

**MINUTES
CITY COUNCIL MEETING
MONDAY, JUNE 8, 2020**

On March 17, 2020, the Governor issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act in order to allow for local legislative bodies to conduct their meetings completely telephonically or by other electronic means. Pursuant to the Shelter-in-Place Order issued by the San Mateo County Health Officer on March 16, 2020, and which was updated and extended on March 31, 2020, April 29, 2020, May 15, 2020, and May 28, 2020, the statewide Shelter-in-Place Order issued by the Governor in Executive Order N-33-20 on March 19, 2020, and the CDC's social distancing guidelines which discourage large public gatherings, the Council Chambers were not open to the public for the June 8, 2020 Hillsborough City Council meeting. The Town conducted the City Council meeting via Zoom.

Members of the public were able to provide written comments by email to the City Clerk. The length of the emailed comments was to be commensurate with the three minutes allowed for verbal comments, which is approximately 250-300 words. To ensure that the comments were received and read into the record for the appropriate agenda item, emails were to be sent no later than 4:00 p.m. on Monday, June 8, 2020. Any emails received after the 4:00 p.m. deadline which were not read into the record were to be provided to the City Council after the meeting.

CLOSED SESSION:

Mayor Christianson called the meeting to order at 4:00 p.m.

Mayor Christianson stated that today's meeting will be conducted in a virtual setting using Zoom. She reported that Councilmembers and staff are participating from remote locations and everyone is practicing appropriate social distancing. She stated that members of the public may view and listen to the meeting this evening as noted on the agenda.

ROLL CALL: Present: Christianson, Royse, Benton, Chuang, May

PUBLIC COMMENT:

There were no public comments.

PUBLIC ANNOUNCEMENT OF CLOSED SESSION ITEMS

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

Name of Case: Brad Baruh, Kathy Baruh, Charles Bolton, Eldridge Gray, John Lockton, David Marquardt, Paul Rochester, Arthur Stromberg, Charles Syers, individually and on behalf of all others similarly situated v. Town of Hillsborough and Does 1-100, inclusive, San Mateo County Superior Court Case No. 16CIV02284

B. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Government Code Section 54956.9(d)(1)

Crown Castle NG West LLC v. Town of Hillsborough, et al.
United States District Court for the Northern District of California
Case No. C 18-22473 JSC

C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9

Crown Castle NG West LLC v. Town of Hillsborough, San Mateo County Superior Court,
Case No. 18CIV05650

ADJOURN CLOSED SESSION

CITY COUNCIL MEETING:

Mayor Christianson called the regular meeting to order at 6:05 p.m.

Mayor Christianson stated that today's meeting will be conducted in a virtual setting using Zoom. She reported that Councilmembers and staff are participating from remote locations and everyone is practicing appropriate social distancing. She stated that members of the public may view and listen to the meeting this evening as noted on the agenda.

Mayor Christianson announced that staff is recommending that item 14 regarding the subdivision at 85 Fagan Drive be continued to a date certain of July 13, 2020, and the recommendation will be handled when the item is called. She stated that because she has a conflict of interest on this item, she will recuse herself from that discussion. She added that she wanted to note the action that will be taken for any public interested in item 14 as it will not be heard tonight.

ROLL CALL: Present: Christianson, Royse, Benton, Chuang, May

PLEDGE OF ALLEGIANCE

REPORT FROM CLOSED SESSION

Mayor Christianson announced that the report from Closed Session will be reported out later in the agenda, but will be reported out prior to adjournment in compliance with the Brown Act.

MINUTES: The minutes of the May 11, 2020 City Council meeting were approved as submitted.

PROCLAMATION

- Mayor Christianson recognized that the month of June 2020 has been proclaimed Pride Month in support of the LGBTQ community.

BREAK FOR THE HILLSBOROUGH PUBLIC IMPROVEMENT CORPORATION ANNUAL BOARD MEETING

RECONVENE FOLLOWING THE HILLSBOROUGH PUBLIC IMPROVEMENT CORPORATION ANNUAL BOARD MEETING

CONSENT CALENDAR:

On motion of Councilmember May, seconded by Councilmember Chuang and unanimous on roll call vote, Consent Calendar items 1 through 12 were approved.

1. MONTHLY CLAIMS: MAY 1 THROUGH MAY 31, 2020

The monthly claims for the month of May 2020 in the amount of \$6,687,737.39 were approved as submitted.

2. RESOLUTION ESTABLISHING THE TOWN OF HILLSBOROUGH'S APPROPRIATIONS LIMIT FOR FISCAL YEAR 2020-2021

The resolution establishing the appropriations limit for fiscal year 2020-2021 was adopted.

3. RESOLUTION ADOPTING FEDERAL EMERGENCY AND FEDERAL GRANT PROCUREMENT PROCEDURES

The resolution adopting Federal Emergency and Federal Grant Procurement Procedures was adopted.

4. RESOLUTION CALLING FOR THE HOLDING OF A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2020, FOR THE ELECTION OF THREE MEMBERS OF THE CITY COUNCIL

The resolution calling for the holding of a General Municipal Election to be held on Tuesday, November 3, 2020, for the election of three members of the City Council was adopted.

