

**MINUTES
CITY COUNCIL MEETING
MONDAY, JULY 13, 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 July 13, 2020 Hillsborough City Council meeting. The Town conducted the City Council meeting via Zoom.

CLOSED SESSION:

Mayor Christianson called the meeting to order at 4:32 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)
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

B. 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

C. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION

Pursuant to Government Code Section 54956.9(d)(1)
Town of Hillsborough v. Flintstone LLC, Florence Fang; Flintstone LLC, Florence Fang
v. Town of Hillsborough, et al.
San Mateo Superior Court Action No. 19CIV01442

ADJOURN CLOSED SESSION

CITY COUNCIL MEETING:

Mayor Christianson called the regular meeting to order at 6:07 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

PLEDGE OF ALLEGIANCE

REPORT FROM CLOSED SESSION: There was nothing to report from the Closed Session.

MINUTES: The minutes of the June 8, 2020 City Council meeting were approved as submitted with one change from Vice Mayor Royse. The word “supersized” was corrected to “supersonic” in the second paragraph from the bottom of page 13 for City Council Items.

CONSENT CALENDAR:

Items 7 and 10 were removed for discussion.

1. MONTHLY CLAIMS: JUNE 1 THROUGH JUNE 30, 2020

The monthly claims for the month of June 2020 in the amount of \$4,592,188.75 were approved as submitted.

2. QUARTERLY TREASURER'S REPORT FOR THE QUARTER ENDING JUNE 30, 2020

The Treasurer's Report for the quarter ended June 30, 2020, was approved.

3. QUARTERLY INTEREST RATE PRODUCTS (SWAP) REPORT

The Interest Rate Products (SWAP) Report for the quarter ended June 30, 2020, was accepted.

4. RESOLUTION ADOPTING NEW POLICY 122 - COVID-19 WORKPLACE PROTECTION POLICY

The resolution adopting Policy 122, the COVID-19 Workplace Protection Policy, was adopted.

5. RESOLUTION ESTABLISHING PROCEDURES AND REQUIREMENTS FOR THE CONSIDERATION OF DEVELOPMENT AGREEMENTS UNDER GOVERNMENT CODE SECTIONS 65864 THROUGH 65869.5, INCLUSIVE

The resolution establishing procedures and requirements for the consideration of development agreements under Government Code Sections 65864 through 65869.5, inclusive was adopted.

6. RESOLUTION AWARDING TO AND AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH D'ARCY & HARTY CONSTRUCTION, INC. FOR THE 2020 PRIORITY STORM DRAIN REPAIRS PROJECT IN THE AMOUNT OF \$195,520

The resolution awarding to and authorizing the City Manager on behalf of the Town to execute the contract with D'Arcy & Harty Construction, Inc. for the 2020 Priority Storm Drain Repairs Project in the amount of \$195,520 with a 10% contingency, if needed, for a total construction budget of \$215,072 was adopted.

7. RESOLUTION AWARDING TO AND AUTHORIZING THE CITY MANAGER TO EXECUTE A TWO-YEAR CONTRACT WITH GO NATIVE, INC. FOR THE OPEN SPACE VEGETATION MANAGEMENT PROJECT IN THE AMOUNT OF \$280,781 WITH A THIRD-YEAR OPTION IN THE AMOUNT OF \$140,391

Vice Mayor Royse stated that the Town's Open Space Fire Maintenance Plan's treatment guidelines has grasslands treated annually, but woodlands are treated every two to three years and shrublands are treated every three to five years. He asked if that is sufficient timing for the woodland and shrubland treatment or if more frequent treatment is needed. Deputy Director of Public Works Daniel Gonzales replied that the schedule for treatment was developed with Central County Fire Department's fire science program guidelines. He reported that the treatment guidelines are assessed and adjusted each year based on the growth of vegetation in the woodland and shrubland areas, and that the schedule allows for sufficient timing of treatment. Vice

Mayor Royse asked if the Town has used Go Native, Inc. in the past. Mr. Gonzales replied that the Town has never used Go Native, Inc., but he has no concerns about using Go Native, Inc. as the company is widely used on the Peninsula and is reputable and qualified.

The resolution awarding to and authorizing the City Manager on behalf of the Town to execute the two-year contract with Go Native, Inc. for the Project in the amount of \$280,781 with a 10% contingency, if needed, for a total budget of \$308,859.10, with the option to renew for a third year in the amount of \$140,391 with a 10% contingency, if needed, for a not-to-exceed total of \$463,289.20 was adopted.

8. RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A THREE-YEAR AGREEMENT WITH THE COUNTY OF SAN MATEO FOR VEGETATION MANAGEMENT AND STREET SWEEPING SERVICES IN THE AMOUNT OF \$93,534.12

The resolution authorizing the City Manager on behalf of the Town to execute the three-year agreement with the County of San Mateo for vegetation management and street sweeping services in the total amount of \$93,534.12 was adopted.

9. RESOLUTION APPOINTING A DIRECTOR AND AN ALTERNATE TO THE POOLED LIABILITY ASSURANCE NETWORK JOINT POWERS AUTHORITY BOARD OF DIRECTORS

The resolution appointing a director and an alternate to the PLAN JPA Board of Directors was adopted.

10. RESOLUTION AUTHORIZING THE DELAY OF THE ENFORCEMENT OF WILDLAND URBAN INTERFACE PROGRAM INSPECTIONS FROM JANUARY 2020 TO FEBRUARY 2021

Councilmember Chuang stated that due to COVID-19, the enforcement of the Wildland Urban Interface (WUI) program inspections will be postponed until February 2021. She reported that the intention of the WUI program is to prepare properties for the fire season and that Central County Fire Department will continue to provide free property evaluations to mitigate fire hazards. She also reported that Hillsborough Firewise will be sponsoring a woodchipper program for residents.

The resolution authorizing the delay of the enforcement of the Wildland Urban Interface program inspections from January 2020 to February 2021 was adopted.

On motion of Councilmember Chuang, seconded by Councilmember May and unanimous on roll call vote, Consent Calendar items 1 through 10 were approved.

