayor Kou's query if automobiles would be to travel from Portage to Park, Senior Planner Raybould responded yes and passage of emergency vehicles such as firetrucks was calculated.

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Council Member Lauing asked the applicant why they decided not to accept the ARB'S recommendations on opening up more space for the public to come in and view the broader rooflines. Sobrato Vice President Tersini replied it was due to the amount of retail needed to make this space viable. Mr. Sakalowski from Archtic responded they would look at making the skylights larger but there was a size limit for the glass because the structure had to hold up the weight of the glass within the ceiling.

Council Member Lauing envisioned the cannery site could be similar to the Minnesota Project in South San Francisco that had beautiful old architecture, many galleries and a lot of public space. Sobrato Vice President Tersini stated the intent was to have only R&D tenants. They were trying to determine the best retail use, maybe a local coffee shop but an art gallery or anything else might struggle because the location was tucked away.

Vice Mayor Stone asked what portion of the current building was the original cannery building and if that portion would be preserved. Senior Planner Raybould replied that the portions closer to Park were the newest additions but it was not clear when the additions were done or what parts of the cannery were original; however, all of it was developed during the period of significance, so all of it was relevant to the historic integrity of this site.

## Public Comment:

1. Rebecca Sanders spoke on behalf of Mary Sylvester, Scott Van Duyne, Jeff Levinsky, Andrea Temkin, Angela Dellaporta and Joyce McClure. Ms. Sanders lives near the cannery site. She serves as moderator for the Ventura Neighborhood Association and Co-Chair of Palo Alto Neighborhoods (PAN). The cannery building and office building on Ash represented a unique piece of the history of California, Palo Alto and Chinese Americans. Thomas Foon Chew built the third largest cannery operation in the world, employed and housed hundreds of workers of multiple nationalities. 25,000 people attended his funeral. Much of what he built was now gone except the cannery and office building on Ash. She would like to have housing and preserve the cannery. The EIR found that demolishing a portion of the cannery would end its historic significance. It was not clear where the City would obtain funds to build affordable housing. Sobrato's proposal of market-rate townhomes was not a guarantee they would be built. Sobrato won approval to redevelop Mike's Bikes but sold the property without going forward with the development.

Ms. Sanders preferred a proposal that would provide at least the same amount of housing and preserve the entire cannery. If the part of the cannery that was to be demolished was converted into a garage to provide parking for the office employees, a new two-story garage north of the cannery would no longer be needed and townhomes could be built where the garage was proposed. This would result in about the same number of housing units but the cannery would remain 100% intact. It was a better environmental option and provided cost savings because it did not require tearing down a portion of one building and constructing a new garage. There was no evidence in the EIR to support the claim that saving the cannery would result in a drastic reduction in townhomes. The staff report stated garage conversion

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would prevent the building from qualifying as a historic structure due to new ventilation openings. Ms. Sanders suggested ventilation through the roof rather than the walls. She wanted clarification if interior ramps, floor leveling and constructural modifications would affect the building's historic status.

Adaptive reuse is increasingly popular as cities have a surplus of office space and not enough housing. The EIR looked at the option of putting housing into the cannery building but instead of trying to fit a comparable number of units, it concluded 281 units would not fit. Ms. Sanders requested more evidence, graphs and numbers to be convinced that housing in the cannery building was not a viable option. Individual units in residential buildings in urban downtown areas often lack exterior windows or doors. It was possible to put housing into the cannery without modifying the exterior walls by using common corridors to a few outer doorways as well as bringing in sunlight and air with interior courtyards and light shafts. Ms. Sanders suggested consulting an independent architect experienced in adaptive reuse.

A third option suggested by the Planning Commission was to use underground parking for offices and/or housing. The current plan does not include underground parking. The WeWork building on Park, Wilton Court and most new proposals for buildings in Ventura have underground parking. The Fry site's acres of open space could easily accommodate underground parking. Other historic structures in Palo Alto have parking underneath. Considering land values in Palo Alto, underground parking allows you to get more value from the site.

Ms. Sanders requested Council Members to ask for better options. To preserve a landmark with rich and important history was worth the effort.