5. RESOLUTION REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN MATEO TO CONSOLIDATE A GENERAL MUNICIPAL ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2020, WITH THE STATEWIDE GENERAL ELECTION

The resolution requesting the Board of Supervisors of the County of San Mateo to consolidate a General Municipal Election to be held on Tuesday, November 3, 2020, with the Statewide General Election, and authorizing the City Manager to execute on behalf of the Town the Service Agreement was adopted.

6. RESOLUTION ADOPTING REGULATIONS FOR CANDIDATES FOR ELECTIVE OFFICE PERTAINING TO CANDIDATES STATEMENTS SUBMITTED TO THE VOTERS AT AN ELECTION TO BE HELD ON TUESDAY, NOVEMBER 3, 2020

The resolution adopting regulations for candidates for elective office pertaining to candidates statements submitted to the voters at an election to be held on Tuesday, November 3, 2020, was adopted.

7. BIENNIAL REVIEW OF THE TOWN'S CONFLICT OF INTEREST CODE

The City Council directed staff to review of the Town's Conflict of Interest Code and the filing of a Biennial Notice with the City Clerk regarding such review, as required by the Political Reform Act.

8. RESOLUTION APPROVING CHANGES TO TOWN POLICY NO. 114, MOBILE PHONE USE AND REIMBURSEMENT

The resolution approving the changes to Town Policy No. 114, Mobile Phone Use and Reimbursement, was adopted.

9. RESOLUTION APPROVING AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT TO THE AGREEMENT BETWEEN THE COUNTY OF SAN MATEO AND THE CITIES IN THE COUNTY FOR FACILITATION AND COORDINATION OF ANIMAL CONTROL SERVICES

The resolution approving and authorizing the City Manager on behalf of the Town to execute the amendment to the agreement between the County of San Mateo and the cities in the County for facilitation and coordination of animal control services was adopted.

10. ORDINANCE ADDING CHAPTER 9.90 TO TITLE 9 OF THE HILLSBOROUGH MUNICIPAL CODE TO REQUIRE THE SAFE STORAGE OF FIREARMS IN A RESIDENCE - ADOPTION

The ordinance entitled "Ordinance of the City Council of the Town of Hillsborough Adding Chapter 9.90 to Title 9 of the Hillsborough Municipal Code to Require the Safe Storage of Firearms in a Residence" was adopted.

11. RESOLUTION APPROVING THE SUMMARY VACATION OF AN EXISTING FIVE FOOT WIDE WATER EASEMENT ON A VACANT LOT (APN 031-110-230) ON VICTOR PARK LANE

The resolution approving the summary vacation of an existing five foot wide water easement on a vacant lot (APN 031-110-230) on Victor Park Lane was adopted.

12. RESOLUTION AWARDING TO AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH PRESIDIO SYSTEMS, INC. FOR THE 2020-2021 VIDEO INSPECTION AND SANITARY SEWER CLEANING PROJECT IN THE AMOUNT OF \$229,892.40

The resolution awarding and authorizing the City Manager on behalf of the Town to execute the contract with Presidio Systems, Inc. for the 2020-2021 Video Inspection and Sanitary Sewer Cleaning Project in the amount of \$229,892.40 with a 10% contingency, if needed, for a total construction budget of \$252,881.64 was adopted.

Mayor Christianson announced again that item 14 regarding the subdivision at 85 Fagan Drive will be continued to July 13, 2020, and will not be addressed this evening.

PUBLIC HEARING:

13. RESOLUTION ADOPTING THE FISCAL YEAR 2020-2021 OPERATING AND CAPITAL BUDGET WITH PROVISIONS FOR COST CONTAINMENT

Finance Director Jan Cooke provided a presentation on the review and adoption of the Fiscal Year 2020-2021 Proposed Budget, and stated that the action requested is to conduct the public hearing and consider adoption of the resolution adopting the Fiscal Year 2020-2021 Proposed Budget with cost savings provisions. She reported that the Financial Advisory Committee (FAC) reviewed and recommended adoption of the budget and that a detailed City Council Study Session was conducted on May 11, 2020.

Ms. Cooke reported that the Town is a AAA rated city and is well positioned to weather the downturn associated with COVID-19; nonetheless, the global economy has contracted and cities have already seen impacts. She stated that Hillsborough is not dependent on sales and transient occupancy tax (TOT) which is where other cities are seeing immediate revenue impacts. She reported that the majority of revenue impacts to Hillsborough ranging from \$1 million to \$2.7 million will be seen in fiscal year 2021-2022 or later due to the property tax roll cycle.

Ms. Cooke stated that cost savings provisions of \$6.4 million are recommended for fiscal year 2020-2021 by freezing expenditures in staffing, capital projects, consulting, equipment and software. She stated that the shorter downturn plan is to freeze spending, and the longer downturn may impact services and Memorandum of Understandings.

Ms. Cooke reported that because COVID-19 happened late in the budget cycle and in order to adopt the budget by June 30, 2020, the resolution includes adoption of the original budget with \$6.4 million in cost savings provisions that are effective July 1, 2020. She reported that during fiscal year 2020-2021, the changing conditions will be monitored with the goal of ensuring reserves remain at policy levels, quarterly updates will be provided to the City Council and FAC, and mid-year adjustments will be made throughout the year or as needed.

