

Special Meeting  
May 15, 2006

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The City Council of the City of Palo Alto met on this date in the Council Conference Room at 6:02 p.m.

CITY COUNCIL

Present: Barton, Drekmeier, Kishimoto, Klein, Kleinberg, Morton

Absent: Beecham, Cordell, Mossar

YOUTH COUNCIL

Present: Katherine Chen, Kexin Chen, Martin Fukui, Mike Lee, Linda Li, Ruisi Li, Jay Houston Yang, Jillian Liu, Siddhartha Oza, Eneida Revueltas, Christine Rogers, Robert Tian, Susan Wu, Christine Young, Kim Parker

STUDY SESSION

1. Joint Meeting with the Youth Council re Issues Related to Palo Alto Youth

**No action required.**

ORAL COMMUNICATIONS

None.

ADJOURNMENT: The meeting adjourned at 6:56 p.m.

The City Council of the City of Palo Alto met on this date in the Council Chambers at 7:05 p.m.

Present: Barton Beecham, Drekmeier, Kishimoto, Klein, Kleinberg, Morton, Mossar

Absent: Cordell

#### SPECIAL ORDERS OF THE DAY

Mayor Kleinberg acknowledged Affordable Housing Week in the City of Palo Alto.

Marlene Prendergast, 725 Alma Street, said the Palo Alto Housing Corporation (PAHC) had recently been inducted into the California Housing Consortium (CHC) Hall of Fame, a state organization whose members work to advance affordable housing and community development issues throughout California. CHC chose to honor individuals and organizations that had championed the cause of affordable housing in California for more than 30 years. The PAHC had also been honored with two project specific awards; the Santa Clara County Housing Trust Fund (SCCHTF) Prometheus Award to Alma Place for its architectural excellence in affordable housing, and two Golden Nugget Awards to Oak Court Apartments for creativity and achievement in architectural design and land use for homes and developments in the Western United States.

Director of Planning and Community Environment Steve Emslie recognized some of the major initiatives City staff had accomplished: 1) allocated \$2 million to fund the Opportunity Center, which was slated to open in the summer of 2006. It would provide 89 units of single room occupancy (SRO) and family housing; 2) contributed \$650,000 to the SCCHTF, and received \$750,000 in funding from the program; 3) allocated \$1 million to the Community Development Block Grant (CDBG) funding, which was used in April 2006 for the acquisition of Alma Apartments; 4) acquired 210 units of Below Market Rate (BMR) housing in the housing inventory over the past few years; 5) completed a two-year study of the BMR program, which would come to the Council in the fall of 2006; and 6) continued working with Eden Housing to prepare a conceptual plan for future housing on the Alma substation site.

## ORAL COMMUNICATIONS

Dennis Mitrzyk, 201 Maclane, spoke regarding Alma Plaza.

## APPROVAL OF MINUTES

**MOTION:** Council Member Mossar moved, seconded by Morton, to adopt the minutes of April 10, 2006, as submitted.

**MOTION PASSED** 8-0, Cordell absent.

## CONSENT CALENDAR

City Attorney Gary Baum stated there was no conflict with Item no. 1 even though three of the Council Members lived within 500 feet of the designated areas. There was an exemption in the Fair Political Practices Commission (FPPC) and Reform Act that allowed Council Members to participate if something affected the public generally, which equated to ten percent of the residential properties or 5,000 properties.

**MOTION:** Council Member Morton moved, seconded by Mossar, to approve Consent Calendar Items Nos. 1 through 3.

1. Resolution 8610 entitled "Resolution Establishing Parking Restrictions for Street Sweeping Purposes on All Streets in Designated Areas"
2. Resolution 8611 entitled "Resolution Approving the Facilities Study Agreement with Pacific Gas and Electric Company in an Amount Not to Exceed \$220,000 to Determine the Feasibility and Develop a Cost Estimate of Converting Palo Alto to Ravenswood Electrical Transmission Line from 115 KV to 230 KV"
3. Ordinance 4903 entitled "Ordinance Amending the Budget for Fiscal Year 2005-06 to Accept Grant Funding from State Bicycle Transportation Account Program in the Amount of \$229,725 and Amend the Description and Provide Additional Appropriation to Capital Improvement Program (CIP) Project Number PE-86070, Street Maintenance for the Construction of Bike Lanes Along Hanover Street and Porter Avenue"