PUBLIC HEARING:

11. RESOLUTION AUTHORIZING THE PLACEMENT OF SEWER SERVICE AND STORM DRAINAGE CHARGES, SPECIAL TAX FOR POLICE PROTECTION AND FIRE PROTECTION AND PREVENTION, AND THE FLAT CHARGE COMPONENT OF THE GARBAGE COLLECTION FEE ON THE FISCAL YEAR 2020-2021 COUNTY TAX ROLL AND AUTHORIZING THE COUNTY TAX COLLECTOR TO COLLECT SUCH CHARGES

Assistant Finance Director Richard Santiago provided a presentation and stated that the Town's sewer service charges, storm drainage charges, public safety special tax and the flat garbage collection fee are collected by the County Tax Collector. He reported that 3,897 households will be assessed an annual residential sewer charge of \$3,543, which is a 7% increase from last year; the annual storm drainage charge will remain unchanged at \$7.34 for 4,011 parcels; the public safety tax will be \$218 for 67 unimproved parcels and \$570 for 3,912 improved parcels, which will bring in an estimated \$2.2 million; and the flat garbage collection fee remains unchanged from the previous year in the amount of \$300 for 3,897 parcels, which will be remitted to

Recology per the franchise agreement. He stated that the Schedule of Fees and Charges was included in the Fiscal Year 2020-2021 Adopted Budget.

Mr. Santiago recommended conducting the public hearing and adopting the resolution.

The Councilmembers had no questions.

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

On motion of Councilmember May, seconded by Councilmember Benton and unanimous on voice vote, the resolution authorizing placement of sewer service and storm drainage charges, special tax for police protection and fire protection and prevention, and the flat charge component of the garbage collection fee on the 2020-2021 County tax roll and authorizing the County Tax Collector to collect such charges was adopted.

12. RESOLUTION CONFIRMING THE REPORT OF WEED ABATEMENT CHARGES AND ORDERING COLLECTION

Fire Marshal Christine Reed of Central County Fire Department (CCFD) stated that the resolution confirming the report of weed abatement charges and ordering collection is brought before the City Council each year as part of the annual vegetation management program. She reported that notices to property owners of vacant lots in non-compliance were mailed on May 13, 2020, notifying them that they could abate weeds and vegetation on their own or CCFD would hire a contractor to do the work and the weed abatement charges would be collected through their property tax assessment. She reported that upon re-inspection one property owner did not remove or destroy weeds and debris by the deadline of June 22, 2020, so CCFD contracted for the abatement and maintained an account of the cost in the Summary Vegetation Abatement Report, which is included in the City Council agenda packet. She stated that the report shall be provided to the County Controller of San Mateo County for collection on the tax roll.

The Councilmembers had no questions.

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

On motion of Councilmember Chuang, seconded by Vice Mayor Royse and unanimous on voice vote, the resolution confirming the report of weed abatement charges and ordering collection was adopted.

13. RESOLUTION CERTIFYING THE MEADOWOOD ESTATES SUBDIVISION PROJECT FINAL ENVIRONMENTAL IMPACT REPORT (FEIR), ADOPTING THE CEQA FINDINGS AND THE MITIGATION MONITORING AND REPORTING PROGRAM (MMRP), AND APPROVING THE VESTING TENTATIVE MAP FOR PURPOSES OF AN EIGHT-LOT SUBDIVISION FOR THE FUTURE CONSTRUCTION OF INDIVIDUAL HOMES ON A 20-ACRE PROJECT SITE AT THE NORTHEAST CORNER OF CRYSTAL SPRINGS ROAD AND TARTAN TRAIL ROAD; AND INTRODUCTION OF AN ORDINANCE APPROVING A DEVELOPMENT AGREEMENT WITH THE CALLAN TRUSTS

Director of Building and Planning Sarah Fleming and Director of Public Works Paul Willis provided a presentation on the Meadowood Estates Subdivision Project (Project) and Development Agreement. Ms. Fleming provided a project overview and stated that the Project is located on a 20-acre site at the northeast corner of Crystal Springs Road and Tartan Trail Road, and the Town received a request from the applicant for the eight-lot subdivision for the future construction of individual homes on two cul-de-sacs. She reported that the eight-lot subdivision was approved in the 1990s; however, the map expired, and the applicant initiated the current application in 2014. She stated that because of increasingly stringent regulations with the California Environmental Quality

Act (CEQA), longer project timelines can result. She provided a timeline of the CEQA process for this Project.

Ms. Fleming reported that this Project warranted an Environmental Impact Report (EIR) to provide enough analysis for decision-makers to make an informed decision and provide a range of reasonable alternatives. She stated that CEQA requires Final EIRs (FEIRs) to be certified by the decision-making body before they are complete. She reported that project alternatives include Alternative 1a, no project; Alternative 1b, site development consisting of two dwellings; Alternative 2, a five-unit subdivision; and Alternative 3, an alternative project location.

Ms. Fleming reported that changes made to the Draft EIR included the relocation of Meadowood Court, updated biological studies conducted, impacts on resources clarified, mitigation measures enhanced for special status plants and wildlife, water resources and oak woodlands, and the clarification of easement, stormwater conveyance and flood risk language.

Ms. Fleming stated that the next step is for the City Council to consider whether they have the information and data to draw reasonable conclusions regarding the Project's environmental impacts, the adequacy of related mitigation measures, and if a fair argument can be made to support the jurisdiction's conclusions. She stated that, if so, staff recommends that the City Council adopt the resolution to certify that the EIR is complete, adequate, contains a range of reasonable alternatives, and that it reflects the lead agency's independent judgment and analysis of the CEQA findings; and adopt the Mitigation Monitoring and Reporting Plan (MMRP) which will mitigate the impacts of the Project to a less-than-significant degree.

Mr. Willis reviewed slides of the Vesting Tentative Map (VTM) for the eight lots and stated that the VTM will allow the applicant to undertake the public improvements required for the creation of the new lots. He stated that the applicant requested five exceptions to Hillsborough Municipal Code (HMC) Title 16 for the VTM, which included lot shape and width, lot size for hillside development, utility easements and street layout, roadway centerline radius lengths, and cul-de-sac lengths. He recommended that the City Council authorize the exceptions based on the City Engineer's recommendation that the exceptions will not be materially detrimental to public health, safety or welfare or injurious to other properties in the Town. He added that compliance with the HMC sections is unnecessary for purposes of protecting public health, safety or welfare, and that the Project will comply with all other Town standards, policies and sections of the HMC.

Ms. Fleming stated that for the extension of vesting rights, the approval of a VTM confers a vested right for an applicant to proceed using the ordinances and standards in effect at the time of approval. She reported that the applicant has requested that the Town enter into a Development Agreement to further extend rights related to payment of fees and effective standards, which include that if final maps are submitted within five years, the applicant will pay public improvement fees at today's rates and the agreement extends the applicant's right to develop the Project in substantial compliance with the approved VTM and today's General Plan and Zoning requirements for 20 years.