2. Terry Holzemer spoke on behalf of Patricia Hernandez, Paul Machado, Suzanne Keehn, Ann Balin and Jim Poppy. He commented on the history of the cannery, Thomas Foon Chew and the Valley of Heart's Delight. He showed a video about Silicon Valley Eats and Thomas Foon Chew. Demolition would remove distinctive materials, including the canning platforms, cooling porches and several other character-defining features such as the form, massing and varied roofs that cannot be replaced or duplicated. Mr. Holzemer cited EIR Page 4.2-12. The proposed demolition would significantly diminish those characteristics of the historic resource that convey its historical significance and justify its eligibility for listing in the California Register of Historic Resources. The Secretary of the Interior's Standards for the Treatment of Historic Properties required you to retain materials from the period of significance. Mr. Holzemer urged Council to review Pages 4 and 10 of the May 25 staff report as well as Attachment C of the May 25 HRB report, specifically Page 91.

3. Liz Gardner asked Council to zone all 14 acres as residential and save the whole property. She believed the monitor roofs were used to release poisonous gasses on the canning line and not an architectural element.

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4. Andrew Chang promoted the Chinese culture for over 40 years. He was a teacher and principal at a Chinese language school. He reminded Council Members they were in a unique position because their decision would make a substantial difference, so they should vote on their conscience.

5. Mary Ng is a representative of SaveCantonese.org. She offered to volunteer to help tell the story of Thomas Foon Chew. She was in support of housing and anything for the community that helped get this story out.

6. Bob Moss commented that the cannery was the first major industrial building in Palo Alto. For almost 20 years, it was the major employer in Palo Alto with as many as 3000 workers. He felt that creating a few dozen additional apartments and tearing down a unique building was a blunder because we should be preserving our history instead of destroying it. He preferred townhouses be built elsewhere in the city. He asked Council to deny the request to demolish 84,000 square feet of the building. Furthermore, the building should be retained and recognized as a unique historical monument. He was on the Board of Cable Co-Op when their offices and studios were in the building. In his more than 10 years in the building, he noted it was very functional, well developed and well designed. Mr. Moss suggested retaining the structure for use as a place where people can congregate or a community center.

7. Fan Jiao had been a Bay Area resident for more than 30 years. He is a former Palo Alto resident and currently lived in San Jose. He was interested in housing topics because he believed it was the most difficult issue facing the Bay Area. Two weeks ago, he attended San Jose Mayor Matt Mahan's meeting. San Jose's approach was unique because they depend on quick-build communities that cost \$100,000 each unit, which Mr. Jiao opined was the most efficient way to solve the housing problem.

8. Xi Zhang has been a Palo Alto resident since 2015. She believed any place with historical significance needed to be protected. Houses could be built anywhere but this location should be preserved to pass on the memories and stories to future generations.

9. Karen Holman spoke on behalf of Andie Reed, Hank Sousa, Winter Dellenbach, and Carol Kiparsky. They had several concerns about the project. It destroyed a major and rare historical resource important to our cultural, business, Silicon Valley and entrepreneurial legacies and that of the Valley of the Heart's Delight. It was largely inconsistent with NVCAP goals due to the increase in office and small community benefits. It offered little housing, 74 market-rate townhomes (if built) and affordable housing in an unknown timeframe with unidentified funding for \$60 to \$80 million. The FEIR does not respond to critical questions raised; however, the Council was required to certify the EIR and make a statement for overriding considerations. Negotiations on economic considerations, site planning and the development agreement were behind closed doors without the benefit of advice from the public, boards and commissions. A 10-year development agreement leaves open the future of this site and uncertainty for the neighboring community. This building was a monument to the accomplishments of Thomas Foon Chew, whose story was included in the book *Bay Area Visionaries*. At NVCAP meetings,

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numerous times the City was requested to conduct a feasibility study for reuse of the building, which had not occurred to her knowledge. Plaques were not mitigations. Once a historic and cultural resource was gone, it was gone forever. We have known for three years that this building was eligible for the California Register. If listed, it was eligible to use State Historic Building Code's alternatives for safety, energy and health concerns.

At the HRB meeting, Ms. Holman heard the applicant state they would not restore and repair existing materials, instead they would replace in kind. These parcels would be zoned PC. The development agreement was for 10 years. What parameters would be in place for PC Districts in the future? We displace our culture, legacies and important history as a community when we erase the significant past that exists on this site. Council has an opportunity to take a stand by standing for a man who cannot stand for himself but who left a legacy in your hands. It would be not only a shame but shameful to destroy the physical evidence of his life and works. Council can use this opportunity to provide transparency and a future that delivers housing. This is Council's opportunity to assure the public they are getting a fair deal, aligning largely with the NVCAP.