**MOTION PASSED** 8-0, Cordell absent.

## REPORTS OF COMMITTEES AND COMMISSIONS

4. Transmittal of Library Advisory Commission Interim Report to Council of Findings and Draft Recommendations for Library Service Model Analysis and Recommendations (LSMAR)

Sandra Hirsch, Chair of the Library Advisory Commission (LAC), presented an overview of the LAC process as they tackled a vision for the library. The LAC commissioned a random-sampled survey of the community in January 2006 to assess priorities and preferences for library services and service delivery methods. Numerous community meetings were held to draw upon those best practices, and feedback and comments were solicited from the various customers, stakeholders and partners. During an early brainstorming meeting, the LAC agreed on the following fundamental ideas or guiding principles: 1) the importance of branch libraries; 2) a comprehensive collection with room to grow; 3) increased library hours; 4) more space at the libraries; 5) a staffing plan to meet changing needs; 6) a strong partnership with Palo Alto schools for successful homework assistance; 7) seamless access to other libraries' collections with library card; 8) flexibility; 9) scale in appropriate technology; and 10) the renovation of libraries. The Draft Library Plan took into account Palo Alto's unique needs and current economic realities. It was important to maintain the five branch libraries, with Mitchell Park becoming the full service library, the Main Library at Newell Road would focus on research, but would also address any existing and general needs of the neighboring community. The Children's Library would focus on the joys of learning and reading, while the College Terrace and Downtown Libraries would focus on comfort, convenience and community. The Library website would be developed as a virtual branch, offering online reference materials, registration for library cards, and other downloadable data. The LAC's recommendations were noted in attachment 'A' of the staff report (CMR:235:06). A common theme heard by many residents was guarantee the branch libraries would not close.

Council Member Mossar asked for Council direction that evening.

Assistant City Manager Emily Harrison said the Council should provide concrete feedback to the LAC members in order for them to finalize their report by June 26, 2006.

Winter Dellenbach, 8 La Para Avenue, said the Mitchell Park Library was too small for the large number of people who used it. She believed it should be bigger, but it did not need to be full service.

Alison Cormack, 3487 Ross Road, encouraged the Council to commit time and money to develop a plan to implement the LAC's recommendations.

Mary Jean Place, 809 Northampton Avenue, former member of the LAC, helped write the first Library Master Plan which was presented to the voters  
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in the fall of 2002. Approximately 11,500 Palo Altans voted yes to the proposal; however, it failed because it did not meet the two-thirds requirement for a bond issue. She urged the Council to support the LAC. Michael Hall, 1505 Emerson Street, Palo Alto Library Foundation (PALF) Board, said the PALF raised \$660,000 for the addition and renovations to Children's Library, and recently contributed \$30,000 to establish teen zones at the Main and Mitchell Park branches. PALF's current project was to raise \$300,000 for furniture, fixtures and equipment for the Children's Library. The Board of the PALF supported the LAC's recommendations.

Wayne Martin, 3657 Bryant Street, was opposed to the Draft Library Plan. It was not supported by the majority of those who attended the outreach meetings or by the results of the Godbe Survey. He encouraged the Council not to support the Library Plan in its current direction.

Mary Jo Levy, 2412 South Court, supported the major recommendations from the LAC report that related to the collections and the infrastructure, especially for Mitchell Park. She suggested the Council establish priorities for the Library Plan. One of which was to raise the level of collections at all the libraries, paying close attention to the Mitchell Park branch as it was the only one to serve South Palo Alto residents.

Jean Wilcox, 4005 Sutherland Drive, said the neighboring residents of Mitchell Park were opposed to rebuilding a huge new metro park library and renaming it. They favored the remaining branch library and community center with a combined building of approximately 35,000 square feet, while preserving the tranquil ambiance of Pearce Mitchell Park.

Robert Moss, 4010 Orme Street, opposed the renaming of two of the branch libraries from Main and Downtown to Newell and Forest, respectively. He favored keeping the administrative services staff at Main Library while expanding the facility. He preferred devoting the expanded space at Mitchell Park to services which directly serviced the community.