Ms. Fleming reported that a Development Agreement will allow a developer to proceed with a Project under the rules in effect when the Project is approved, even if those rules change in the future; and in return, the developer provides additional benefits to the community beyond what would be required through the normal entitlement process. She stated that in exchange for the requested exceptions and extension of vesting rights, staff and the applicant have negotiated a community benefit contribution of \$400,000 in total (\$50,000 per home) with the monies going to a newly-created Public Safety Facilities Fund. She reported that the contribution will be paid in two phases upon the Town's acceptance of public improvements. She stated that Phase 1 will be in the amount of \$250,000 for Meadowood Court and Phase 2 will be for \$150,000 for Stonecreek Way. She stated that as this Project will increase the demand on the Town's police and fire services, staff recommends this as an ideal contribution to offset the requested exceptions.

Ms. Fleming recommended that the City Council receive a presentation from the applicant; open the public hearing and receive public comment; close the public hearing; and after City Council questions of staff and the applicant, discuss the Project and make the motions to adopt the resolution which certifies the Meadowood Estates Subdivision Project FEIR, CEQA findings and MMRP, finding that the FEIR is complete, adequate, contains a range of reasonable alternatives and reflects the lead agency's independent judgment and analysis; approves the VTM for purposes of the eight-lot subdivision for the future construction of individual homes on a 20-acre project site, with exceptions at the northeast corner of Crystal Springs Road and Tartan Trail Road; and introduce and waive further reading of the ordinance.

Councilmember May reported that he did not visit the site. Councilmember Chuang reported that she visited the site. Councilmember Benton reported that he did not visit the site. Vice Mayor Royse reported that he met with the applicant and visited the site. Mayor Christianson reported that she drove by the property.

The Councilmembers asked questions for clarification about the reimbursement of staff time for the Project; the process for the improvement plan for the eight lots; a public comment received from Peter Rauembuehler, a homeowner directly above the Meadowood Project, regarding the amount of soil and tree removal and who will be responsible for any land movement on his property; the geotechnical report and land movement, the VTM, the Development Agreement, the possibility for a community path, tree removal, off haul, the timeline for development, the possibility of the sale of lots to developers, and the community benefit contribution. Ms. Fleming, Mr. Willis, City Attorney Christopher Diaz, and Ethan Walsh, an attorney with BB&K, provided responses.

Mayor Christianson opened the public hearing and asked the applicant, Brian Desler, if he would like to make a presentation.

Mr. Desler provided a presentation and provided the history on the Meadowood Subdivision Project. He stated that Tom and Gladys Callan, Hillsborough residents for over 60 years, purchased this property on the periphery of the Town decades ago and envisioned building homes that would fit seamlessly into the surrounding neighborhood and provide the same opportunity for young families (or retirees) as they had to live in a vibrant and active community. He reported that in 1997, proposals for an 11 (and then 10) lot residential subdivision of the 20.83-acre site were presented to the Town, and eventually, an eight-lot subdivision was formally approved by the City Council; however, the approved Project was not constructed and unfortunately the Tentative Map expired.

Mr. Desler stated that alternative uses for this property were explored, including a higher density senior development and later a potential site for Crystal Springs Middle School; however, in both cases, the overwhelming feedback from the community was that the only acceptable use of this area should be for homes in a traditional neighborhood setting. He stated that as a result of this feedback and based on suggestions by Town staff, new plans were prepared with the goal of clustering residences to minimize site disturbance and maximize the natural landscape. He stated that over the past ten years, the Callan family has been working closely with Hillsborough staff to create a subdivision proposal that meets the housing needs of the community while addressing the environmental concerns of developing in this area, and in light of the ongoing housing crisis in California, achieving this goal is more important than ever.

Mr. Desler provided slides showing the current and proposed bird's eye views of Meadowood Court and Stonecreek Way. He stated that the Callan family has managed this Project over the years. He thanked Town staff members for their guidance and patience in many meeting and conference calls throughout the years. He stated the result of this work is a significantly better Project than what was approved in 1997. He stated that in addition to staff meetings, they participated in several community meetings held over the last ten years. He reported that the primary community feedback over the past ten years has focused on fire danger in the area, the location of Meadowood Court

to its nearest neighbor, the stability of the hillside, construction noise/dust/traffic/etc., and the possibility of a bike path, and he reviewed the responses to those concerns.

Mr. Desler stated that the Meadowood Subdivision Project goals were supplemented by feedback from Hillsborough staff and the public to improve upon the original eight-lot subdivision approved in 1997. He stated that the project team believes the current plan will achieve these goals of increasing housing opportunities, bringing homes closer together to maximize open spaces, ensuring the lot sizes meet or exceed the surrounding neighborhood, minimizing the amount of retaining walls, reducing tree removal, and implementing Central County Fire Department's Wildfire Protection Plan.

Mr. Desler stated that any development raises environmental issues. He reported that the Final EIR addresses these concerns and requires mitigation that will include a conservation easement/deed restriction, a botanist, a biologist, an arborist, an archaeologist/paleontologist, and a California Native American tribal representative.

Mr. Desler stated that the Meadowood Subdivision will benefit the community by providing the Hillsborough City School District with additional property tax revenue, school fees for new construction as well as an expanded potential pool of students; a development density equal to or lower than adjacent parcels; a longer implementation period enabling a potential longer term development schedule that will produce fewer environmental effects and will more likely result in a variety of home designs that will be consistent with the character of the community; a contribution of \$400,000 to be used by the Town to address critical fire and public safety infrastructure; secondary units that provide lower priced housing consistent with the Town's General Plan/Housing Element goals, and with new state regulations that require the creation of more affordable housing options; and implementation of a Wildfire Protection Plan that will improve fire safety within the project area and adjacent properties.

Mr. Desler provided slides showing the current and proposed Meadowood Court area, Stonecreek Way area, and the proposed view from Parrott Drive.

Mr. Desler stated that Roland Haga, the engineer for the Project, was available to answer questions.

The Councilmembers asked Mr. Desler questions for clarification about the timeline for the development of the lots, public concerns, and the possibility of a new stop sign. Mr. Desler and Mr. Willis provided responses. Mr. Willis also confirmed that a Final Subdivision Map would need to be submitted by the developer for each phase of the project before any building permits could be issued for any of the proposed lots.