10. Dennis Backland was the City's Historic Preservation Planner from 2000 to 2014, working out of the Planning Department. He read the historic documents. The Page & Turnbull report established the historic importance of this property and noted some of its character-defining features. In the final EIR, the section by Rincon Consultants was very important because it gave details on how this cannery building should be treated under the Secretary Standards. Mr. Backland would like the fenestration of the original portion of the building, the 1918 section with the monitor roofs, restored very close to the way it was originally built, according to the 1940 photo, per the Standards. Mr. Backland would like a plaque in front of the 1918 section to detail the Chinese heritage of the cannery building, preferably a plaque placed on a boulder because it attracted more attention and readers as was done with the Hewlett Packard garage.

11. Carmen Tam read a letter on behalf of John Kinyon, a fifth generation Palo Alto. Four years ago, the City received a historic resources evaluation that determined the old Bayside Cannery building met the criteria to be on the California Register of Historical Resources. The building overall is intact, with nearly all of its original features and structure present. The cannery's historic importance to the Chinese American community is undeniable. This beautiful early 20th century industrial building could be transformed into offices and a cultural center for the community. This project could be called Mayfield Cannery, Palo Alto Cannery or simply Cannery. It could include loft live/workspace for artists and craftsmen, numerous art galleries, museum, restaurant, cafe, brewery, convention room or classroom. It could be a beautiful place for the community to enjoy outdoor festivals with music and vendors. The proximity to the railroad station would draw tourists from San Francisco and San Jose.

12. Barbara Hing's family has been residents since the late 1800s. Ms. Hing was in support of preserving the Thomas Foon Chew cannery. She asked Council to reconsider the cannery as a monument to the struggles and triumphs of Palo Alto's early Asian American pioneers. She

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urged Council to vote in favor of preserving the cannery and adding it to California Registry of Historical Buildings.

13. Ray Hing read a letter from Connie Young Yu, which in part said the Bayside Cannery building must not be demolished and its significant legacy erased from Palo Alto. Thomas Foon Chew was a great industrialist and humanitarian of his time whose struggles and achievement during the Chinese Exclusion Act must be brought forth. Ms. Yu is a Chinese American historian, third-generation Californian and author of *Chinatown, San Jose, USA*. Ms. Yu felt that the building's physical evidence was critical to learning the truth about the past. Once it was destroyed, it was gone forever. Council was urged to preserve Bayside Cannery on Portage Road. It was an opportunity to discover the past. Mr. Hing was 100% in agreement with Ms. Yu and urged Council to consider this item seriously.

14. Monica Yeung Arima lives in Professorville and rebuilt her historic home 25 years ago. She volunteers for the Chinese community, Stanford History Department, Chinese Railroad History Project, Greene Library, Stanford's FSI Space Program for multiethnic education curriculum for K-12 and the Cal Library. The Bayside Cannery was a way to remember Thomas Foon Chew and the early Asian American pioneers in Palo Alto and Mayfield. Ms. Arima felt it was important to preserve history so it was not forgotten. A historic building in its original stage is a rare finding. This was an opportunity to preserve this site for future generations. All three consulting firms agreed that 40% demolition and front-facing facade changes would destroy the historic element of the building and it would no longer qualify to be on the California Register. Ms. Arima strongly recommended Council to not to destroy the historic building but to preserve it.

15. Christie Li is a former Palo Alto resident and PAUSD graduate. She stated that the Bayside Cannery must be preserved for future generations and included on the City's Historic Inventory List. While a student at Paly, she interned at the Palo Alto Historical Association (PAHA) in 2015 to catalog and preserve Chinese and Japanese American History in Palo Alto. She thanked the City for funding that project. She walked through the cannery, which then was home to Fry's Electronics. She remembered seeing the high ceilings and windows, the beams and planks and feeling the physical building reflect Palo Alto's history as not only a landing ground for Asian Americans but also a reminder of our City's industrial and agricultural past. She credited her experience in the cannery to have led her to her current career as an urban planner. It is important to build market rate and affordable housing. There were ways to ensure the cannery's interior remained accessible for all Palo Altans, preserving the full integrity of the historical facade while advocating for affordable housing and mixed-use development.