Ms. Cooke reported that the Town's General Fund reserves are intact for contingencies such as natural disaster, economic downturn, pandemic or other unknown impacts. She stated that the General Fund revenue is primarily earned through property taxes and that Hillsborough's valuations are generally stronger than other cities. She provided a chart and reviewed the COVID-19/Economy Mitigation Plan with detailed mitigation measures for risks or potential impact areas. She also provided a slide showing General Fund reserve scenarios with set assumptions while maintaining reserves at the policy level.

Ms. Cooke provided a chart and reviewed the details of the cost savings provisions. She also provided a chart showing the beginning of the fiscal year 2020-2021 General Fund reserve and the ending of the fiscal year 2020-2021 General Fund reserve after the cost savings provisions.

Ms. Cooke provided details of the Fiscal Year 2020-2021 Proposed Original Budget and reported that it includes \$60 million in operating and capital budget, a 7% increase from the previous year; and \$30 million in General Fund expenditures, a 3% increase. She stated that the budget complies with all of the Town's policies and debt requirements.

Ms. Cooke reviewed the Town's 2020-2021 priorities for community and customer service, financial stability, land use planning, and community and regional partnerships. She also reviewed the budget assumptions and budget appropriations. She provided a General Fund overview and stated that the General Fund reserve complies with the Town's reserve policy and the net position has \$40 million in pension and other post-employment benefits (OPEB) liabilities. She provided a chart showing the General Fund reserve components.

Ms. Cooke reported that the budget assumes a 7% increase in sewer rates effective July 1, 2020, as adopted in the five-year rate study, and \$2.2 million from General Fund for the storm drain capital program; and assumes no increase in water usage and average 5% increase in rates effective January 1, 2021, as adopted in the cost of service study. She stated that drought conditions will be monitored to determine the need for a rate increase and that the last increase was in January 2018. She added that there will be no increase in the San Francisco Public Utility Commission (SFPUC) wholesale rate for water purchases.

In summary, Ms. Cooke stated that for the General Fund, the economy and stability of revenue and reserves will be closely monitored and any necessary adjustments will be made quarterly or as needed. She stated that for the Enterprise Funds, the water and sewer rates will be monitored, the bond rating agencies' focus areas will be watched in light of COVID-19 and the economy, the reserves will be maintained to ensure strong bond credit ratings, the LIBOR issue will be tracked and alternatives for risk mitigation will be analyzed, and treatment plant obligations will be managed.

Ms. Cooke recommended opening the public hearing and receiving comments, closing the public hearing and adopting the resolution.

Mayor Christianson noted that the City Council held a detailed Study Session last month on the proposed budget and provisions for cost containment.

The Councilmembers expressed their support for the proposed budget and thanked Ms. Cooke and the Finance Department, the FAC and Town staff for their work on the budget and for being proactive with the provisions for cost containment.

Mayor Christianson opened the public hearing. There were no comments. The public hearing was closed.

On motion of Vice Mayor Royse, seconded by Councilmember Chuang and unanimous on a roll call vote, the resolution adopting the fiscal year 2020-2021 Operating and Capital Budget with provisions for cost containment was adopted.

14. RESOLUTION APPROVING THE VESTING TENTATIVE PARCEL MAP FOR THE SUBDIVISION OF THE EXISTING 3.08 ACRE PARCEL AT 85 FAGAN DRIVE INTO TWO LOTS

Mayor Christianson stated that she will recuse herself because she has a conflict of interest on this item based on its proximity to her home. She stated that Vice Mayor Royse will conduct this portion of the meeting.

Vice Mayor Royse stated as mentioned earlier, staff is recommending that item 14 regarding the subdivision of 85 Fagan Drive be continued to the July 13, 2020 City Council meeting to allow staff time to bring the item to the Architecture and Design Review Board for review of the subdivision before consideration by the City Council.

On motion of Councilmember Benton, seconded by Councilmember May and unanimous on a roll call vote, the agenda item on the approval of the Vesting Tentative Parcel Map for the subdivision of the existing 3.08 acre parcel at 85 Fagan Drive into two lots was continued to the July 13, 2020 City Council meeting.

Mayor Christianson rejoined the meeting.

15. RESOLUTION APPROVING THE DESIGN REVIEW OF A NEW RESIDENCE OVER 8,000 SQUARE FEET AT 2980 PRIVET DRIVE

Planning Manager Liz Ruess provided a presentation on the resolution approving the design review of a new residence over 8,000 square feet at 2980 Privet Drive. She reported that the application requests approval of a new three-level Italian Renaissance style residence with a total proposed floor area of approximately 9,703 square feet on a 39,005 square foot lot located at 2980 Privet Drive; including the demolition of the existing home and the installation of an extensive landscape plan that consists of fencing and gates along the street, new pedestrian entry stairs, a new pool, outdoor living room, fire pit, sports court, retaining walls, tree removal and replacement, vegetable garden and enhanced planting.

