



**CITY COUNCIL**  
And  
**COMMUNITY DEVELOPMENT AGENCY MINUTES**

Tuesday, November 19, 2002

7:30 p.m.

Menlo Park Council Chamber  
801 Laurel Street, Menlo Park

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**ROLL CALL** – Mayor Schmidt called the meeting to order at 7:38 p.m. in The City Council Chambers. Mayor Pro Tem Kinney, Councilmembers Borak, Collacchi, and Jellins were present. Also present was City Manager Boesch, City Attorney McClure, Assistant City Manager Seymour, Interim City Clerk Wahlisten, and other department heads.

**A. PRESENTATIONS AND PROCLAMATIONS**

1. Theo Keet, Vice Chair of the Environmental Quality Commission, and Dianne Dryer, City's Environmental Coordinator, presented two Environmental Awards. Belle Haven School was recognized for its Collective Roots Garden Project that increases understanding of nature and growing of food. Heyward Robinson and Joanne Mountain were recognized for their outstanding efforts to conserve energy and water, and to reduce pollution and waste in a remodeled home on White Oak Drive.

**B. COMMISSION VACANCIES, APPOINTMENTS AND REPORTS**

1. Planning Commission, Parks and Recreation Commission, Housing Commission and Arts Commission. There is one vacancy on each commission and the application deadline is January 14, 2003.

Mayor Schmidt announced the vacancies.

2. Councilmember Reports.

Councilmember Kinney reported that on November 21, 2002, 6:00 p.m. in the East Palo Alto City Council Chambers, San Francisquito Creek JPA will be meeting and invited all interested persons to attend.

Councilmember Kinney reported that on November 14, 2002, he attended a Tri-Cities meeting with Redwood City and Palo Alto. They met with Assemblyman Joe Simitian and Cal Trans, to look at studies Cal Trans has done for tree planting guidelines for El Camino Real. They have no conclusions and want to do more studies. Assemblyman Simitian stated he would be introducing legislation in December to allow the three cities to plant the medians as they wish.

Councilmember Jellins made a report as the City's representative to the Peninsula Division of the League of California Cities. The new President is Joe Fernekes of the City of South San Francisco. Councilmember Jellins will continue as Secretary-Treasurer.

**C. PUBLIC COMMENT**

Harry Harrison, Menlo Park, requested the City Council move the Allied Arts Rezoning up to the first item on the agenda tonight.

## D. CONSENT CALENDAR

Barbara Kalt, representing the Peninsula Volunteers, thanked the City Council for the community funding recommended in Item 8 of the Consent Calendar.

1. Approval of pay period 23 ending November 12, 2002.
2. Adoption of Resolution No. 5411 approving the continuance of the Abandoned Vehicle Abatement Program. (Staff Report # 02-254)
3. Approval of Resolution No. 5412 authorizing the City Manager to enter into a contract with Bay Cities Joint Powers Insurance Authority (BCJPIA) authorizing City participation in the Public Entity Property Insurance Program (PEPIP) through Driver-Alliant Insurance Services for Property and Fire Insurance coverage for City-owned property and buildings for the period of December 1, 2002 through May 15, 2003 for a premium not to exceed \$50,000. (Staff Report # 02-256)
4. Authorization for the City Manager to increase the contract with Ralph Osterling Consultants, Inc., by up to \$15,000, for a maximum total contract of \$40,000, for Arborist Services in fiscal year 2002-03. (Staff Report # 02-257)
5. Authorization of City Manager to Amend the Contract with Denise Duffy & Associates, Inc., for an Additional \$37,355, Resulting in a Total Contract Amount of \$107,540, for the Preparation of an Environmental Impact Report for the Construction of a New 26,823-Square-Foot, Two-Story Office Building and 16 Rental Residential Units at 1460 El Camino Real. (Staff Report # 02-258)
6. Adoption of Agency Resolution to No. 261: (1) authorize the City Manager/Agency Executive Director to amend the contract with Vernazza Wolfe Associates, Inc., for an additional \$9,600 for the preparation of a revised Administrative Draft Traffic Impact Analysis for the Environmental Impact Report (EIR) for the Housing Element Update, resulting in a total contract amount of \$176,080 and (2) appropriate \$9,600 in fiscal year 2002-03 from the Redevelopment Housing set-aside fund to fund the additional consulting services. (Staff Report # 02-259)
7. Approval to authorize the City of Sacramento to add the City of Menlo Park to the *Amicus Curiae* petition and briefs on the merit prepared on behalf of the City of Sacramento in the matter of *Barden v. City of Sacramento*, United States Ninth Circuit Court of Appeals Docket Number: 01-15744. (Staff Report # 02-253)
8. Adoption of Resolution No. 5413 approving the City Council Subcommittee Recommendation regarding the allocation of 2002-03 Community Funding in the amount of \$97,020. (Staff Report # 02-249)
9. Adoption of a Resolution No. 5414 approving a Memorandum of Understanding (MOU) between the City of Menlo Park and the American Federation of State, County and Municipal Employees (AFSCME), Local 829, for the period beginning November 3, 2002 through October 30, 2004 and authorizing the City Manager to add a retiree medical section to the Management Benefits Plan for Executive Management. (Staff Report # 02-255)