Mayor Christianson asked if any public comment was received. City Clerk Miyuki Yokoyama replied that only one public comment was received from Peter Rauenbuehler, which Councilmember May read earlier.

Mayor Christianson closed the public hearing.

On motion of Councilmember Chuang, seconded by Vice Mayor Royse and unanimous on voice vote, the resolution certifying the Meadowood Estates Subdivision Project FEIR, CEQA findings and MMRP; certifying that the FEIR is complete, adequate, contains a range of reasonable alternatives and reflects the lead agency's independent judgment and analysis; and approving the Vesting Tentative Map for purposes of an eight-lot subdivision for the future construction of individual homes on a 20-acre project site, with exceptions, at the northeast corner of Crystal Springs Road and Tartan Trail Road was adopted.

On motion of Councilmember Benton, seconded by Councilmember May and unanimous on voice vote, the ordinance entitled "Ordinance of the City Council of the Town of Hillsborough Approving a Development Agreement with Callan 1970 Trust and Callan Grandchildren Trust Relating to the Meadowood Estates Subdivision" was introduced and further reading beyond the title was waived.

14. RESOLUTION APPROVING THE FINAL DESIGN REVIEW OF PLANS FOR A NEW RESIDENCE OVER 8,000 SQUARE FEET IN SIZE AT 940 WEST SANTA INEZ AVENUE

Planning Manager Liz Ruess provided a presentation on 940 West Santa Inez Avenue and stated that the Project is for a new two story Sonoma Farmhouse style residence with a basement and a new detached pool house. She further stated that the total proposed floor area is approximately 13,931 square feet on a 69,701 square foot lot with a 19.9% floor area ratio.

Ms. Ruess reported that the Project received Architecture and Design Review Board (ADRB) approval on December 2, 2019. She stated that final grading calculations indicated that more than 1,500 cubic yards of off haul would be necessary, and that export or import of 1,500 cubic yards or greater requires a Category 3 Grading Permit and triggers the need for an environmental review, therefore, the applicants decided to revise the grading to reduce the amount of off haul to below 1,500 cubic yards. She stated that the modification raised the overall height of the house just under three feet taller than the approved design. She reported that after the revised story poles were installed, the neighbors across the street, Stuart and Diana Francis of 955 West Santa Inez Avenue, expressed concerns about the loss of view due to the increased height of the proposed new home. She stated the ADRB acknowledged that the view impacts are unfortunate, but noted that the impacted views are not from the house, but rather from the driveway and mailbox, which are not key views. She stated that the ADRB found that the proposed home complies with building height requirements and is consistent with the Design Guidelines and that these regulations outweigh impacts to secondary views and voted unanimously 5:0 on a roll call vote to recommend approval of the Project.

Ms. Ruess stated that Hillsborough Municipal Code (HMC) Section 17.34.010 requires that any new dwelling having a total covered floor area in excess of 8,000 square feet shall be submitted to the City Council for review and final disposition. She stated that a waiver of City Council review can be granted if there is no unresolved opposition to or concern about the Project raised in the public hearing before the ADRB, and the Project is approved by the ADRB with no dissenting votes. She explained that while the Project was unanimously approved by the ADRB, there remains the unresolved concern about the Project from Mr. Francis, and therefore the Project requires final design approval by the City Council.

Ms. Ruess stated that the City Council's review shall consider the Project 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. She recommended opening the public hearing and receiving comments; closing the public hearing; and adopting the resolution approving the Project as submitted, subject to the Conditions of Approval listed in Attachment 1 of the resolution.

Councilmember May reported that he did not visit the site. Councilmember Chuang reported that as the Council Commissioner to the ADRB, she visited the site three months ago. Councilmember Benton reported that he visited the site. Vice Mayor Royse reported that he visited the site. Mayor Christianson reported that she drove by the site.

The Councilmembers asked questions for clarification about the appeal, the neighbors' view, and the height of the new house. Ms. Ruess provided responses.

Mayor Christianson opened the public hearing and asked the applicant, Eric Nyhus, if he would like to make a presentation.

Mr. Nyhus stated that the property owner Gerri Wong would like the opportunity to speak. Ms. Wong stated that she loves Hillsborough and the community, and likes to entertain and open her home to non-profit organizations. She stated that she met with Mr. Francis and that his view will only be impacted from his driveway and mailbox. She

stated that because of COVID-19, the Project has been delayed for four months and that she will not be able to build this year, but hoped to start sooner rather than later. She stated that Mr. Nyhus is a long-time friend and that her friend Mindy Romanowski, an attorney, has advised her on the Project.

Mr. Nyhus stated that the ADRB approved the Project with a vote of 5:0 and that he is excited about the Project. He reviewed the history of the Project with the ADRB, and stated that after receiving the off-haul total he and his client decided to raise the home to reduce the amount of off-haul as there would be a cost of \$50,000 just for the California Environmental Quality Act (CEQA) review and a six month or longer delay to begin the Project with COVID-19. He stated there was not enough time to revise the design further. He stated that the home on the left is higher and the home on the right is the same height as the proposed home, and that the proposed home is sited very well. He stated that reducing the home six inches is not realistic and would not give Mr. Francis a better view, and that protected views are only from inside of a home. Mr. Nyhus provided a slide showing an aerial view of property and the site line from Mr. Francis' property.

The Councilmembers asked questions of Mr. Nyhus for clarification about the neighbors' view. Mr. Nyhus provided responses.

Mindie Romanowsky stated that she is a land use attorney and has been Ms. Wong's advisor for the Project. She stated that her client wanted to avoid cut and fill and made the decision to raise the house. She stated that the neighbor's view will be minimally impacted from the driveway and mailbox. She stated that the Project complies with the Town's design and site standards. She asked the City Council to follow staff's recommendation to approve the Project.

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

On motion of Councilmember Chuang, seconded by Councilmember May and unanimous on voice vote, the resolution approving the final design review of plans for a new residence over 8,000 square feet in size at 940 West Santa Inez Avenue as submitted, subject to the conditions of approval listed in Resolution Attachment 1, was adopted.