Colleen Dunn, 759 Coastland Drive, said the branch libraries were a place for children and teens to go after school, or where the collections were bigger. She encouraged the Council and the community to protect and support the libraries for the children.

Joy Ogawa said one conclusion from the Godbe survey was that most residents liked the branch system and desired improved collections. She did not believe collections needed to be bigger in order to be better.

Herb Borock, P.O. Box 632, was concerned that because of continually decreasing operating costs it was necessary to restore relative funding for

library operations. He favored a proposal for allocating tax monies earmarked for the library.

Tom Wyman, 546 Washington Avenue, suggested the administrative staff, technical staff, and Children's Library staff be located away from Mitchell Park, as it consumed space that could be better used to service the patrons. He favored a library bond measure, but was challenged on how to frame a proposal that would meet with voter approval.

Lenore Jones, 3465 Kenneth Drive, expressed support for the LAC's draft plan for the library and urged the Council to act on it.

Sanford Forte, 250 College Avenue, said parents with children and children themselves drove the library service in Palo Alto. The community needed a library that was sustainable and flexible.

Paula Skokowski, 1319 Tasso Street, Library Advisory Commissioner, said the proposed full service library with downgraded branches received little community support and did not demonstrate efficiency improvements. Recommendations that were in closer alignment included collection and facility improvements at every branch, no aggregations of collections at one location, maximized usage of available space for the public, and improvements in efficiency.

Genevieve Gerard, 231 Manzanita Avenue, believed the community wanted to see improved library branches in a distributed system.

Council Member Barton presented the Colleagues Memo authored by himself and Council Member Klein.

Council Member Drekmeier clarified bond funding could be used for capital improvements but not for staffing or materials, while a parcel tax could be used for anything. He inquired whether either or both would require a two-thirds vote for approval.

City Attorney Gary Baum said they both would.

Council Member Drekmeier noted the presentation illustrated information about the survey and the community meetings. He felt it was important to put more emphasis on the survey because it defined a broader cross-section of the community.

Mr. Baum said the reason why a parcel tax required a two-thirds majority was because it had a special purpose, which was the library or library operations.



Vice Mayor Kishimoto inquired about the barriers associated with *Link Plus*.

Director of Library Paula Simpson said *Link Plus* was a resource sharing consortium of libraries; a software product offered by a certain library vendor (Innovative Interfaces). Its application in California existed only in libraries that had the software provided by the vendor. Recently a hurdle had been crossed by a number of other states where they brought in libraries with other vendors to be a participant in such a collaborative. To make the system work for Palo Alto it involved: 1) migrating from the City's existing system to Innovative Interfaces; 2) use the work-around method by adding additional staff and work to make it a seamless experience; 3) join another library system by sharing the software and the cost; or 4) persuade a neighboring library with an innovative system to partner with Palo Alto. The various ways had pros and cons and staff's intent was to explore those and determine the best system for Palo Alto.

Vice Mayor Kishimoto asked how the operations worked in terms of borrowing a book from a linked library.

Ms. Simpson said generally there was no charge to the user; however, the library bore a charge. Universally, libraries felt it was a cost beneficial service. It was similar to an inter-library loan without the staff time needed for traditional loan intervening.

Vice Mayor Kishimoto understood as the buildings were renovated the aisles would need to be expanded to meet the Americans with Disabilities Act (ADA) requirements. She asked if that would be a big change and was there an estimate on the number of books that needed to be weeded out.

Ms. Simpson said the removal of books was taking place on a regular basis. There would also be the need for active collection development. Staff spoke with a number of architects regarding accessibility requirements, and those numbers ranged from 10 to 30 percent with a reduction in program space. It largely depended on the work needed and how to best accommodate those needs.

Council Member Klein inquired about the City's chances for a state bond for library construction.

Ms. Simpson said it was not good. The libraries that scored well the last time around would be first to receive state funding. Palo Alto did not score well and the application would not be as competitive.

Council Member Klein inquired about Palo Alto's application.

Ms. Simpson understood at the time of the previous bond issue the school library/public library collaborative element and the expectation was very high. The State also looked at the community's ability to fund the improvements, as well as the breadth of support throughout the community for the effort.

Council Member Klein said throughout the staff report (CMR:235:06) references were made to the history collection at Main Library and having it stay there. He inquired why the collection could not be moved to the Roth Building once the museum received financing. He also inquired how much square footage was presently dedicated to the collection.

Ms. Simpson asked Beth Bunnenberg to explain the reasoning from the Historical Association's point of view.

Beth Bunnenberg, representing the Palo Alto Historical Association (PAHA), said Palo Alto had the largest collection of any of the neighboring communities and the smallest square footage. The idea of moving the historical collection to the Roth Building had been carefully considered by the Palo Alto History Museum (PAHM) project and the Board of the PAHA. For nearly 50 years, the PAHA had a contract with the City which stated the archived collections belonged to the City, and agreed to house the collection as part of the reference materials of the library.

Council Member Klein asked what if the City agreed to give the collection to the History Museum and have everything transferred to that location.

Ms. Bunnenberg said it would raise questions of where related books and materials belonged, and hampered the ability to do research on important local businesses and projects.

Council Member Mossar asked why there was not greater emphasis on cooperative library services between the Palo Alto Unified School District (PAUSD) and the City.

Ms. Hirsch said the Draft Library Plan sought out greater partnerships to leverage cooperative library services, and had already reached out to the Parent Teacher Association (PTA) Council and the School Board.

Mr. Forte, Library Advisory Commissioner, added the Library Director had started a school library/liaison program that had been successful and praised by many parents.

Council Member Mossar clarified the program was a supplementary strategy rather than a replacement strategy for something else.

Ms. Simpson said yes. Staff had reached out to the PAUSD in every way it could.

Council Member Mossar asked about the possibility of staffing library administration at a location other than the libraries.

Ms. Simpson believed it would be the least efficient way to operate. She said it was also inefficient to place library administrative staff at various locations. The best way was to co-locate support staff at either the biggest or busiest library.

Ms. Skokowski said the proposed draft recommendations suggested putting the support staff at Mitchell Park, yet there were no demonstrated improvements or efficiency in doing that.

Council Member Mossar asked if the City added monies and put in more collections where would the libraries be located.

Ms. Simpson said if the City desired bigger collections additional space was needed. Palo Alto had libraries that were not fully accessible and would lose some programs. To emphasize collections as well as display and merchandise collections more space would be needed.

Council Member Mossar asked what would prevent added collections at the existing libraries regardless of physical changes proposed at a later date.

Ms. Simpson said absolutely nothing would prevent added collections. An increase in the materials budget would certainly make a difference.

Council Member Morton said there seemed to be an irreconcilable difference between increasing the collection and renovating Mitchell Park. He asked whether the survey truly showed a distinct difference between the two.

Ms. Simpson was unsure whether the differences were irreconcilable having read the minority report. The survey did not explicitly ask people if a larger full service library should be built at Mitchell Park or elsewhere in the City to house an expanded collection. She believed there was a way to achieve larger, better, stronger collections, with more access, and more copies to fulfill holds. The proposed draft recommendations were a 'first cut' to know if the LAC was on the right track.

Council Member Morton said, fundamentally, the City had to find a way of funding an enhanced collection and upgrading Mitchell Park.

Ms. Simpson said agreed.

**MOTION:** Council Member Barton moved, seconded by Klein, to take the following actions:

1. Commend the Library Advisory Commission on their hard work, energy and focus in developing the draft recommendations and for their future work in finalizing the report.
2. Conceptually approve, subject to the resolution of the matters described in item 4, these key concepts in the draft report:
  - Maintain all current library locations;
  - Expand services and collections and seek technological and other efficiencies;
  - Make Mitchell Park Library a full service library on a par with Main.
3. Existing general fund revenues shall not grow (other than inflation etc) to cover the library. Additional required funding would come from a parcel tax or other like new source.
4. Direct the LAC and Library and City staff to:
  - Determine methods to reduce operating costs;
  - Determine how big Mitchell Park Library would need to be;
  - Determine facilities growth requirements (if any) at other libraries;
  - Be explicit about service levels at Main/Newell; that they will continue to serve adults, teens and children.
  - Include 4<sup>th</sup> and 5<sup>th</sup> grade services at Children's Library.
  - Prepare preliminary cost models/projections/estimates for capital and staffing needs;
  - Develop scaled versions of the recommendations with costs;
  - Outline what would need to happen at the libraries if no funding for the recommendations can be approved.
5. Direct staff to advise Council on source of funds to pay for necessary consultant services to complete tasks in item No. 4.
6. Direct the LAC and staff to return to Council by September 11, 2006.