Councilmember Collacchi pulled Item No. 5 from the Consent Calendar. Councilmember Jellins pulled Item No. 7 from the Consent Calendar

**M/S Kinney/Collacchi to approve the Consent Calendar items, except Items 5 and 7. Motion passed unanimously.**

**E. PUBLIC HEARING**

1. Appeal of Environmental Quality Commission denial of a Heritage Tree Removal Permit at 1111 Johnson Street. (Staff Report # 02-252)

Mayor Schmidt opened the public hearing. A staff report was presented by Environmental Coordinator Dianne Dryer. Myron Gananian made an application to remove a heritage redwood tree from his backyard because it is damaging the concrete patio. The tree is in good condition. Staff denied the application and suggested alternatives, including root pruning. The Environmental Quality Commission denied the appeal on September 4, 2002. Mr. Gananian is now appealing to the City Council. Walt Fujii, the City's contract arborist, was present to answer questions.

Mr. Gananian stated the slab had been in place for 60 years and has the color embedded. It will be impossible to repair it after a piece has been removed for the root pruning. Mayor Schmidt and Councilmember Kinney stated they had visited the site in preparation for this meeting.

Following discussion, Mayor Schmidt closed the public hearing.

**M/S Jellins/Collacchi to grant the appeal and allow removal of the tree. Motion failed 2-3 with Borak, Kinney and Schmidt dissenting.**

**M/S Schmidt/Borak to deny the appeal. Motion carried 4-1 with Collacchi dissenting.**

In response to query from Councilmember Jellins, City Attorney McClure stated that a motion to reconsider can be brought only by someone voting in favor of the item and it has to be done at the next meeting, which will be December 3. It can be done before or after the reorganization takes place.

2. Adoption of a Resolution accepting the fiscal year 2002-03 State Supplemental Local Law Enforcement Grant (AB1584 COPS Frontline) estimated at \$100,000 and approval of a request to use the funds in conjunction with funds from the fiscal year 2001-02 COPS Frontline Grant for Wireless Computing and Emergency Preparedness. (Staff Report # 02-247)

Mayor Schmidt opened the public hearing. Police Commander Greg Rothaus presented the staff report. There was no one present wishing to speak. Mayor Schmidt closed the public hearing.

**M/S Kinney/Jellins to adopt Resolution No. 5415. Motion passed unanimously.**

3. Consideration of a General Plan amendment, Zoning Ordinance amendment, Rezoning, Allied Arts Guild Preservation Permit, Architectural Control and Mitigated Negative Declaration for Allied Arts Guild located at 75 Arbor Road. (Staff Report # 02-246)

Mayor Schmidt opened the public hearing. Tracy Kramer, Senior Planner, presented a staff report. The Planning Commission considered the proposal from the Woodside-Atherton Auxiliary to Lucille Salter Packard Children's Hospital at Stanford University to change the zoning on their property located in a low-density residential area to retail commercial. The Planning Commission voted to deny the proposal. The Auxiliary subsequently submitted a revised proposal. The mitigated negative declaration is based on their original proposal. 191 e-mails and letters have been received since the application was filed in January. Approximately half are from the surrounding neighbors and issues focus on preservation of the historic structures, types of allowed retail uses,

limits to the number and size and events, evening closing times, events on Sundays and holidays, noise, parking and traffic, annual reviews and transferability of the permit. Staff recommends that the City Council take public input this evening. Following discussion Council may wish to give direction to staff on the proposal and direct revision to the Mitigated Negative Declaration that would reflect the revised proposal and to address the issues raised by the Planning Commission and the public comment letters.