15. **APPEAL OF THE NOVEMBER 4, 2019 ADRB DETERMINATION ON THE REQUEST FOR APPROVAL OF AS-BUILT CHANGES TO A PREVIOUSLY APPROVED NEW MULTI-LEVEL, TRANSITIONAL COLONIAL STYLE RESIDENCE OF APPROXIMATELY 5,887 SQUARE FEET (24.9% FLOOR AREA RATIO) AT 25 BUCKTHORN WAY**

Planning Manager Liz Ruess provided a presentation and stated that the Project was for a new multi-level, Transitional Colonial style residence of approximately 5,887 square feet on a 23,558 square foot lot with a 24.9% floor area ratio. She reported that the Project was originally unanimously approved by the Architecture and Design Review Board (ADRB) at its meeting held on May 1, 2017. She reported that during construction, the property owner made several architectural and material changes to the Project without seeking prior approval from Building and Planning or the ADRB. She stated that the unapproved as-built changes the applicant has made bring the more Transitional style to the other facades, especially the front facade, eliminating many of the more traditional elements.

Ms. Ruess reported that some of the changes included painted cedar wood siding rather than Hardie plank, use of horizontal and vertical plank siding varied by level rather than by architectural volume, a transition band added between first and second floors, a cedar shingle roof rather than cedar shake, refined eave detail and rake trim, Euroline steel windows rather than approved clad wood windows, metal railing instead of wood, split-face buff natural limestone veneer on chimneys rather than approved Boral Hewn Stone veneer (manufactured stone), and wood wrapped square columns at the entry rather than tapered Doric Order Roman. She stated that these modifications were reviewed by the ADRB at the March 4, 2019 ADRB meeting. She reported that the

ADRB voted unanimously 4:0 to approve the Project based on its consistency with the Residential Design Guidelines as discussed and subject to the Standard Conditions of Approval, Conditions of Approval listed in the Staff Memorandum, and added condition that the applicant shall incorporate most of the originally approved detailing, specifically at the front elevation and detailing around the windows, subject to administrative design review procedures unless staff cannot support the proposed revisions, which would require a return to the ADRB for design review.

Ms. Ruess stated that staff worked with the applicant in an effort to address the ADRB comments. She reported that the applicant upsized and enhanced the landscaping at the front of the home to mitigate the changes. She stated that due to the lack of response to the direction from the ADRB regarding the architectural detailing changes, the as-built changes returned to the ADRB to request design review approval.

Ms. Ruess stated that the Project was reviewed by the ADRB at the November 4, 2019 ADRB meeting where the applicant requested design review approval of as-built changes to the previously approved house with upsized and enhanced the landscaping at the front of the home to mitigate the changes rather than modifications to architectural detailing or materials. She reported that the ADRB voted unanimously 5:0 to deny to application based on inconsistency with the Design Guidelines.

Ms. Ruess reported that on November 19, 2019, the property owner filed an appeal of the November 4, 2019 ADRB determination, citing that the modifications to the Project were enhancements and upgrades to improve design consistency and the quality of materials; there was a lack of specific direction from the ADRB as to what specifically could be done to gain their support of the Project; the Project was unfairly put into the same category as another project that installed lesser quality materials and roof than was approved; and the ADRB focused on lack of adhering to the process to seek approval for revisions rather than receiving an individual design review of the as-built changes.

Ms. Ruess stated that the recommendation is for the City Council to consider whether the as-built changes to a previously approved new residence are consistent with the Town's Design Guidelines, the Zoning Ordinance and the General Plan. She stated that staff has provided two resolutions with findings for the City Council to consider: one to uphold the appeal (approving the as-built changes) and one denying the appeal (denying the as-built changes). She stated that staff's recommendation is to receive a presentation from the appellant (property owner); open the public hearing and receive comments; close the public hearing; and as per Hillsborough Municipal Code Section 2.12.080, the City Council shall consider and act upon the grounds raised in the appeal and any additional grounds or issues raised. She stated that the City Council may raise other issues at the hearing and consider and act upon those as well. She stated that the City Council shall consider whether the as-built changes to a previously approved new multi-level, Transitional Colonial style residence are consistent with the Town's Design Guidelines, the Zoning Ordinance and the General Plan. She stated that the City Council may accept or reject, wholly or in part, or may modify, the determination of the ADRB, or remand the application to the ADRB or the Director of Building and Planning for further consideration with specific instructions as the City Council deems appropriate.

The Councilmembers had no questions for clarification of Ms. Ruess.

Mayor Christianson opened the public hearing and asked the appellant, Jonathan Emami, if he would like to make a presentation.

Mr. Emami thanked Ms. Ruess and staff. He stated that he has lived in the home for the past 12 months. He stated that he was the general contractor for the Project and naively thought that he could make upgrades consistent with the Design Guidelines. He stated that enhancements and upgrades were made to the home during construction in part to fix discrepancies in the plans, improve design consistency on all elevations and upgrade the quality of materials. He stated that a detailed letter was sent to Ms. Ruess along with attachments that describes the history of the changes and the outcome of the two ADRB hearings. He stated that he did not think his three minute presentation will

detail it any better, therefore, he trusted that the materials were reviewed by the City Council in advance so that he can make his presentation brief in case there are any questions that follow.

Mr. Emami stated that he understood that he did not follow the proper protocol or process and naively assumed the upgrades and enhancements made to the home would not be frowned upon and instead be welcomed. He stated that he thought most, if not all of them, are welcomed, but understood that he should have worked early on with planning staff to review the changes, which would likely have secured approval for them over the counter.

Mr. Emami stated that he and his family have now lived in the home for almost exactly 12 months and have received many compliments on its design. He stated that he often sees people on foot or driving by in a car taking photographs and has even been approached by them to ask questions about the home. He stated that he loves the home and feels the vast majority of those who have seen it also love it. He stated that he feels that the changes objectively meet the Residential Design Guidelines and standards for the Town that apply. He asked the City Council for their approval of the design changes to the home as it is completed.

Councilmember May reported that he drove by the property. Councilmember Chuang reported that she did not drive by the property, but is the Council Commissioner to the ADRB and sat in on the ADRB meetings. Councilmember Benton reported that he viewed the property. Vice Mayor Royse reported that he drove by the property. Mayor Christianson reported that she drove by the site.

The Councilmembers asked questions for clarification about the as-built changes, the ADRB design review process, the architectural design changes made, the direction given by the ADRB, and the bond for the Project. Mr. Emami, Ms. Ruess, City Attorney Christopher Diaz and Director of Building and Planning Sarah Fleming provided responses.

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

On motion of Councilmember Benton, seconded by Councilmember May and unanimous on voice vote, the appeal of the November 4, 2019 ADRB determination on the request for approval of as-built changes to a previously approved new multi-level, Transitional Colonial style residence at 25 Buckthorn Way was remanded to the ADRB for further consideration, and staff was directed to discuss the bond with the City Attorney.