Council Member Barton said it should be noted the branch libraries would not be downgraded. With the expanded services, collections and technology they would be better. He said Main Library was an important library that continued to serve the same cross section of the community and should not become just another branch library. He further reviewed the numbered items in the Colleagues Memo.

Council Member Klein said the library was a big project with many parts and it was assured no one would agree with every decision. There needed to be a commitment from those concerned to come together. For the library measure to win in 2008, it would need to be well crafted. Essentially, the community needed to be persuaded it was not an extravagant project but

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rather cost effective. He discussed some of the specifics in the Colleagues Memo. He did not believe the community would support to expand library hours by 20 percent due to an increase in the City's operating budget. He noted on page 46 of the staff report (CMR:235:06) Palo Alto was third out of thirteen cities in expenditures per capita for libraries. He recommended a set base of \$5 million from the General Fund with anything above that being financed by a parcel tax. He favored a name change for Main to a significant library donor or worthy deceased Palo Alto who contributed greatly to the community. He hoped the project would move forward.

Council Member Morton was encouraged about the possibility of making a difference to the quality of libraries in Palo Alto. History had shown that although bond measures and parcel taxes did not necessarily pass the first time, the community eventually rallied behind them. He expressed his support for the project.

Council Member Beecham said the Mitchell Park facility was in high demand yet the neighboring community did not support its upgrade. He expressed support for the motion.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to add to the second point of item No. 2 of the motion after the words "expand" the following words: "and/or improve access to services and collections and seek technological and other efficiencies"

Vice Mayor Kishimoto suggested expanding or upgrading Mitchell Park library instead of it becoming a full service library on par with Main. She encouraged the LAC to think about renovating the community center area and vacant space at Mitchell Park.

Council Member Klein said the focus should be on full service; a way to make the services at Mitchell Park Library comparable to those offered at Main Library.

Vice Mayor Kishimoto said if the space at Mitchell Park was doubled it would equate to approximately 18,000 square feet, which was closer to Main's 26,000 square feet.

Council Member Klein said he did not believe the square footage had to be the same in order for services to be comparable.

Vice Mayor Kishimoto said she did not want the community to become stuck on the concept of which was the main library. She hoped to see well-chosen sophisticated collections at the branch libraries as opposed to popular

collections that consisted of paperbacks. She expressed concern about an increase in operating costs.

Council Member Mossar concurred with Vice Mayor Kishimoto to not make Mitchell Park a full service library on par with Main. She supported a language change that would help shape the proposed library in a way that was different from the vision sought in Measure D. She expressed support for the motion.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** in item No. 4 of the motion to identify funding and the strategies for increasing collections.

Council Member Drekmeier mentioned the concept of a tool library, which had been implemented in Berkeley.

Mayor Kleinberg said when thinking about distributed library services, the community had four branch libraries in north Palo Alto, and just Mitchell Park in south Palo Alto. The focus should be on upgrading Mitchell Park as a more resourceful, full service, neighborhood library, and not compare it to Main.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to change the last bullet on No. 2 of the motion to upgrade Mitchell Park library services from branch library resource levels (without downgrading Main Library.)

Council Member Barton said his idea was to try and address the notion of not wanting to downgrade Main while not being specific because of the amount of work involved.

Council Member Klein said it should be clear the upgrading of Mitchell Park was not at the expense of downgrading Main.