Barbara Wood, Menlo Park, President of the Woodside-Atherton Auxiliary, stated there is a critical need for the buildings to be restored. This proposal preserves historic buildings and gardens and gives certainty. The suggestion from some that this be given historic zoning is not satisfactory since historic zoning only allows conditional uses. The Auxiliary's fund raising efforts require this certainty. She presented petitions with 1,200 signatures.

Montgomery "Monty" Anderson, Cody Anderson Wasney Architects, Palo Alto, stated his firm has been working on this project since 1996 and has extensive experience in historic preservation. Very little change has taken place to these building since they were built in 1929, which is unusual for historic buildings. There is extensive dry rot and termite damage and if they are not renovated, they will have to be removed.

Christopher Dawes, CEO of Lucille Packard Children's Hospital, cited the fund raising that has been done on this site for the Hospital for over 50 years by the Woodside-Atherton Auxiliary and the Palo Alto Auxiliary and who benefits from those funds. No child or pregnant woman is turned away from the Hospital or their mobile services.

Bill Wood, Menlo Park, gave more details about the Auxiliary's plans to save the Allied Arts Guild.

Peter Hart, Menlo Park, stated he is representing 700 people who want Menlo Park to be preserved as a residential community. He presented the impacts on the neighborhood if this proposal is approved, particularly traffic, quality of life and property values. He wants the Guild to be preserved, but also wants the neighborhood to be preserved.

Toni Stein, Menlo Park Planning Commissioner, requested the proposal be sent back to the Planning Commission. She does not feel the General Plan should be changed for this project.

Joan Heye, Menlo Park, President of the Palo Arts Auxiliary that operates the restaurant at Allied Arts spoke in favor of approval of the project.

Pat Dixon, Redwood Shores, stated she was born and raised in Menlo Park. She cited the uniqueness of the Guild and what it means to the City's history.

Norman Scott, Menlo Park, spoke in favor.

Roger Seccombe, President of the Menlo Park Historical Association, stated the Allied Arts Guild is a local treasure.

Anita Douglas, owner of a travel agency in Menlo Park, spoke in favor.

Karen Sutherland, Menlo Park, President of the Association of Auxiliaries to the Lucille Packard Children's Hospital, spoke in favor.

Amy Klein, Menlo Park, stated everyone agrees they want to preserve the Allied Arts Guild and suggested there are options. She suggested that the Planning Commission be allowed to finish its work, and that the property be zoned Historic.

Doug Adams, Menlo Park, spoke in favor of the Auxiliary's Allied Arts proposal and stated its preservation is the essence of what Menlo Park should be.

Debbie Evans, Menlo Park, stated she lives four homes from Allied Arts and is in favor of the proposal. She suggested the City Council is only hearing a small group of people.

Genevieve Lynch, Menlo Park, spoke in support of the Auxiliary's proposal.

Ron Garrick, Menlo Park, stated he purchased his home in March this year and spoke in opposition to the proposal because of its impacts on the neighborhood. It is an expansion of an existing use.

Kimberly LaMieux, Menlo Park, stated she and her husband support the existence of Allied Arts with its shops and gardens, but she is opposed to neighborhood impacts from intensified uses.

Ron Beltramo, Menlo Park, wants to see the Allied Arts Guild continue to operate and asked how we can keep the peaceful ambience of Allied Arts and the neighborhood without giving in to an ultimatum.

Adele Lieberman, Menlo Park, stated her property shares a fence with the Allied Arts parking lot. She expressed concern that this proposal would change the neighborhood and suggested everyone needs to work together to preserve the Guild.

Tom Wandless, Menlo Park, stated both sides have salient points. Allied Arts should be saved, but at what cost? He suggested the proposal be sent back to the Planning Commission.

Karlene Cimprich, Menlo Park, stated the proposal asks for too much with no chance of review, and the applicant seems unwilling to compromise. She stated she fears the threat to her neighborhood's peace.

Elizabeth Aaronson, Menlo Park, stated that, ideally, the Allied Arts Guild would be preserved in its original form, but the requested permitted uses outlined in their application puts an undue burden on the neighborhood.

Rosanne Strucinski, Menlo Park, stated she has lived in the Allied Arts neighborhood since 1967 and this is not a good area for big events.