16. 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.

Associate Engineer Natalie Gribben provided a presentation on the Vesting Tentative Map for 85 Fagan Drive. She stated that as required by the Hillsborough Municipal Code (HMC), the Conceptual Map was reviewed by City Council on May 11, 2020. She stated that the Tentative Map was reviewed by Architectural and Design Review Board (ADRB) on June 29, 2020, and is now for review by City Council. She added that the Final Map will also require review by the City Council. She reported that the Vesting Tentative Map requires a public hearing to review the City Engineer's report and determine whether the Vesting Tentative Map complies with the Subdivision Map Act and HMC Section 16.20.040. She stated that the approval or conditional approval of a Vesting Tentative Map shall confer a vested right to proceed with the development in compliance with the ordinances, policies and standards in effect at the date it was approved.

Ms. Gribben provided a slide showing the project site and stated that it is located at the end of the cul-de-sac on Fagan Drive, and is a 3.08 acre lot with an existing residence, pool, well, storage tank and associated improvements. She stated that Parcel A of the Vesting Tentative Map will have a 13% slope, 2.18 acre proposed lot size, and includes a 14,930 square foot existing home; and that Parcel B will have a 12% slope, .90 acre proposed lot size, and is vacant.

Ms. Gribben stated that the Project complies with the State of California Subdivision Map Act and complies with HMC Section 16.20.020 regarding tentative map specifications and information as it is legible, includes existing street names and right of way widths, the title guaranty report has been submitted, there is no impact to existing emergency access routes, and it complies with all sections of the HMC.

Ms. Gribben recommended opening the public hearing and receiving comments; closing the public hearing; and adopting the resolution approving the Vesting Tentative Parcel Map for the subdivision of the existing 3.08-acre parcel at 85 Fagan Drive into two lots.

Councilmember May reported that he drove by the property last month. Councilmember Chuang reported that she did not drive by the property, but did receive a note from the applicant to visit the site. Councilmember Benton reported that he drove by the property. Vice Mayor Royse reported that he drove by the property.

The Councilmembers asked questions for clarification about the motion the City Council needs to make, and a public comment received from Michael Lagen about his future peace and security, and also his property value. City Attorney Christopher Diaz and Nathan Shaffer, a member of the family of the property owner of 85 Fagan Drive, provided responses.

Vice Mayor Royse opened the public hearing and asked if any public comment was received. City Clerk Miyuki Yokoyama replied that Benoit McVeigh of dk Engineering provided responses to the letter received from the neighbors, Mr. and Mrs. McDowell, which was forwarded to the City Council this afternoon. Ms. Yokoyama also stated that a public comment was received from Mr. Lagen that was forwarded to the City Council this afternoon and just discussed by the Councilmembers.

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

On motion of Councilmember Benton, seconded by Councilmember Chuang and unanimous on voice vote, the resolution approving the Vesting Tentative Parcel Map for the subdivision of the existing 3.08-acre parcel at 85 Fagan Drive into two lots was adopted.

Mayor Christianson rejoined the meeting.

OLD BUSINESS:

17. RESOLUTION AMENDING CITY COUNCIL POLICY NO. 19-01 ESTABLISHING LOCATION AND DESIGN STANDARDS FOR WIRELESS COMMUNICATION FACILITIES AND OTHER INFRASTRUCTURE DEPLOYMENTS

City Manager Ann Ritzma and Legal Counsel Gail Karish provided a presentation on the Wireless Communications Advisory Committee (WCAC) and proposed modifications to wireless communication facilities (WCF) design standards. Ms. Ritzma provided a slide showing the ad hoc committee members of the WCAC and a list of public WCAC meetings held from November 2018 through June 2020. She also provided a list of City Council meetings held from January 2019 through January 2020, and community meetings held in November 2018 and December 2018 in which wireless was discussed. She reported that the cover of the February 2020 first quarter community newsletter included a full page article on the wireless update. She reported that today's agenda item on wireless was included in the Town's e-Announcement and posted on the Town's website last week.

Ms. Karish reported that the reason for the proposed revisions to the policy was to better achieve overall goals of the community and to address safety concerns related to gaps in coverage (3G and 4G), comments received from the wireless industry, legal considerations, technical feasibility issues, and the recent Federal Communications Commission (FCC) Order 6409. She stated that no changes to the WCF ordinance or review process are being proposed.

Ms. Karish stated that there are federal and state limitations on local wireless siting authorities. She reported that because of federal regulations, timing and processing of wireless applications are subject to FCC shot clocks, and special rules allow for small cell facilities with a shorter shot clock, a limit on aesthetic regulations, a limit on fees, and a loosened standard of effective prohibition. She stated that no local regulation of radio frequency (RF) emissions is allowed, eligible facilities requests (section 6409 requests) must be approved within a shot clock period or they are deemed granted (approved), and no moratorium is allowed on application consideration.

Ms. Karish stated that state telecom franchise rights allow the use of the public right-of-way (PROW) with the California Public Utilities Commission (CPUC) establishing state safety standards for utility infrastructure in the PROW, including utility poles and wireless facilities; however, the Town regulates aesthetics and safe placement within the PROW.

Ms. Ritzma reported that there were 13 key topics discussed by the WCAC, and stated that the first was the new integrated poles and base designs. She stated that for new poles, the design standards favor integrated designs (designs where all the equipment is within the pole or the base), but the dimensions included in the standards were not consistent with available designs or PG&E restrictions. She stated that the amendments would allow for slightly taller poles and slightly larger bases common in industry deployments, as larger bases promote passive cooling and reduce noise. She stated that this amendment also would allow flexibility to permit different size designs by permitting the Town to add “preferred concept designs” and case-by-case exceptions that may vary from strict requirements but still serve the aesthetic goals of the Town. She provided slides showing a diagram and photo of integrated poles.

Ms. Ritzma stated that the second topic was undergrounding and vaults. She stated that the Town has favored use of integrated designs, but as drafted the design standards could be read to prohibit use of integrated designs in underground areas. She stated that there are also concerns about the feasibility and other impacts of vaulting which trade-offs can only be evaluated on a case-by-case basis. She stated that with the amendment no exception to undergrounding is proposed simply for use of integrated pole designs; however, amendments would add a case-by-case exception based on a detailed feasibility assessment similar to that used in cities like Palo Alto and Sonoma.