16. Brenda Hee Wong is a Chinese Historical and Cultural Project (CHCP) Board Member and Chair of the Student Docent Cultural Ambassador Program. She spoke tonight to advocate for the youth of the community. In CHCP's 35-year history, they have worked diligently to preserve, educate and promote Chinese and Chinese American history and culture through outreach activities that allow interaction with original or replicated artifacts of historical or cultural significance. People appreciate, understand and learn more when an object is in front of them.

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Youth's attention and awareness were lost when not able see or hear from a direct source. Walking into the Bayside Cannery, seeing and hearing stories about hardship, persistence and success would stimulate youth to become more sensitive to a time when discrimination and racism occurred. With utilization of one's intellect and creativity, struggles can bring success and a better life.

17. Tom Chew is the grandson of Thomas Foon Chew, the founder of Bayside Cannery. There were permits to construct townhouses. Demolishing 40% of his grandfather's cannery site would render it ineligible for historic registration. Mr. Chew requested artifacts from the building (timber, bricks, etc.) be preserved for inclusion in the future Palo Alto History Museum on Homer Avenue for remembrance of his grandfather's Bayside Cannery.

18. Yugen Lockhart has been a resident on Olive Avenue for 45 years. Growing up, he viewed this building as a large, defunct eyesore. He respected and appreciated what Sobrato offered to preserve. More research could determine if the 40% portion proposed for demolition was Babbitt Bearings. He opined it was a reasonable compromise to save the building and put in townhomes. Palo Alto Square had a requirement to keep the movie theater but did a bad management job and chose to close it. Mr. Lockhart thought it would be nice to get the movie theater back.

19. Wanda Ching stated that the historic Bayside Cannery building must not be demolished. Thomas Foon Chew was a first-generation immigrant who was smart, worked hard, saved money and opened factories in Alviso, Palo Alto and other Bay Area cities. Chew was one of the largest employers in Santa Clara Valley. Chew had the third largest cannery operation in the world, behind Del Monte and Libby. He was a critical player in California's agriculture and canning industries and revolutionized asparagus canning technology. Acknowledgement of Chinese Americans for their contributions and accomplishments in agriculture, fishing, canning and technology industries and building the railroads should be recognized as intertwined in the development of California and America. Chew died of pneumonia at the age of 41. As a testament to the respect he received and his kindness, more than 25,000 people attended his funeral in San Francisco Chinatown. Thomas Foon Chew was a rags-to-riches story that happened here in Palo Alto. We cannot allow this significant legacy to be erased.

20. Matt Bryant and his family live in the Sunnyside tract in Mayfield. They walk their dog around the cannery almost daily. Mr. Bryant opined it would be great if the City could tie together more greenspace, more parks. His area was landlocked between El Camino and the train tracks. He suggested having well-marked pedestrian and bike access from this new community to the train station as well as greater access on El Camino for bicycling and alternate routes of transportation for kids to get to school. He thought the focus should be on how to live better in our community if we were going to bring higher density housing into our area.

Mayor Kou invited the applicant to offer responses to public comment but they declined. Mayor Kou requested staff to send a link to Council Members for the Turnbull Historic Resource

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Evaluation of 340 Portage Avenue. Senior Planner Raybould pointed out there was a link in the staff report but she could send the link to Council Members.

Council decided to release the Keyser Marston financial analysis report to the public. Public comment will reopen at next week's meeting but only for comments narrowly limited to the financial analysis report.

**MOTION:** Mayor Kou moved, seconded by Council Member Lythcott-Haims, to direct staff to release the financial analysis to the public.

**MOTION PASSED: 6-1, Veenker Absent**

A community member filed an application to the HRB for local designation of the cannery building. Planning Director Lait thought staff was preparing reports to be sent on the 18th. The HRB had two or three meetings on this matter. Assistant City Attorney Yang remarked that the application was to add the building to our local register and it was their belief that could be done even if this project was approved. If this building was on our local register, our historic preservation code would not affect consideration of this project. HRB recommendations on locally listed resources outside of the downtown area were voluntary for the property owner. City Manager Shikada confirmed this item was scheduled for Council deliberation and action at 8 p.m. on Tuesday, September 12.

Adjournment: The meeting adjourned at 10:01 P.M.