Ms. Ruess explained that Hillsborough Municipal Code Section 17.32.040 requires that the design of any new dwelling having a total floor area over 8,000 square feet must be submitted to the City Council for review and final disposition; however, City Council review may be waived if there is no unresolved opposition to or concern about the project raised in the public hearing before the Architecture and Design Review Board (ADRB) and the project was approved by the ADRB with no dissenting votes. She reported that the ADRB considered the formal design review at the December 2, 2019, ADRB meeting and voted 4-0 to recommend approval, subject to the conditions of approval listed in the staff memorandum and added condition that the applicant enhance the landscape screening at the south side to mitigate visual impacts to 2990 Privet Drive. She stated that the project was unanimously approved by the ADRB; however, unresolved concerns remain about the project from two neighbors, Larry Nibbi of 2985 Privet Drive and Ali Shakoori of 2990 Privet Drive, as raised in the public hearing before the ADRB, therefore the project requires final design approval by the City Council.

Ms. Ruess stated that the City Council's review should include a public hearing and the City Council should include consideration of the project's compliance with all applicable laws, regulations and policies; the recommendation of the ADRB; and the project's aesthetic compatibility with the site and the neighborhood, including, without limitation, the impact of such square footage on the site and the neighborhood.

Ms. Ruess stated that the recommendation would be to open the public hearing and receive comments, close the public hearing, and adopt the resolution approving the new three-level Italian Renaissance style residence with a total proposed floor area of approximately 9,703 square feet on a 39,005 square foot lot located at 2980 Privet Drive, including the demolition of the existing home and the installation of a complete landscape plan, subject to the conditions of approval listed in Attachment 1 of the resolution.

Ms. Ruess provided photos showing the story poles depicting the outline of the proposed home and the bay view from Mr. Nibbi's property and from Mr. Shakoori's deck.

Councilmember May reported that he drove by the property. Councilmember Chuang reported that she visited the site and neighborhood. Councilmember Benton reported that he walked the site. Vice Mayor Royse reported that he walked around the site. Mayor Christianson reported that she drove by the property.

The Councilmembers asked for clarification about the neighbor's privacy issue. Ms. Ruess replied that Mr. Shakoori had concerns about his privacy from his deck and dining room and the ADRB recommended enhanced landscape screening to address the privacy impact.

Mayor Christianson opened the public hearing and introduced the applicant, Mark Haesloop, to make a presentation.

Mr. Haesloop stated that the existing easement agreement with Mr. Shakoori limits any trees or structures at the rear of the property from exceeding 15 feet above grade. He stated that he has been working with Mr. Shakoori to revise the design of the proposed

home to minimize the impact on Mr. Shakoori's view of the bay. He reported that the proposed project has no structures over 15 feet in height above grade in the easement area. He stated that Mr. Shakoori has the right to trim trees in the easement area so as not to impinge on his view, but has never done so. He stated that after he received a letter from Mr. Shakoori's attorney he provided the project drawings two and a half months ago, but has not heard back from the attorney. He introduced the architect for the project, James Chu.

Mr. Chu reviewed the revisions made for the proposed home to reduce the impact on the adjacent properties and to address privacy concerns. He noted that some of the petition letters objecting to the project were from residents outside of the neighborhood. He stated that the proposed project will improve what currently exists and is set back from the street to minimize its impact. He added that he hoped that the neighbors will welcome the property owners to the neighborhood.

The Councilmembers asked for clarification about the easement agreement and City Attorney Christopher Diaz stated that the easement agreement is between the private parties and not the Town.

Mr. Diaz stated that upon review of the Conditions of Approval, an indemnification condition as approved by the City Attorney will need to be included in the motion.

There were no other public comments. The public hearing was closed.

On motion of Councilmember May, seconded by Councilmember Chuang and unanimous on a roll call vote, the resolution approving the design review of a new residence over 8,000 square feet at 2980 Privet Drive, as submitted, subject to compliance with the Standard Conditions of Approval, and Conditions of Approval listed in Attachment 1 of the resolution, including an indemnification condition as approved by the City Attorney, was adopted.

16. RESOLUTION ADOPTING THE MITIGATED NEGATIVE DECLARATION AND MITIGATION MONITORING AND REPORTING PLAN AND (1) APPROVING THE FINAL DESIGN REVIEW OF A NEW RESIDENCE OVER 8,000 SQUARE FEET; AND (2) APPROVING THE GRADING PERMIT APPLICATION FOR THE CONSTRUCTION OF A NEW SINGLE FAMILY RESIDENCE AT 101 TIPTOE LANE

Planning Manager Liz Ruess and Associate Engineer Natalie Asai provided a presentation on 101 Tiptoe Lane. Ms. Ruess introduced architect James Chu, applicant Chi-Hwa Shao, the applicant's representative/attorney Mark Haesloop, and landscape architect Michael Callan.

Ms. Ruess stated that this item is a request for design review approval of a new two-story French Country style residence with a full basement and cabana for a total proposed floor area of approximately 11,340 square feet on a 148,957 square foot vacant lot, and a sports court and full landscape plan. She reported that the Architecture and Design Review Board (ADRB) considered the project in a formal design review at the January 21, 2020 ADRB meeting.

