



CITY COUNCIL and COMMUNITY DEVELOPMENT AGENCY MINUTES

Tuesday, August 24, 2004

7:00 p.m.

110 Terminal Avenue, Menlo Park, CA 94025
Menlo Park Senior Center

6:00 p.m. FACILITIES TOUR Council and staff participated in a tour of the Senior Center and Onetta Harris Community Center.

7:00 p.m. REGULAR MEETING (Menlo Park Senior Center)

ROLL CALL - David Boesch, City Manager; Audrey Seymour, Assistant City Manager; William McClure, City Attorney; Pat Carson, Executive Secretary; various department managers and City staff were present.

PLEDGE OF ALLEGIANCE

PROCLAMATIONS

Mayor Duboc changed the order of the agenda, and read and presented a Proclamation to the Menlo Park Fire Protection District Division Chief Frank Fraone. The Proclamation honored Division Chief Fraone for his courageous action while off-duty.

SWEARING IN

Staff Member Pat Carson swore in Robert Swezey and Douglas Scott, two new members to the Environmental Quality Commission.

COMMISSION VACANCIES

Mayor Duboc read the Commission vacancies.

A. COMMISSION APPOINTMENTS AND REPORTS

1. Appointments to the Planning Commission.
Mayor Duboc stated that there are four appointments to be made to the Planning Commission and asked for nominations for an un-expired term that ends April 2006.
Mayor Pro Tem Winkler nominated Matt Henry and Council Member Kinney nominated Richard Stevens. There were no other nominations and Mayor Duboc asked for the vote.
Mayor Duboc, Mayor Pro Tem Winkler, Council Member Jellins and Council Member Collacchi voted in favor of Matt Henry.

Mayor Duboc asked for nominations for three terms ending August 2008.

Council Member Jellins nominated Harry Bims. Mayor Duboc, Mayor Pro Tem Winkler, Council Member Jellins and Council Member Collacchi voted in favor of Harry Bims.

Council Member Collacchi nominated Patti Fry, Council Member Jellins nominated Louis Deziel. Mayor Duboc, Mayor Pro Tem Winkler and Council Member Jellins voted for Louis Deziel.

Council Member Collacchi nominated Patti Fry, Council Member Kinney nominated Stuart Soffer, Mayor Pro Tem Winkler nominated Kirsten Keith.

Mayor Duboc, Mayor Pro Tem Winkler and Council Member Jellins voted in favor of Kirsten Keith. Mayor Duboc thanked every applicant.

2. Commission Reports. No reports.

B. PRESENTATIONS

Rita Haskins presented information regarding the new Regional Express bus service. The buses were purchased with funds from the State and service will run from East Palo Alto to Millbrae with four stops in Menlo Park. The bus runs in both directions during peak hours. The inaugural run was on August 23, 2004 with twenty-two riders. Currently, funding is only for weekday commute hour riders. Bus route information is available for the public.

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

Dick Poe addressed the Council regarding email on the City's website regarding City commissions. He asked that the Council keep in mind the silent majority that does not contact the City.

CONSENT CALENDAR

Item Pulled

1. Community Development Agency Acceptance of work for the Hamilton Avenue Soil Remediation Project.
2. Adoption of a Resolution 5553 authorizing the City Manager to execute contracts with the State of California Department of Education to reimburse the City \$544,589 for childcare services at the Belle Haven Child Development Center.
3. Community Development Agency Award of Contract for the Market Place Park Renovation Project to Jensen Corporation in the amount of \$169,355; and Authorization of a Budget of \$236,355 for Construction, Contingencies, Testing, Engineering, Inspection and Administration.

M/S Duboc/Kinney to approve Consent Calendar items D2 and D3. Motion carries 5-0.

Item Pulled D1

Mayor Pro Tem Winkler asked City staff to answer questions. Staff member Ruben Nino, Director of Engineering Services, stated the Hamilton Avenue site originally housed a light industrial use that involved the use of hazardous materials. Some of the materials were petroleum products like gasoline, heavy oils, isolated pesticides, lead, and organic chemicals. The City has removed the chemicals in accordance with the State. The State report approved the site for residential development and State regional environmental requirements have been met. This site for the Park and Housing development is located on Chilco and Hamilton Avenue.

M/S Winkler/Duboc to approve Consent Calendar item D1. Motion carries 5-0.

E. PUBLIC HEARING - None

F. REGULAR BUSINESS

1. