



**CITY COUNCIL
and
COMMUNITY DEVELOPMENT AGENCY MINUTES
Tuesday, March 11, 2003
7:30 p.m.
The Menlo Park Council Chambers
801 Laurel Street
Menlo Park, CA 94025**

REGULAR MEETING – MENLO PARK CITY COUNCIL CHAMBERS

Mayor Jellins called the Meeting to order at 7:30 p.m.

ROLL CALL - Present: Jellins, Duboc, Collacchi, Kinney, Winkler

STAFF PRESENT - David Boesch, City Manager; William McClure, City Attorney; Audrey Seymour, Assistant City Manager; Silvia Ponte, City Clerk. Various department heads and other staff present.

PLEDGE OF ALLEGIANCE - Led by Mayor Jellins

A. PRESENTATIONS AND PROCLAMATIONS - None

B. COMMISSION VACANCIES, APPOINTMENTS AND REPORTS

1. The Planning Commission (one vacancy), the Bicycle Commission (three vacancies) to fill terms that expire April 2003. The Arts Commission (one vacancy) to fill an un-expired term that ends September 2005. The deadline for applications is March 20, 2003 by 5:00 p.m.

Mayor Jellins announced vacancies and invited the public to apply.

2. Council Member Reports.

Council Member Collacchi arrives.

i) Mayor Jellins acknowledged that Council had been approached to take a position on war with Iraq. He encouraged residents to speak their own minds on the matter.

C. PUBLIC COMMENT #1 (*Limited to 30 minutes*)

Louis Calabro President of the European/American Issues Forum asked that the City Council adopt a Resolution recognizing European Americans and this organization.

Amy Cheun urged the City Council to reconsider its previous decision to not build the Children's Center.

Stuart Soffer stated that while he supported consent item D.3 he would prefer that information be on the Internet and/or Library.

Harry Harrison suggested that the logo on City police cars be changed, and that certain departments merge efforts.

John Morris shared concerns and asked for assistance in dealing with CalTrain and its plans to build a repair yard in a residential area.

Irene Searles spoke on the Council's decision to not build the Children's Center. Ms. Searles would like further analysis of relevant data.

Nancy Travers read a letter from Pauline Burke regarding the Children's Center cost to parents and how it is not a free service.

Toni Stein requested that Council place on the next week agenda adoption of a "No War Resolution", as 34 other cities have passed.

D. CONSENT CALENDAR

1. Waiver of reading Ordinance No. 915; adoption of Ordinance No. 915 amending Title 12 (Buildings and Construction) of the Menlo Park Municipal Code adopting the 1997 Uniform Building Code, 2000 Uniform Mechanical Code, 2000 Uniform Plumbing Code, 2002 National Electric Code, and 1997 Uniform Housing Code, and local amendments to those codes. *(Staff Report # 03-040)*
2. Adoption of a Resolution No. 5430 authorizing the City Manager to execute agreements with the California Department of Transportation (Caltrans) for the Menlo Park Comprehensive Bicycle Development Plan; (2) approval of the composition of the project's Task Force as presented in this report; (3) allocation of \$25,000 from the Measure A account as the City's contribution to the approved grant from Caltrans. *(Staff Report # 03-036)*

Item D3 was pulled by Council Member Collacchi

3. Waiver of reading and adoption of an Ordinance repealing Section 2.04.060 of Chapter 2.04 of the Menlo Park Municipal Code pertaining to approval of bills and claims.
4. Waiver of reading and adoption of an Ordinance No. 916 repealing Section 2.04.040 of Chapter 2.04 of the Menlo Park Municipal Code pertaining to reading of ordinances.
5. Adoption of a Resolution No. 5431 urging Governor Gray Davis to support State funding for local Basic Aid Schools.
6. Approval of City Council Minutes for the Meetings of February 11 and 25, 2003.
7. Approval of audited bills for periods 33 and 34 ending February 14 and 21, 2003.

M/S Motion by Mayor Pro Tem Duboc and second by Council Member Collacchi to pass items D1, D2, D4, D5, D6, and D7 as presented. Motion passes unanimously.

Discussion on item D3 (previously pulled from the Consent Calendar);

Council clarified that it receives a list of all bills paid entitled "Audited Bills", and that with this ordinance this will no longer occur. Council consensus was to continue giving citizens access to these electronic files for the purpose of accountability. These reports will be made available for review online, but it was also requested that another process be designed to have the Council be aware of the bills they approve, especially those that are out of the ordinary.