Ms. Ruess stated that at the January 21, 2020 ADRB meeting, neighbor Collette McManus had concerns about the site drainage, impacts of the tree removal to erosion on the site, the preservation of healthy oak trees and ongoing maintenance, and the construction vehicle access through the Hillsborough side; and neighbor Saeed Navid had concerns about the overall height of the home, the large visible area of roof, the tall attic, impacts to his view, the potential view impact from trees to be planted along the rear property line of site, and the proposed fence along the rear property line.

Ms. Ruess reported that at the January 21, 2020 ADRB meeting, the project was approved based on the projects consistency with the Residential Design Guidelines, and subject to the Standard Conditions of Approval, conditions of approval listed in the staff memorandum, and added condition that the landscape architect is to work with the rear neighbor to address the height of the proposed trees and passed with a vote of 3-1.

Ms. Ruess stated that the City Council's review should include a public hearing and should consider the project's compliance with all applicable laws, regulations and policies; the recommendation of the ADRB; and the project's aesthetic compatibility with the site and the neighborhood, including the impact of such square footage on the site and the neighborhood.

Ms. Ruess provided renderings of the proposed project and pointed out the view from Mr. Navid's property.

Ms. Ruess reported that pursuant to California Environmental Quality Act (CEQA) guidelines, the Town worked with a consultant to prepare an Initial Study to evaluate the potential adverse environmental effects of the project. She stated that the Initial Study concluded that potential significant environmental effects could occur from project implementation in issue areas, including biological resources, cultural resources, geology and soils, hazards and hazardous materials, and tribal cultural resources; however, mitigation measures were identified that would reduce these potential impacts to a less-than-significant level.

Ms. Ruess stated that the Notice of Availability (NOA) for the Draft Initial Study/Mitigated Negative Declaration (IS/MND) was issued on November 4, 2019, and the Draft IS/MND was circulated for public review from November 4, 2019, through December 4, 2019, pursuant to CEQA guidelines. She stated that during the public review period, ten public comment letters were received, which primarily expressed concerns over current and historic drainage issues on the site; however, the comments received did not introduce any new or significant environmental impacts beyond those already addressed in the Draft IS/MND and did not result in any changes to the Draft IS/MND text. She stated that as noted in the resolution, the City Council should consider the IS/MND and MMRP for adoption prior to taking action on the Grading Permit.

Ms. Asai provided a vicinity map for 101 Tiptoe Lane and stated that it is located in the northwestern hills of Hillsborough and borders unincorporated San Mateo County and the Burlingame Hills. She stated that pursuant to Hillsborough Municipal Code Chapter 15.24, the proposed project requires approval of a Category 3 Grading Permit Application, which is defined as export or import of material to a site in excess of 1,500 cubic yards. She reported that the earthwork quantity for the submitted grading plan involves 9,855 cubic yards of cut and 1,360 cubic yards of fill with approximately 8,525 cubic yards of earth material proposed to be hauled off-site, which will result in approximately 856 round trips to complete the off-haul. She stated that, if approved, the grading will start in July 2020 and the duration would be approximately six to eight weeks of major grading and off-haul. She reviewed the dirt haul route and stated that grading operations will be limited to 8:00 a.m. to 5:00 p.m., Monday through Friday. She stated that the applicant will pay a vehicle impact fee, which will be used towards future street resurfacing projects. She reported that a public notice was sent to Hillsborough residents located 500 feet from the project and San Mateo County residents located 300 feet from the project, and also to residents along the haul route.

Ms. Asai reviewed the existing drainage condition and the proposed drainage plan. She reported that the detention system capacity is sized based on a 25-year storm event and that the detention system will require annual maintenance. She stated that no increase in storm water runoff is expected with mitigation measures. She added that as a condition of approval, the existing drainage swale must be maintained in or brought to good working condition.

Ms. Asai reviewed the location of an entry gate to the private driveway to be installed, a gate to Summit Drive to be removed, and a gate to remain that will allow access for emergency vehicles.

Councilmember May reported that he looked at Google earth. Councilmember Chuang reported that she drove by the property. Councilmember Benton reported that he did a Google search of the property. Vice Mayor Royse reported that he drove by the property. Mayor Christianson reported that she drove by the property.

The Councilmembers asked questions for clarification about the grading and off-haul plan, finished height of the residence, gates and road, drainage plan, detention system, agreement with San Mateo County, the IS/MND, mitigation measures and CEQA, and Ms. Ruess, Ms. Asai, Director of Building and Planning Sarah Fleming, Director of Public Works Paul Willis, City Attorney Christopher Diaz, and Sarah Owsowitz, an environmental attorney with BB&K, provided responses.

Mayor Christianson opened the public hearing and asked the applicant, Chi-Hwa Shao, if he would like to make a presentation.