Ms. Ritzma stated that the third topic was tree replacement. She stated that trees are a vital and cherished feature of the Town; however, vaulting and other work can cause the removal or damage to trees and other vegetation. She stated that the standards had placed the responsibility for replacements on the applicant. She stated that amendments would require payment of a fee by the applicant to cover costs of replacement and maintenance for a five-year period and allow the Town to perform the work, as this was seen as preferable to relying on applicants and enforcement mechanisms.

Ms. Ritzma stated that the fourth topic was shrouds. She stated that the Town favors shrouding or concealing antennas and equipment attached to utility poles or placed in cabinets on the ground. She stated that the amendments retain these protections while ensuring cabinets on the ground have no large flat surfaces. She stated that a case-by-case exception to shrouding within a covering would be allowed for use of other forms of concealment (such as a colored film) where an applicant can demonstrate that shrouds would not be technically feasible, for example, because they would interfere with radio signals.

Ms. Ritzma stated that the fifth topic was equipment volume. She stated that the FCC rules define a “small wireless facility” to include up to 28 cubic feet of equipment;

however, the Town's design standards limited the volume of equipment allowed to be added to a pole or put in a cabinet to much smaller amounts. She stated that amendments would eliminate the residential/non-residential distinction for equipment volumes and allow slightly larger volumes more common in industry deployments but still keep the allowed volume well below FCC limits. She further stated that amendments would also clarify how to calculate the volume and that these limits do not apply to integrated poles which are regulated under other standards.

Ms. Ritzma stated that the sixth topic was pole heights. She stated that the FCC rules define a "small wireless facility" to be up to 50 feet; however, the Town's design standards limited the height of poles further. She stated that amendments would allow a slightly larger height for new integrated poles (35 feet versus 32 feet) which matches the height of most joint utility poles in Town. She stated that while the Town favors "pole top" antenna designs, for antennas mounted on utility poles a maximum height of 45 feet would be allowed only for safety separation from power lines.

Ms. Ritzma stated that the seventh topic was setbacks from intersections and other pathways. She stated that the Town's design standards imposed setbacks to limit visibility of sites from residential structures. She stated that amendments would maintain a 15 foot separation from the edge of alleyways, driveways and pedestrian pathways to residential structures but remove this limitation from road intersections. She further stated that placements at road intersections tend not be as visible from residential structures and have the added benefit of potentially limiting the number of sites by allowing both streets to be served by the same facility.

Ms. Ritzma stated that the eighth topic was setbacks from residential dwellings. She stated that the Town's design standards imposed setbacks from residential dwellings using an average setback formula to limit visibility of sites from primary residential dwellings. She stated that amendments would provide more detail on how to calculate and apply the average set back standard using properties within a 500 foot radius and maximum setback of 100 feet. She provided a slide showing an example of an average setback within a 500 foot radius. She stated that amendments would also add a second standard to prohibit placements within the portion of the parcel's lot line that lines up with the primary residential dwelling, including an attached garage.

Ms. Ritzma stated that the ninth topic was power and metering. She stated that the Town's design standards banned standard meters; however, in some instances PG&E requires a standard meter. She stated that amendments maintain the clear preference for other options – a flat rate service requiring no meter and smart meters, which are smaller and often can be placed on the pole. She further stated that amendments would allow standard meters if the other options are not available and would require them to be placed in the integrated base or cabinet and strengthen the requirement for landscaping.

Ms. Ritzma stated that the tenth topic was concept designs. She stated that the Town's design standards allowed for "pre-approved designs", but it was unclear how the provision would work in practice. She stated that amendments would clarify that "preferred concept designs" could be approved by the City Council and added to the design standards, but applicants would still be required to go through the regular application process for approval of their use at specific locations. She further stated that amendments would also allow for periodic review of the list of approved preferred concept designs by the City Council.

Ms. Ritzma stated that the eleventh topic was exceptions. She stated that the Town's wireless ordinance allows for exceptions to the standards to be granted only where the applicant can demonstrate refusal to grant an exception would result in a violation of state or federal law such as an effective prohibition of personal wireless service (Hillsborough Municipal Code (HMC) Section 15.32.080(E)). She also stated that there were also various technical or other exceptions interspersed throughout the standards. She stated that amendments would eliminate the exceptions interspersed throughout the standards and establish a single case-by-case exception process allowing flexibility to approve applications with minor variations from the standards in circumstances where the applicant demonstrates strict compliance would not be feasible, might result in more

significant impacts than minor noncompliance, or the minor variation would not result in negative aesthetic impact (for example, a height variation might be allowed where the placement is in a location that would not be viewable from residences). She stated that all exceptions will be denied or approved by the City Council.

Ms. Ritzma stated that the twelfth topic was public property. She stated that the Town's standards only address placements on private property and public rights-of-way. She stated for public property outside the public rights-of-way, in addition to a wireless permit, the Town grants a license, acting in its proprietary capacity, for use of such property such as water tank sites. She stated that amendments would identify the technical and safety requirements for the location and design of wireless facilities on public property outside of the public right-of-way. She further stated that amendments would clarify that aesthetic design requirements will be implemented on a case-by-case basis as part of the Town's review during license agreement negotiations.

Ms. Ritzma stated that the thirteenth topic was stealth facilities and the new FCC order. She reported that on June 9, 2020, the FCC adopted a Declaratory Ruling related to Section 6409 modification requests (requests to modify existing wireless facilities that must be approved at a local level). She stated that the Ruling impacts the local authority to limit changes to facilities that are merely concealed rather than "stealth" (for example, designed to look like something other than a wireless facility). She stated that amendments in various sections of the standards would clarify and strengthen the requirements for "stealth" installations that would better protect the Town from undesirable eligible facilities requests.

Ms. Ritzma stated that those are the thirteen topics and recommended that the City Council consider and adopt the proposed amendments to the design standards.

Mayor Christianson introduced WCAC Chair Paul Regan and Vice Chair Eric Nyhus and asked Mr. Regan if he had any comments.

Mr. Regan noted the new members of the WCAC and their field of expertise, and reviewed the dates that the WCAC members met and the number of hours they spent working on amendments to the design standards. He reported that the WCAC was open to discuss the design guidelines and members were very courteous and patient. He stated that some members had strong feelings and all opinions were on the table. He stated that the objective of the WCAC was to provide objective input and comments to the City Manager. He reported that with the assistance of legal counsel, Director of Public Works Paul Willis and Director of Building and Planning Sarah Fleming, the WCAC was able to get consensus and make recommendations for amendments to the design standards.