M/S/ Motion by Council Member Collacchi and second by Mayor Jellins to approve item D3 and to include the friendly amendment of continuing to publish the "Audited Bills" report on the website.

3. Waiver of reading and adoption of an Ordinance No. 917 repealing Section 2.04.060 of Chapter 2.04 of the Menlo Park Municipal Code pertaining to approval of bills and claims.

Motion passed unanimously.

E. PUBLIC HEARINGS

1. Adoption of a Resolution approving Below Market Rate (BMR) Housing Program In Lieu Fees for Housing Developments of five to nine units. *(Staff Report # 03-035)*

Gretchen Hillard, Housing and Redevelopment Manager presented a brief report.

Council posed questions about asking developers to add units instead of paying the In Lieu Fee.

Mayor Jellins opened the Public Hearing.

No Public Comment

M/S Motion by Council Member Collachi and second by Council Member Kinney to close the public hearing. Motion passes unanimously.

Council consensus was to continue the discussion at a later point on the agenda.

2. Consideration of a General Plan Amendment, Zoning Ordinance Amendment, Rezoning, Allied Arts Guild Preservation Permit, Architectural Control and revised Mitigated Negative Declaration for the Allied Arts Guild Located at 75 Arbor Road. *(Staff Report # 03-039)*

Mayor Jellins informed the public that 64 cards were received. There were three options to getting everybody to be heard: 1) reduce the time allotted to each speaker from 3 to 2 minutes, 2) combine certain speakers that share the same point of view, 3) have a cut off time for the receipt of cards. It was determined that at 8:30 p.m. be the limit time to receive cards.

Tracy Cramer, Senior Planner provided a PowerPoint presentation and restated staff's recommendation. Arlinda Heineck, Community Development Director also supported the presentation. A "Revised Permit Questions for Consideration" and "Draft Findings and Actions for Approval" were submitted by staff and copies were available for the public.

Mayor Jellins invited Council to pose questions to staff. There was no Council discussion.

Public Comment

The applicant, Woodside Atherton Auxiliary (WAA) and their team presented their proposal.

Barbara Wood as the chair for the WAA, thanked the sub-committee composed of Mayor Jellins and Council Member Collacchi for their efforts. Ms. Woods stressed the uniqueness of the Guild and its intention to minimize the impact of its presence in the community. Christopher Dawes, President and CEO of the Lucile Salter Packard Children's Hospital President, made comments in support of the Allied Arts and stated that the funds raised help patients. Mr. Dawes provided statistics on levels of services provided. Monte Anderson, project architect, stated that certain items have significant cost impacts they are: sidewalks, curbs and the gutters which represent an additional \$80,000. The trash enclosure could also cost \$18,000. Mr. Robert Susk on behalf of the WAA made specific requests to revise the staff report as follows:

- Revise the effective date of the ordinance from 30 days to 45 days to permit the WAA to assess its future options.

- Section 11.4 to be revised to have the legislation revert back to its original form (if the project did not pass) so that a developer can utilize it in its current zoning;
- Section 2.1 and 2.1.3 the time at when daytime ends resulting in special events must be 6:00 p.m.;
- The large special event number must begin at 200 instead of 150;
- Section 5.2 pertaining to the number of special events that run through the evening must be 60;
- Ten Sundays per year need to be allowed for events, and for special event hours must begin at 8:00 a.m. and finish at 10:00 p.m. Monday through Thursday with Friday and Saturday until 11:00 p.m. (§ 6.4.1) which includes clean up and gates closed;
- Section 6.3.1 and 6.3.2. daytime of traditional events on Sundays must start at 10 a.m. and close at 6 p.m. The retail needs to be opened to the public 10 a.m. to 5:00 p.m. and 10:00 a.m. to 6:00 p.m. in November and December (§ 6.1.1);
- A revised copy of hours of operation was presented to staff, and should be included;
- The restaurant needs to be open 10:00 a.m. to 6:00 p.m., with food preparation to start at 8:00 a.m.;
- Phone numbers of contacts at WAA (to be given to representatives of the neighborhood) can be extended from 300 to 600 feet;
- Request of a conditional use permit for the sale and use of alcohol in accordance with all laws in existence;
- Conditions of approval T and U need to be removed;
- The permitted uses must include the following: guild sponsored classes, demonstrations, seminars, meetings and exhibits;

Susan Dickerson spoke on behalf of the Neighborhood group of Menlo Park residents who participated in conversations with the WAA. Members of this group are long time supporters of the Guild and donators to the children's hospital. Ms. Dickerson stated that the goal is to preserve the quality of life in the neighborhood and preserve the Allied Arts Guild in a manner that fits the context. Ms. Dickerson provided an overview in regards to history of this Guild in relationship to its neighbors. Concerns about possible structural and landscape changes were shared as well as consumption of alcohol and too much traffic.