Mark Haesloop, Mr. Shao's representative and attorney, stated that the project design was well-liked by the ADRB, but the neighbors downhill from the property had issues with drainage and water run-off. He stated that to reduce run-off most of the water will be detained, which will result in less run-off after construction of the proposed residence. He added that it will be a beneficial project to the immediate neighbors and the drainage system as a whole. He stated that the access road is currently in the Town's right of way and that the neighbors locked the gate to prevent partying on the property by kids. He stated that there is a lot of grading and off-haul to reduce the height of the residence by eight feet to accommodate Mr. Navid's concern. He stated that the soil engineer and civil engineer are online to answer any technical questions. He stated that the proposed detention system is more than taking care of the grading and drainage issues, and that the project meets the Town's Residential Design Guidelines. He stated that the property has been overgrown and unattended for the past 30 years and at the completion of the project, the flora and fauna will be significantly better, safer and more beautiful.

Architect James Chu stated that he worked closely with Mr. Navid to address his concerns and was shocked by Mr. Navid's last letter as the attic height was minimized by increasing the grading quantities and by changing the style of the attic.

Civil engineer Dan MacLeod provided a slide showing the details of the detention site and a photo showing the detention pipe with a four foot diameter, and stated that the pipe will be 160 feet in total length. He described how the storm water fills the detention pipe and stated that the water will enter at one rate and exit at a slower rate.

Mr. Shao stated that the landscape architect Michael Callan was available to answer questions.

The Councilmembers asked about the removal of trees. Mr. Callan replied that 30 trees that are in bad shape will be removed and the tree replacement ratio of 2 to 1 will be exceeded. He stated that the trees at the top of the property will be changed to hedges to address Mr. Navid's concerns about the potential view impact.

Mayor Christianson asked if any public comments have been received. City Clerk Miyuki Yokoyama stated that a public comment was received from Bijan Nejadnik, who lives across the street from 101 Tiptoe Lane. She read his comment "After the 101 Tiptoe project was deleted from the May 11 agenda for the Hillsborough Town Council Meeting as a result of issues brought up by the San Mateo County Department of Public Works, the assumption of affected homeowners was that this permit process would not be moving forward until an agreement between the two parties was reached. As of 6:00 p.m. on June 2, we have come to find that no such agreement has been reached."

Mayor Christianson asked what type of agreement is being referred to. Mr. Willis replied that the County referenced an agreement for sewage connection and transport from 1975 known as the Metaxis agreement that involved three parcels nearby. He stated however, that was a private agreement where 101 Tiptoe was specifically excluded. He stated that any new agreement should be comprehensive and include the County and the City of Burlingame who own the treatment plant, and the Town has already met with the County and the City of Burlingame to discuss such an agreement. He reported that the County is comfortable with the storm drainage site design and mitigation measures referencing the County staff emails. He stated that he discussed the legal concerns with

Ms. Owsowitz and also stated that the Town's agreement with San Mateo County should be discussed at a municipal level.

There were no other public comments. The public hearing was closed.

Mr. Diaz stated that upon review of the Conditions of Approval, an indemnification condition as approved by the City Attorney will need to be included in the motion.

On motion of Councilmember May, seconded by Councilmember Benton and unanimous on a roll call vote, the resolution adopting the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Plan and (1) approving the Final Design Review of a new residence over 8,000 square feet; and (2) approving the grading permit application for the construction of a new single family residence at 101 Tiptoe Lane; and including an indemnification condition in the Conditions of Approval as approved by the City Attorney, was adopted.

NEW BUSINESS:

17. PROPERTY DONATION – 40 BAYWOOD AVENUE

City Manager Ann Ritzma provided a presentation on the 40 Baywood Avenue property donation. She reported that in August 2019, the donor had initially approached the City of San Mateo and then the Town of Hillsborough to jointly own and manage the property; and on April 27, 2020, the City of San Mateo decided to decline the donation. She stated that thereafter the Town met with representatives of 40 Baywood Avenue to discuss the donation of the property solely to the Town. She stated that the property is 3.24 acres and includes two parcels that straddle the City of San Mateo and the Town of Hillsborough with a main house of approximately 7,000 square feet and beautiful landscaped grounds.

Ms. Ritzma stated that the property would be donated sometime in the future with deed restrictions in keeping with the donor's vision that would preserve the house and grounds, respect the residential character of the neighborhood, provide recreational space for quiet enjoyment by members of the community, provide for funds for capital improvements through a trustee-managed endowment fund, and ensure the property is well-maintained and secured.

Ms. Ritzma stated that potential programming on the site could include supervised public access during set hours and times; house and garden tours; classes in yoga, art, meditation, botany or gardening; a catering kitchen for small private events and weddings; charity events; community meetings; small community luncheons or teas; a yoga or writer's retreat or conference; or partial use of space for Town offices or break quarters for public safety personnel.

Ms. Ritzma reported that to support public use and provide for safety and accessibility, the donor has indicated that improvements would be made prior to the donation and in collaboration with the Town. She stated that staff is recommending a Landscape Master Plan be completed for seismic evaluation of the structures, Americans with Disabilities (ADA) access and circulation for the paths and parking, health and safety requirements, and landscape and garden preservation. She stated that the donor has also proposed installing a new kitchen and deck to support small events. She added that the improvements would be made after the donor's passing and after the trustee has completed the capital improvements the donor wants to make. Ms. Ritzma stated that the Plan would provide a guide for phasing the work while allowing for tiered use of the property.

Ms. Ritzma reviewed the three tiers of use in keeping with the donors' vision. She stated that with the Base Level Activation only the garden would be open to the public during scheduled days and times with on-site parking, ADA accessibility in the pathways, parking and restrooms, and safety signage and barriers. She further stated that the house would be used by staff, but would not be open to the public. She stated that the next tier, Outdoor Program Development, would include new outdoor program

areas and some on-site structures as support facilities, and would involve improving the less developed open areas with drought-resistant plantings or perhaps educational demonstration garden beds or community garden beds. She further stated that pathways and irrigation improvements may be expected and event facilities near the house, such as an arbor or seating area may be added. She stated that with the next tier, Full Activation, the first floor of the house is accessible for public events and the kitchen is upgraded for commercial use.

Ms. Ritzma reviewed the estimated base level operational costs of \$330,000 for staffing, supplies, equipment, utilities, insurance, supplies and administrative support. She also reviewed the estimated additional cost of approximately \$235,000 for full activation including the house and outdoor areas. She stated that revenue sources could include an admission fee, event rental fees, other rent (caterer), annual fundraising and partnership with a foundation or club. She stated that event income and fundraising income would be essential elements for the operation of a historical property. She stated the property representatives indicated that projected interest from the endowment could provide approximately \$500,000 every ten years for re-roofing, landscaping, code compliance, equipment replacement or other capital projects.

Ms. Ritzma stated that because the property is in a residential neighborhood staff would recommend the formation of a “Friends of the Property” committee comprised of Hillsborough and San Mateo residents to provide input on programming and support, such as gifts and campaign. She added that partnerships with foundations or clubs would be essential for developing funding strategies and building community.

Ms. Ritzma stated that Town staff and the donor’s advisors have met with several neighbors who support the future use of the property as outlined, and that use of the property would have to be sensitive to the neighbors, including managing noise, parking and hours for events.

Ms. Ritzma stated that because the Town has limited facilities and outdoor spaces for community recreation, community meetings and Town office space, the donation of this property would expand the facilities that the Town could provide to the community and adds the potential for Town office space or break quarters for public safety personnel.

Ms. Ritzma reported that Town staff projects that the ownership and operation of this property will require an ongoing commitment of \$150,000 to \$300,000 annually from the Town’s General Fund. She stated that the fiscal impact will depend on event revenue and level of support from partnerships with foundations and clubs, which would be essential to the operation of this property and to ensure community access.

Ms. Ritzma stated that given the current economic circumstances, it is imperative that the Town consider the benefits and risks that this opportunity presents. She stated that the representatives have indicated that the transfer of title will not occur until the upgrades for access, health and safety are completed and that the timeline may be for several years. She further stated that with three or more years to plan, the Town can mitigate economic impacts, develop fundraising strategies and partnerships, and assess the long-term impact of COVID-19 on the Town’s operating budget.

Ms. Ritzma stated that the City Council recommendation is to provide direction to staff on the negotiations for the possible donation of the 40 Baywood Avenue property to the Town, the development of a Landscape Master Plan in collaboration with the donor, consultation with the donor’s attorney regarding deed restrictions and the trustee’s role in the donation, community engagement or the formation of a “Friends of the Property” committee, and preliminary discussions with potential partners, such as clubs, foundations or historical groups.

Assistant City Attorney Mark Hudak stated that the past several months included extensive dialogue with the owner, trustee and owner’s attorney to ensure that their concept for the future is the same as the Town’s vision. He reported that the donor is anxious for some direction if the Town is interested. He stated that if the Town is not interested the donor will look for another donee to receive it, and in that case the Town

would have less control and less use of the property. He stated that if the City Council is interested in the donation, staff could enter into more refined negotiations.

The Councilmembers, Ms. Ritzma and Mr. Hudak discussed the potential donation of 40 Baywood Avenue.

The Councilmembers recommended a tour of the house and garden to get a better understanding of the property, and requested more details on revenue projections and the plan to market the property for income, and more information on the financial impact to the Town.

Mayor Christianson acknowledged the generosity of the donor and the extraordinary opportunity for the Town.

Ms. Ritzma stated that she will respond to the emails that she received this afternoon about the property donation.

INFORMATIONAL:

18. SAN MATEO COUNTY HEALTH DEPARTMENT'S UPDATE ON COVID-19

City Manager Ann Ritzma provided a presentation on the San Mateo County Health Department's latest update on COVID-19. She reported that the San Mateo County Health Department posts COVID-19 data on its website every day, including cases by city in San Mateo County, and the impact of Shelter in Place on COVID-19 hospitalizations in San Mateo County. She reviewed the statistics for San Mateo County and the County criteria to move further ahead in the State Tracking Resilience Roadmap, and stated that the County can move to the next phase when the percentage that tests positive decreases. She reported that when the County moves to the next phase dine-in restaurants, hair salons, barbershops and casinos will be allowed to open. She stated that would be followed by the opening of family entertainment centers, restaurants, wineries and bars, zoos and museums, gyms and fitness centers, hotels for tourism and travel, cardrooms and racetracks, and campgrounds and outdoor recreation.

Ms. Ritzma stated that COVID-19 testing is available in San Mateo and four other locations on the Peninsula. She stated that with the current County Health Order outdoor dining and religious gathering with restrictions are allowed, beaches are open as are in-store retail shopping, recreational summer camps and childcare centers with restrictions, and additional San Mateo County parks have reopened. She reported that homeless services continue to house 75 high risk individuals in San Mateo County.

Ms. Ritzma reported that Town services are essential and staff members are required to wear masks and practice social distancing. She stated that the Police and Fire Departments are fully staffed and responding to all calls for service. She added that the Fire Department is working with residents on wildfire vegetation management plans and that there will be a virtual "Wildland Urban Interface (WUI) Town Hall" on June 17, 2020, at 6:30 p.m. She stated that Town Hall staff members are available by phone and email, and that the Town Hall doors are locked but staff is available for deliveries, questions and scheduled pick-ups. She reported that the Public Works Department is also fully staffed and responding to all calls for service, and are available by phone and email for questions and permits. She stated that Public Works staff is working with the county, state and federal government for capital funding opportunities. She reported that the Building and Planning Department now has an on-line building plan submittal portal available on the Town's website and contractors and owners may submit a building permit online. She added that permits are available for pick up at the "pop up" permit center at Town Hall. She reported that Finance Department staff is available by phone, email or appointment, and payments for water bills or business licenses can be made in the white mailbox or at the Finance Department. She stated that the Finance Department is monitoring the economic impacts of the pandemic. She reported that the City Manager's Office, including Human Resources, City Clerk, Communications and community support services are fully staffed and responding to calls for service,

providing support for employees, and managing public meetings, the website and e-news.

The Councilmembers and Ms. Ritzma discussed the update and information provided on COVID-19.

19. HILLSBOROUGH POLICE DEPARTMENT UPDATE

Police Chief Doug Davis provided a presentation and reported on the Town's mutual aid response to civil unrest in the region. He stated that the Hillsborough Police Department (HPD) has had daily and sometimes multiple daily deployments in the region, and has sent officers, SWAT team members, Command staff members, as well as the motor unit. He stated that the locations served included Oakland, San Francisco, East Palo Alto, San Mateo, Redwood City, South San Francisco and Belmont to date, and the department remains on alert for various other cities in the coming days. He stated that HPD's response to potential civil unrest and the security of Hillsborough includes three investigators activated to supplement patrol and limit overtime expenditures, limited overtime staffing to reinforce patrol efforts, and all patrol units temporarily switched to two-officer units for officer safety.

Chief Davis reported that in response to many recent questions regarding the HPD's policies and procedures, HPD has created a comprehensive list of frequently asked questions (FAQ) page on the Town's website that addresses the Town's selection process for hiring police officers, the training requirements and continuing training efforts, and the use of force policies and philosophy. He stated that all policies and procedures are currently under review by the HPD Command staff and training experts.

The Councilmembers thanked Chief Davis and the Hillsborough Police Department for the fantastic job they have done during the Shelter in Place and for providing mutual aid during the civil unrest.

PUBLIC COMMENT:

City Clerk Miyuki Yokoyama stated that public comments were received from Mike and Patrice Wilbur regarding the 40 Baywood Avenue donation, and they asked about the maximum number of people allowed for events, the hours of events, the number of events per year, the noise ordinance and the amplification for music or announcements, safety measures when the facility is closed, an on-site caretaker, the use of port-a-potties, the parking plan, and the size and location of the arbor.

CITY COUNCIL ITEMS:

Councilmember Chuang reported that Mayor Christianson, City Manager Ann Ritzma, Director of Building and Planning Sarah Fleming, and she attended Senator Jerry Hill's Housing Roundtable on Friday, June 5, 2020, regarding current housing legislation.

Councilmember Benton stated that he attended a Bay Area Water Supply & Conservation Agency (BAWSCA) Board meeting on Thursday, May 21, 2020, and reported that the reservoirs are full and the water supply should be sufficient for this summer, but there is not much snow in the mountains.

Vice Mayor Royse stated that he attended the SFO Community Roundtable on Wednesday, June 3, 2020, and reported that a new noise tool was introduced, air travel is down by 95 percent, 75 percent of the 46,000 employees have been furloughed, the airport so far has 90 percent compliance with COVID-19 safety measures, and comments are due by July 13, 2020, on supersonic airplanes.

Mayor Christianson reported that she attended the Mayor's Circle on Tuesday, May 12, 2020, convened by San Jose Mayor Sam Liccardo and the topic was directed at re-emergence from the COVID-19 Shelter in Place Order.

Mayor Christianson reported that at 7:00 p.m. on Friday, June 12, 2020, everyone is encouraged to head outdoors and cheer on all the local graduates from Crocker Middle School.

REPORT FROM CLOSED SESSION

City Attorney Christopher Diaz reported out that the City Council has unanimously agreed to approve a settlement agreement and associated letter agreement with Crown Castle regarding the federal wireless dispute. He stated that as part of the settlement, the Town is not approving any applications but rather is agreeing to consider applications at a future time, and stated that under the terms of the settlement, the number of potential sites has been reduced and the design has been modified lowering the height in certain instances. He added that further information will be provided on the Town's website shortly.

ADJOURNMENT:

Mayor Christianson adjourned the meeting at 10:12 p.m.