Mayor Kleinberg said was correct. It would be up to the LAC to look at the balance and distribution of services and allocation of resources. Essentially, Mitchell Park would serve a number of needs in south Palo Alto. She believed it was a bigger challenge to deal with. She expressed concern about capital costs and how to look at them in the longer term. There were a number of ongoing costs that would be included in an expanded library plan whether or not additional hours and training for volunteers was added. She asked about strategies for funding collections and other non-capital costs that might be inherent in what the LAC brought back to the Council.

Council Member Barton said the intent was that a parcel tax would cover the non-capital costs.

Mayor Kleinberg asked what if the City moved against doing a parcel tax.

Council Member Barton said the draft recommendation referred to a parcel tax or "other like new source". The LAC needed to identify how the City would pay for the project.

Mayor Kleinberg wanted it clear the Council was interested in non-capital recurring costs.

Council Member Mossar said the Godbe survey indicated the desire for more collections, so the question was could the City move forward with more collections. It was also important to ask how the non-capital costs would be paid in the years to come.

Mayor Kleinberg said the City often had proposed infrastructure improvements but failed to discuss the hidden costs.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to change the last sentence of No. 3 of the motion to the following: Additional required funding for non-capital costs and operating expenses would come from a parcel tax or other like source.

Mayor Kleinberg said she would be hard pressed to support the upgrading of Mitchell Park library if it meant reducing the amount of community center space or other like space for the growing youth and senior population in the southern part of Palo Alto.

Ms. Hirsch said the LAC had spoken with the Parks and Recreation Commission (PARC) to work together to come up with a mutual solution for the Mitchell Park library and community center.

Mayor Kleinberg said one of the most attractive features of the failed 2002 Library Bond Measure was the expansion of community center space. She asked about the need for another consultant.

Ms. Harrison said it involved more than the skills set; it related to the commitments already made for existing staffing.

Mayor Kleinberg said there were great opportunities for the City to pursue in partnership with the PAUSD and she hoped it was given more attention.

**INCORPORATED INTO THE MOTION WITH THE CONSENT OF THE MAKER AND SECONDER** to ask for more analysis of strategies related to City/School partnerships.

Council Member Morton asked if the City/School partnerships would incorporate grant funding.

Mayor Kleinberg said no. There were a number of strategies the PAUSD and Library Division could explore which had not been discussed.

Council Member Morton said the PTA had already taken a position of not wanting adults on school sites during the day.

Mayor Kleinberg said she met with the PTA and that information was not correct.

Vice Mayor Kishimoto noted the Council received a letter from the PTA President asking for more outreach. With regard to the Digital Versatile Discs (DVDs), she was open to implementing a nominal fee. It could help pay for the additional full time equivalent (FTE) staff.

Council Member Drekmeier asked where the capital costs would come from.

Council Member Klein said from a bond measure. The bond measure would pay for construction costs, but other expenses would need to come from another source such as a parcel tax, the General Fund, revenue stream, etc.

Council Member Drekmeier asked whether the City was being locked into a bond measure to cover the capital improvements.

Council Member Klein said no with regard to the language, but yes in practicality. It would be difficult to come up with the monies anywhere else.

Council Member Drekmeier asked about a parcel tax.

Council Member Klein indicated that was also possible.

Council Member Drekmeier had a concern about bonds in that they borrowed from the future, which at some point had to be paid off.

Council Member Klein said the bond measure carried with it the payment process.

Council Member Drekmeier said it was an additional tax.

**MOTION PASSED** 8-0, Cordell absent.

Mayor Kleinberg noted the two closed sessions, Agenda item nos. 7 and 8, would not be heard that evening and would be moved to a Special Finance Committee Meeting on Tuesday, May 23, 2006 at 6 p.m.

## PUBLIC HEARINGS



5. Resolution 8612 entitled "Resolution Confirming the Report of the Advisory Board and Levying an Assessment for Fiscal Year 2006-07 in Connection with the Downtown Palo Alto Business Improvement District"

Mayor Kleinberg said in February 2004 the City established the Palo Alto Downtown Business Improvement District (BID). Annually, the Council held a public hearing to authorize the levy of assessments in the subsequent fiscal year. The Advisory Board of the Downtown BID prepared and submitted its annual report for fiscal year 2006-07. Interested persons would have an opportunity that evening to provide testimony. At the conclusion of the public hearing, the Council would determine whether a majority protest existed. A majority protest would exist if the owners of businesses that would pay fifty percent or more of the proposed assessment had filed, and not withdrawn a written protest.

Manager Economic Development and Redevelopment Susan Arpan said the BID was established to promote revitalization and physical maintenance of the Palo Alto Downtown BID.

Barbara Gross, 520 Cowper Street, President of the Palo Alto Downtown Business and Professional Association (DBPA), said the success of the core Downtown BID was essential to Palo Alto. The generated tax revenues paid for many of the services the entire community enjoyed. To date, the DPBA had launched the Monday Night Dining Downtown program. Approximately twenty restaurants in the Downtown area had created "prix fix" menus. They also supported the *Art Walk*, and worked closely with the Palo Alto Police Department in their efforts to curb crime and increase security in the Downtown parking garages.

Marc Dickow, 542 High Street, said the DBPA developed the Downtown Streets (DS) program. The goal was twofold: cleanliness of the streets, and the homeless situation in the downtown area. The DS program took unhoused members of the community and helped them re-enter the workforce and have a productive life. After 15 months, the DS program had become a success. It had spun off to be its own non-profit corporation, had approximately 80 people go through the program, with 10 percent of those gaining fulltime employment and housing. He believed the DS program would be a model for other cities.

Stacey Yates, 701 Emerson Street, said the Downtown BID gave a voice to businesses with regard to the direction of Downtown Palo Alto and its success. It fostered relationships and took the reins to build a relationship with Stanford University.

Mayor Kleinberg declared the Public Hearing opened at 10:37 p.m.

Georgie Gleim, 140 Island Drive, supported the success of the Downtown BID. The Downtown streets were cleaner and the residents who lived in the area were aware of the steps taken. The website had improved with direct links to members' websites, which made it a more useful marketing tool.

Goolrukh Nakir, 472 University Avenue, expressed concern about the dwindling number of "mom and pop" businesses in Palo Alto. They contributed a lot to the City's growth in the early years, but she had recently seen it become very corporate, extremely competitive, with high rents and property taxes. She felt the BID projects that helped the Downtown restaurants and art galleries did not benefit retail stores similar to hers, although she did suggest a *Boutique Walk*. She was opposed to paying the assessment when she did not even have health insurance.

Susan Hsiang, 486 University Avenue, said she compiled a list through PaloAltoDowntown.com of the businesses being assessed. Approximately one-fifth of the businesses on her list had either moved or was no longer in business. However, from the ones that were approached, 98 percent rejected the BID assessment. She indicated the reason was based on the lack of transparency. Business owners had not been asked whether they wanted to be assessed nor were they kept informed of the annual renewal or revocation process.

Mayor Kleinberg declared the Public Hearing closed at 10:48 p.m.

Ms. Arpan indicated 1.6 percent of the total population of the BID protested the assessment.

**MOTION:** Council Member Morton moved, seconded by Beecham, to accept staff recommendation to:

1. Hold a public hearing on the levy of proposed assessments in fiscal year 2006-2007 in connection with the Downtown Palo Alto Business Improvement District and
2. Adopt a resolution confirming the Report of the Advisory Board and Levy an Assessment for Fiscal Year 2006-2007 in Connection with the Downtown Palo Alto Business Improvement District.

Council Member Morton applauded the work of the Advisory Board in implementing the Downtown Street Team program and the *Art Walk*.

Council Member Beecham commended the work of the BID and its success. He stated although there was a charge assessed to Downtown businesses, Palo Alto was only one of two cities in California that did not institute a business license tax.

Vice Mayor Kishimoto suggested the Advisory Board consider implementing a special program for the professionals, such as discount cards for shopping at downtown businesses. She also wanted to make sure those businesses on the edge of the Downtown BID were also being promoted. She expressed support for the motion.

Council Member Drekmeier was impressed by the Downtown Streets Team program and asked whether funding from the BID would continue to fund that program or would it be funded independently.

Mr. Dickow said both.

Council Member Mossar said one of the speakers indicated she had 300 signatures of protestors to the BID. She asked whether those names were counted as dissenters.

City Attorney Gary Baum said there was a specific process for filing a BID protest. A protestor would need to complete a form under penalty of perjury. A petition was useful as an expression but would not count.

Ms. Arpan said the Advisory Board did respond in writing to each of the signatures to the petition to explain how to submit a formal protest.

Council Member Mossar suggested in subsequent years to include that the BID provide the Council with the beginnings of a measurement of success. It was Council's responsibility to review the budget and ensure the expenditures were appropriate.

Council Member Morton preferred to leave the formal resolution intact. It could be made as a separate resolution.

**AMENDMENT:** Council Member Mossar moved, seconded by Beecham, to ask the BID in subsequent years to begin an evaluation of the cost benefit of the program.

Mr. Baum said the resolution would remain as written and the additional language would be included.

**AMENDMENT PASSED** 8-0, Cordell absent.

Mayor Kleinberg said she hoped the BID would improve its ratio of operating expenses. Currently, more than 60 percent of the total expenses were in administrative costs.

**MOTION AS AMENDED PASSED** 8-0, Cordell absent.

## COUNCIL MATTERS

### 6. Resolution 8613 entitled "Support of the Endangered Species Act"

Council Member Drekmeier said the United States Senate had declared Thursday, May 11, 2006, Endangered Species Day. Presently, there were 1,250 species on the Endangered Species list, most of which had their populations stabilized or increased due to the recognition. The community benefited in many different ways from biological diversity, i.e. food sources and medicines.

**MOTION:** Council Member Drekmeier moved, seconded by Mossar, to recommend that in honor of Endangered Species Day, the Council approve the resolution put at places in support of the Endangered Species Act, and that copies will be mailed to the congressional delegates.

Council Member Mossar understood there was some concern about the Council taking up matters that were not of local issue. Palo Alto had endangered species and was responsible for protecting them and other species that could become endangered.

Council Member Klein indicated he would not support the motion because he felt the Council should not take positions on national issues except in rare situations.

Council Member Morton said nothing affected the fabric of the country like its habitat. He encouraged his colleagues to support the motion.

Council Member Beecham concurred with the comments of Council Member Klein.

Herb Borock, P.O. Box 632, supported the draft resolution for the ESA.

**MOTION PASSED** 6-2, Beecham, Klein voting no, Cordell absent.

## COUNCIL COMMENTS, ANNOUNCEMENTS, AND REPORTS FROM CONFERENCES

Council Member Drekmeier reminded Council that Thursday, May 18, is "Bike to Work Day."

Vice Mayor Kishimoto reported she spoke at the VTA Projects Advisory Committee meeting last week requesting that the top North County projects be completed by 2017 or whenever BART would be scheduled to be completed.

Council Member Morton said he represented Palo Alto at the largest food drive in the country, the Postal Service Employees Union Food Drive, and there are food barrels at the Post Office this week to drop off food.

CLOSED SESSION

7. **CONFERENCE WITH LABOR NEGOTIATOR**

~~City Manager and his designees pursuant to Merit Rules and Regulations (Frank Benest, Emily Harrison, Russ Carlsen, Carl Yeats, Keith Fleming, Lalo Perez)~~

~~Employee Organization: Local 715, Service Employees International Union (SEIU) - Classified Unit~~

~~Authority: Government Code Section 54957.6(a)~~

8. **CONFERENCE WITH LABOR NEGOTIATOR**

~~City Manager and his designees pursuant to Merit Rules and Regulations (Frank Benest, Emily Harrison, Russ Carlsen, Carl Yeats, Keith Fleming, Lalo Perez)~~

~~Employee Organization: Local 1319, International Association of Fire Fighters~~

~~Authority: Government Code Section 54957.6(a)~~

FINAL ADJOURNMENT: The meeting adjourned at 11:15 p.m.

ATTEST:

APPROVED:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Mayor

NOTE: Sense minutes (synopsis) are prepared in accordance with Palo Alto Municipal Code Sections 2.04.180(a) and (b). The City Council and Standing Committee meeting tapes are made solely for the purpose of facilitating the preparation of the minutes of the meetings. City Council and Standing Committee meeting tapes are recycled 90 days from the date of the meeting. The tapes are available for members of the public to listen to during regular office hours.