Requests to meet and discuss concerns have ceased since December 16, 2002. This is a major event center that is out of place in a residential area and the WAA has not negotiated the project with the neighbors. The correct decision is to not decide until a "proper project definition" and proper EIR are created, reviewed and properly noticed. This would include approval of traffic and parking issues. Mitigation measures to deal with pollution, noise, safety issues and parking have not been addressed. The premises supported by the neighbors were clearly delineated:

- Operating Monday through Saturday 10:00 a.m. 5:00 p.m.;
- Closed on Sunday and holidays January through October;
- Holiday retail hours 12:00 noon to 6:00 p.m. November and December;
- One unlimited special event per year, occurring outside the normal operating hours and days and no additional events besides the 13 special events listed on the permit (not to include classes, demonstrations and other miscellaneous);

Robin Kennedy with Miller, Starr & Regalia, and attorney representing a group of immediate neighbors of the Allied Arts stated the communication has been very unsuccessful to reach a win-win situation.

Ms. Kennedy shared letters delineating inconsistencies with the plans. Ms. Kennedy assured the Council that the staff report as presented, might not survive the legal test because of CEQA regulations. The neighbors do not want to have the Allied Arts Guild morph into a major events venue, with much public use and possible disruption to the surrounding neighbors. The neighbors remain happy to meet with WAA and find a solution.

Council ensued in some discussion, and asked City Attorney McClure to provide some legal clarification in regards to the process to date.

Anne Houghteling supports the Guild's efforts and believes this is a unique landmark for Menlo Park.

Gloria Eddie inquired about recourse available to neighbors who might detect problems later.

Dee Ellis, combined time from Claudia Clark, and spoke about the beauty of the building and the goodness it extends to the children benefiting from this project. Children should be a priority.

Libby Russo stated that this project won't impact the community negatively.

Peter Hart referred to a letter sent to Council alleging direct violation of CEQA, therefore suggesting that Council defer action until better analysis.

Karen Sutherland recognizes the dilemma but hopes the project goes forward because of the children.

Joan Heye supports this project because the Allied Arts Guild enhances the City and its neighborhoods.

Anne King member of WAA, supports this project because of its value to the community and the children.

Dohie King believes Allied Arts enhances the community and brings health to children.

Carol Clough urges the Council to keep the Guild because of its benefits to the community

Louise Scott read a letter by Mitch Postell director of the San Mateo Historical Society supporting this project and clarifying its historical value.

Norman Scott spoke in favor of the Allied Arts project because it is a real treasure and it raises a lot of funds via the volunteers.

Bill Wood does not agree with previous statements that the Guild did not communicate with the neighbors. Meetings did occur, and concessions were made.

Bette Moorman stated that previous speakers expressed her opinion

Genevieve Lynch stated that previous speakers expressed her opinion

Jean Coblente stated that previous speakers expressed her opinion.

Elaine Scotten stated that previous speakers expressed her opinion.

Barb Carson supports the project and would like it to be a success for all those involved.

Diane Hart shared concerns about Menlo Park residential areas being transformed into urban environments.

Judy Adams considers Allied Arts exemplary neighbors for the last 52 years. Ms. Adams understands the fears surrounding the project, but believes it can be a success. Linda Hollister shared her time with Judy Adams.

Anita Douglas stated that previous speakers expressed her opinion.

Vicki Kojola believes and supports this proposal because of many benefits to the community.

Tashia Morgridge elaborated on the role of the WAA volunteers and how much dedication and efforts they put into projects such as raising funds for the hospital.

Melanie Homan donated her time.

Judie Opfer co-chair of the renovation project believes in this project but understands the fears.

Judy Campbell donated her time.

John Benedict donated her time.

Robert Susk passed on speaking since he had already spoken.

Robert Dunkle stated concerns with the WAA proposal specifically relating to traffic and alcohol. Suggestions to promote safety included: no alcohol, limited attendance, no evening events.

Virginia Jenny shared that the volunteers are getting very anxious about the uncertainty surrounding this project, and are particularly fearful of the idea of demolishing the building.

Tom Wandless spoke about the Planning Commission rejecting this project, and his concerns about the future and its implications to the neighborhood. Does not support the current proposal.

Tricia Copeland does not support this project because there are misconceptions about the actual hours, and its impact in the area.

Steven Draper is part of the neighborhood group, and opposes this project because the neighbors do not have a complete project disclosure. The neighbors want an independent EIR.

Georgia Windhorst donated her time to Kim Lemieux, and provided Mayor Jellins with 21 cards of speakers who supported what Susan Dickerson said at the beginning.

Kim Lemieux expressed concerns about late night and Sunday evening events. The neighbors support the Guild as previously run, but do not support the new proposed use.

As a courtesy to those who submitted cards but gave up speaking, Mayor Jellins read their names for the record: **Rod Scholz, William Mohr, Stephanie Brown, Robert Harris, Claire Scholz, Adele Lieberman, Amy Klein, Bonnie Garrick, Mark Lieberman, Jim Dickerson, Sheila Peterson, Peter Windhorst, Karlene Cimpnch, Rosanne Strucinski, Ron Peterson, Tom Parker, Ron Garrick, Rolf Thorson, and Elizabeth Ambuhl.**

Janet Coberly commended the Council for its time and patience, as well as show of diplomacy in respecting speakers. She appreciated the WAA for being a caring organization, and supports its efforts.

Louise DeDera donated time to Mark Flegel.

Mark Flegel supports the project because of its many benefits to the community, and it enhances the quality of life. Allied Arts has been model neighbors.

Kathy Kroeshe donated time to Mark Flegel.

Marie McGowan stated she supported the previous speakers: Susan Dickerson, Steven Draper, Rohan Peries, Bob Dunkel, Robin Kennedy, Tricia Copeland, Diane Hart, Peter Hart, Kathy Parker, Tom Wondlist, Kim Lemieux. She presented a map of residences that are adjacent to the project and oppose the project.

Jennifer Bestor appreciates the Council's dedication by serving in a subcommittee, but does not support the project.

Rohan Peries posed two questions: 1) What is the reason to preserve this treasure? 2) What will its impact be on the neighborhood? He opposes the current proposal, because it alters the existing Guild.

Daniel Summers supports Allied Arts, however opposes intensifying its uses at this location.

Eric Kintzer passed on speaking.

Emily Renzer has a long association with Allied Arts, and considers it a regional landmark. She supports the project because of its benefits to the community and believes the WAA will be very considerate towards neighbors.

Stratton McVey-Richardson passed on speaking.

Diana Beutler believes Allied Arts has been a great neighbor for the last 34 years. She supports this project fully because it is an irreplaceable treasure due to its historical and financial value.

Tony Stein presented Mayor Jellins with cards from speakers who donated time for her presentation. Ms. Stein said she had reviewed the project as a Planning Commissioner. Some of the concerns mentioned included the fact that this project has not mitigated the transportation, the circulation issues, the parking. Also, the trip generation mentioned in the Negative Declaration was not adequately calculated, and the trip analysis did not use the standard process to compute those figures. Mitigation measures were not appropriately explored, since standard analysis was not used. A description of the current condition was lacking in the materials. Ms. Stein presented various pictures including an aerial picture, and a juxtaposition of existing condition versus future use. She presented a spreadsheet analyzing square footage issues. Ms. Stein supports further analysis, and not adopting the project at this date.

Cynthia Dusel Bacon opposes this project because this proposal represents a significant change from its current use. She supports a compromise that includes considering the neighbors' quality of life.

Kathy Parker supports a proposal that includes raising funds using strictly daytime events. Offers support in developing this new plan, and gave specific examples of how to raise money using a daytime model.

Ceevah Sovel would like the neighbors to have recourse should the circumstances be less than positive.

Karen Zak supports the Allied Arts project, and believes in moving forward with this project.

David Speer supports finding a win-win solution that pleases everybody. Does not support the current proposal. Invited the Council to call on the community to give input and find a solution.

Patti Fry presented cards to speak for an extended time. Ms. Fry clarified that she spoke as an individual, and not as the Chair for the Planning Commission. Ms. Fry advises a course correction

because of various procedural lapses. Mediation is the next step, and documents should be provided to the public with ample notice, and all particular details must be included. Offered to donate time to find a win-win solution.

Ashleigh Liston believes that this organization represents a great support system to those who are going through challenging times. The WAA has been an honorable organization for the last 50 years.

Stu Soffer spoke as an individual and not as a Planning Commissioner in regards to his experience with this process. Mr. Soffer supports delaying this decision until all materials are carefully reviewed.