Mr. Regan explained that the calculation for the setbacks from residential dwellings will include each setback distance within a 500 foot radius to calculate the average setback. He stated that for the standards for public property, such as water tank sites, the amendments will allow requirements of facilities on public property outside of the public right-of-way.

The Councilmembers, Mr. Regan, Ms. Ritzma, Director of Public Works Paul Willis, City Attorney Christopher Diaz and Ms. Karish discussed stealth facilities, the WCAC meetings and recommendations, setback calculations and setting a minimum setback, undergrounding of equipment, approval of wireless applications, and comments received from the public.

Mayor Christianson asked if any public comment was received. City Clerk Miyuki Yokoyama replied that she received 85 public comments that were forwarded to the Councilmembers in three sets today. Public comment was received from Patrick Shannon, August Benz, Edward Sun, Robert and Amy Jasmer, Curtiss Raff, Anne Fuller, Scott and Kate Dietzen, Tal Simon and family, Stephen and Eileen Benzian, Paul and Rhoda Longhenry and family, Mark van Ryswyk and family, Gallant Chen and family, Rebecca Anwar and family, Kim Oliff and family, Craig and Zabrina Adas, Andrea Wamsley and Pasit Phiasivongsa, Sean Collins, Viken Eldemir, Maricar Pacquing and

the Pfeister family, Neil Shepherd, Duncan Beardsley, Elizabeth O'Callahan and the Rosario family, Rick Osterloh, Melissa and Jim Farris, Ryan Enright, Anthea Stratigos, Ryan Clark, Amy Wang, Jim Taylor, Jon Tao, Carol Atkeson, Philip and Arlene Bernstein, Lance Baldo, Neil and Erin Schaefer, Lilli Rey, Susie and John Roos, Steve Duvernay for Bradley Benbrook, Sally Chess, Gil and Danielle Simon, Jaret Butler, Tony Ling and family, Phil Chen, Tony Grzejka, Rachel Chavez, Carter Beim and family, John and Stephanie Warren, Tim Guleri, Jaime Rupert, Vinette and Beatty Ramsay, Orna Resnekov, Paul Leung and family, Christine Liaw and the Ng family, John Lavrich, Toni Bones, Larry Friedberg, Rajesh and Jean Parekh, Christine Cheng, Laura McDaniels, Eunice Scherer, Sally and Steve Myerson, Dhiren Belur, Kim Rupert, Art and Cindy Michael, Oscar Yee, Kim Rupert, Benson Fong and family, Max Shevyakov, Stephanie and Jonathan Cantwell, Gary and Lynn Goodman, David Golde, James Scherer, Annie Pong, Brian Birtwistle and Julie Bornstein, Josh Burns, Gayle and Bruce Snyder, March Church, Dana Sakal and family, and Dan Hennessy.

Mayor Christianson stated that she received the three sets of public comments today. Each Councilmember confirmed that he/she also received the three sets of public comments sent today. Mayor Christianson asked if the public comments must all be read into the record. Mr. Diaz replied that it is not necessary to read all the public comments into the record if the Councilmembers received the public comments. Mr. Diaz stated that the public comments received will become part of the Town's record and available to the public.

The Councilmembers, Mr. Diaz, Ms. Ritzma, Ms. Karish and Mr. Regan discussed the need to allow public comment with the Zoom platform, the setback from residential dwellings, public participation in the design standards amendment process, the federal and state limitations for local authorities, and the need for amendments at this time.

On motion of Councilmember Benton, seconded by Councilmember May and unanimous on voice vote, the resolution amending City Council Policy No. 19-01 establishing location and design standards for wireless communication facilities and other infrastructure deployments was adopted.

18. PROPERTY DONATION – 40 BAYWOOD AVENUE

City Manager Ann Ritzma provided a presentation on the 40 Baywood Avenue property donation. She reported that the Town was approached by 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 landscaped grounds. She stated that on June 8, 2020, the City Council discussed the proposed donation of the 40 Baywood property and requested additional financial information and an opportunity to tour the site.

Ms. Ritzma stated that the property would be donated sometime in the future with deed restrictions 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; 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, ADA accessibility, 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 reviewed the financial projections and stated that assumptions include the Town's capital project expenses, which the donor intends to complete prior to transfer; an escalation in income and expenses annually with capital projects every five years; Tier 1 operation in years 1 through 4, Tier 2 in years 5 through 9 and Tier 3 in year 10; major capital repairs every ten years after the initial capital for public access in the first year for a re-roof, koi pond equipment, landscaping, trees, accessory buildings, code compliance for electrical, HVAC, etc.; a conservative assumption of a flat contribution from public funds of \$500,000 per year although that amount could be offset by "in lieu" on-site housing; most years running a modest surplus, which could be the basis of the maintenance reserves; and event income and fundraising income, which are critical elements in the model. She stated that if there are gifts, a lower level of event programming can be sustained, and based on the benchmarks with other historical properties, the fundraising may be achievable in Hillsborough.

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 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 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 stated that the City Council recommendation is to direct staff to begin to take the steps necessary for potential future acceptance of the donation of 40 Baywood by working with the donor's representatives to develop the conditions of the deed restrictions for the property; develop a Landscape Master Plan in collaboration with the donor; initiate the formation of a "Friends of the Property" committee; and establish preliminary discussions with potential partners, such as clubs, foundations or historical groups.

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

On motion of Councilmember Chuang, seconded by Vice Mayor Royse and unanimous on voice vote, staff was directed to begin to take the steps necessary for potential future acceptance of the donation of 40 Baywood by working with the donor's representatives to develop the conditions of the deed restrictions for the property; developing a Landscape Master Plan in collaboration with the donor; initiating the formation of a "Friends of the Property" committee; and establishing preliminary discussions with potential partners.

19. 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. She stated that Governor Newsom today announced a modification of the state's stay at home order that immediately requires many counties to close all indoor operations of dine-in restaurants, wineries and tasting rooms, movie theaters, family entertainment centers, zoos and museums, and cardrooms, and that bars must close all operations.

Ms. Ritzma reported 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 120 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 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.

PUBLIC COMMENT:

There were no public comments.

CITY COUNCIL ITEMS:

There were no City Council items.

ADJOURNMENT:

Mayor Christianson adjourned the meeting at 12:25 a.m.