Carlos Aguilar, Menlo Park, stated he is opposed to the Auxiliary's current proposal and impact on the neighborhood. There are many children in the neighborhood and he is concerned about traffic.

Art Owen, Arbor Road, expressed concern about an increase in the number of events held at the Guild and the sale of alcohol with a lack of review. No matter how unhappy the neighbors are, they can't do anything and he feels an annual review of the use would be appropriate.

Ron Peterson, Menlo Park, read his letter regarding inadequacies in the Negative Declaration, and submitted a copy for the record.

Tom Parker, Menlo Road, stated if \$160,000 annually, or \$440 a day, is what the Auxiliary needs, as stated by Mr. Wood, he would purchase ten days for \$4,400, and, if asked, he believed his neighbors would also purchase ten.

Jim Dickerson, Menlo Park, stated if the community would focus on preserving the Guild, and not just this proposal, a solution can be found. He fears that approving this proposal would actually spell destruction for the Guild because of the provision allowing the Auxiliary to transfer the permit to another party.

Steven Draper, Menlo Park, stated he and his family are committed to the work done by the Auxiliary in the past, but their home is on a quiet, street with a lot of foot traffic, and the Guild should remain open at a scale that matches the neighborhood. He suggested mediation between the parties. He also stated the Historic zone would be more appropriate and the current submittal should be denied.

Jennifer Bestor, Menlo Park, stated she has not been impacted by Allied Arts in the past, but is concerned about the proposed changes. She supported Toni Stein, Amy Klein, Ron Petersen, and Steven Draper's recommendations.

Susan Dickerson, Menlo Park, stated her family did research about the Allied Arts Guild before purchasing their home 3-1/2 years ago, and has concerns about the impact approval of this proposal would have on their property value.

Michael Gullard, Menlo Park, stated he supports the Allied Arts Guild but is opposed to the Auxiliary's proposal for intensified use of the site.

Pamela Gullard, Menlo Park, stated that both sides of this issue agree that Allied Arts Guild is a historic treasure, and, it seems logical to her that they would apply for Historic zoning.

### **RECESS AND CALL TO ORDER**

Mayor Schmidt recessed the meeting at 10:50 p.m. and called it back to order at 11:00 p.m.

Patricia Avery, Palo Alto, was not present when her name was called.

Kathy Parker, Menlo Park, stated she has lived across the street from Allied Arts for 25 years and during that time they closed at 5 p.m. This proposal wants to change that and other things. She urged the auxiliary, the neighborhood and the City to work together to find a solution.

Louise Scott, Menlo Park, and a member of the Woodside-Atherton Auxiliary, stated there are 599 donors who have committed to the restoration work at the Allied Arts Guild. This is on hold until the operating proposal is approved. She urged approval.

Cynthia Dusel-Bacon, Menlo Park, was not present when her name was called.

James Mead, Menlo Park, lives in the Allied Arts neighborhood. When the Auxiliary had to make a decision in 2000 whether to sell the property or work to restore the buildings, they overwhelmingly voted to restore the buildings. Everyone needs to recognize the Guild is a treasure in the neighborhood and work to preserve it.

Bob Dunkle, Menlo Park, stated traffic is more than just an issue of more cars. Alcohol use causes safety concerns. There is a large pedestrian and bicyclist use of these streets.

Peter Windhorst, Menlo Park, stated he was very disappointed when the WAA told the Planning Commission that it was all or nothing. He requested that they drop their insistence on transferability and no review.

Tashia Morgridge, Portola Valley, member of the WAA, reminded the City Council that the mission of the Auxiliary is to raise funds for uncompensated care for children at Packard Children's Hospital. One of the ways they do this is with income from operation of the Allied Arts Guild.

Georgia Windhorst, Menlo Park, stated that during the past 24 years the Guild was like a resident, busy during the day, quiet at night and on Sunday. She recommended the number of evening

events requested be reduced, the zoning be historic, the uses be restricted to Auxiliary uses, and the requested hours be shortened. There should be a solution that balances the requirement to make money with the requirement of a quiet neighborhood. She suggested mediation be tried.

Janet Reimers, Stanford, stated there are misconceptions. There have been evening events at the Guild for over fifty years. The Auxiliary has attempted to work with the neighborhood to address their concerns. The Planning Commission agreed an EIR was not necessary.

Tricia Copeland, Menlo Park, cited the impacts on the neighborhood by intensification of use. The proposal needs more work.

Charles Irby, Menlo Park, stated he was part of the original neighborhood committee that worked with the Auxiliary and believes the remaining issues can be worked out. He stated the Planning Commission was doing a good job and making good progress and would like to see it go back to them.

Barbara Hunter, Menlo Park, quoted from AAA Guidebook about the Allied Arts Guild and stated it needs to be preserved.

Charlie Goldberg, Palo Alto, representing his mother who lives on Yale Road, read a letter from her. She is in opposition to the zoning proposal. Mr. Goldberg stated he is also willing to donate \$444 to the Auxiliary as suggested by Mr. Parker.

Valerie Brooke-Wilkie, Menlo Park, suggested constructing a pedestrian bridge to the parking lot across San Francisquito Creek.

John Dunig, Menlo Park, stated the local neighbors would bear the brunt of the changes, not the Auxiliary members. He stated the original vision of the Guild was to be an artisan's center, not a multiple events center and should be kept that way.

Council discussed various items with the City Attorney and representatives of the Woodside-Atherton Auxiliary.

John Hickey, attorney retained by the Drapers, Copelands and Petersens, collapsed at the podium while addressing the City Council at 12:50 p.m. The paramedics were called and the meeting resumed at 1:20 a.m. after Mr. Hickey recovered.

Council concurred to form a Council subcommittee and a mediation structure that would allow work to continue. Councilmembers Collacchi and Jellins agreed to represent the City Council. Representatives of the Woodside-Atherton Auxiliary and representatives from the Allied Arts Neighborhood will be chosen and will meet with the Council subcommittee, along with a neutral facilitator, to consider the Auxiliary's current proposal.

Mayor Schmidt continued the public hearing to a date to be determined.

## **F. REGULAR BUSINESS**

1. Council discussion of the San Mateo County City Selection Committee special meeting on Friday, November 22, 2002 at 6:30 pm.

Councilmember Jellins stated the City Council received today an agenda for a meeting of the City Selection Committee to be held on November 22, 2002 in order to make certain appointments. He requested that the voting on the appointments be postponed to the December meeting and that Mayor Schmidt, the City's representative to this Committee, be so directed to vote.

City Attorney McClure stated that it appears that proper notice was not given. The Government Code requires two weeks notice of a City Selection Committee meeting; however only ten days notice was given. He has spoken to the County Counsel who will make the decision as to whether or not the City Selection Committee can take action on November 22, 2002.

2. Consideration of state and federal legislative items or items referred to in Written Communications or Information Items, including decisions to support or oppose any such legislative, written communication or information item.

There was no discussion on this item.

### **CONSENT CALENDAR**

5. Authorization of City Manager to Amend the Contract with Denise Duffy & Associates, Inc., for an Additional \$37,355, Resulting in a Total Contract Amount of \$107,540, for the Preparation of an Environmental Impact Report for the Construction of a New 26,823-Square-Foot, Two-Story Office Building and 16 Rental Residential Units at 1460 El Camino Real. (Staff Report # 02-258)

Councilmember Collacchi asked staff if this contract amendment can be approved without having them redo the traffic analysis. Director Heineck stated the applicant had requested it be done again since he feels the traffic work is out of date, however the City's Traffic Manager is satisfied with the work already done.

**M/S Collacchi/Kinney to approve the contract amendment without the traffic analysis work. Motion passed unanimously.**

7. Approval to authorize the City of Sacramento to add the City of Menlo Park to the *Amicus Curiae* petition and briefs on the merit prepared on behalf of the City of Sacramento in the matter of *Barden v. City of Sacramento*, United States Ninth Circuit Court of Appeals Docket Number: 01-15744. (Staff Report # 02-253)

Councilmember Jellins stated this item is not as clear-cut as the letter from the City of Sacramento would indicate and requested the City Council not take action.

**M/S Jellins/Schmidt to not authorize the addition of the City of Menlo Park to the *Amicus Curiae* petition as requested by the City of Sacramento. Motion passed 4-0-1 with Borak abstaining.**

**G. WRITTEN COMMUNICATIONS - None**

**H. INFORMATION ITEMS - None**

**I. PUBLIC COMMENT #2 - None**

**J. ADJOURNMENT – 1:40 a.m.**

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**Marjorie K. Wahlsten, CMC**  
**Interim City Clerk**

**Approved by the City Council on December 3, 2002**