Sharon Dalton spoke as a concerned property owner who considers the Allied Arts valuable but hopes a better solution can be found.

Recess between 11:00 p.m. and 11:10 p.m.

Mayor Jellins offered Council an opportunity to ask questions of staff. Discussion ensued on issues relating to special events, hours of operation and proposed restaurant use. Additionally, the applicant answered questions in regards to special events that occurred in the past, i.e weddings. It was confirmed that weddings have taken place in the premises, and size of weddings and frequency were discussed. Retail hours and office use were also explored. City Attorney McClure clarified issues pertaining to CEQA.

Due to the fact that the public presented a lot of correspondence and materials to the Council at the meeting, or the day of the meeting, Council would like time to review the information, and weigh it. It was suggested that a closed session take place to assess some of the legal questions. Council discussed this option.

M/S Motion by Council Member Winkler and second by Mayor Pro Tem Duboc to continue the discussion to another meeting. Council discussed this motion. It was suggested that this be placed on the Agenda for March 18, 2003 and this suggestion was incorporated as part of the motion.

Council asked further questions from the applicant. Various issues were discussed such as financial support for the project, and further donations to the hospital. The breakfast bar concept was also elaborated and it was to serve coffee and rolls (no baking or cooking on site). Delivery of food and impact in the neighborhood (early hour delivery) was explored.

A Council Member made a request that the applicant make a final attempt to find common ground with the opposing neighbors. There was some discussion on this issue, and the applicant will consider this request.

Robin Kennedy inquired about what form of the permit would be voted on at the next meeting, since there were changes by the applicant. Mr. McClure stated that while there have been proposals to modify the permit from the applicant and the neighbors, the Council will vote on what was presented by staff.

Motion passes unanimously.

M/S Motion by Council member Collacchi and second by Council member Kinney to close the public hearing.

Motion passes unanimously.

Mayor Jellins reminded everyone that while the public hearing has been closed the public is welcome to email the Council with comments.

Follow up on Item E 1

1. Adoption of a Resolution approving Below Market Rate (BMR) Housing Program In Lieu Fees for Housing Developments of Five to Nine Units. *(Staff Report # 03-035)*

M/S Motion by Council Member Winkler and second by Mayor Pro Tem Duboc to approve the resolution as presented. Council discussion included a request for further description of this item. It was requested that Council have some more dialogue.

Motion withdrawn based on consensus by Council. Mayor Pro Tem Duboc, as seconder of the motion concurred and withdrew the second.

Council consensus was to continue this item to another meeting due to the advanced hour.

F. REGULAR BUSINESS

1. 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.

Mayor Jellins informed those present that the State Legislature is in session trying to resolve some of the budget crisis. Mayor Jellins and Mr. Boesch, City Manager are scheduled to meet with the Interim Superintendent and a Member of the Ravenswood School District Board on March 12, 2003 to discuss ongoing projects and joint use agreements. Mayor Jellins will also meet with two members of the Sequoia Union High School District board members to discuss the Menlo Atherton Theater.

G. WRITTEN COMMUNICATIONS

1. Memo from the City Attorney regarding posting Ordinances.

Council discussed this matter and shared concerns about accountability and dissemination of information. Mr. McClure confirmed that this was a request for direction from Council in regards to publishing ordinances, and connected it to cost saving issues.

Council consensus was to publish a summary of ordinances or a notice of the adoption of these notices with a brief description.

Council would like to revisit this issue at a later time to give additional guidance.

2. Memo from Rebecca Elliot, League of California Cities regarding "Rapid Response Teams/Peninsula Division Council Liaison".

Mayor Jellins was appointed to this position, and Mayor Pro Tem Duboc was designated as the alternate.

Council Member Kinney announced that at the American/German school on March 12, 2003 the JPA is holding an outreach meeting to discuss the CAP 205 project. Council Member Winkler requested that FEMA issues be brought up, and discussed at such meeting.

3. Letter dated February 11, 2003 from the Menlo Park Chamber of Commerce Chairman of the Board Kevin Lanigan and the Chief Executive Officer/President Chris Alonso.

Mayor Jellins suggested Ms. Winkler become the appointee, and the alternate to be Mayor Jellins.

H. INFORMATION ITEMS - None

I. PUBLIC COMMENT #2 (Limited to 30 minutes) None

J. ADJOURNMENT 12:09 a.m.

Respectfully submitted,

Silvia M. Ponte, City Clerk

Approved by the City Council of Menlo Park on March 18, 2003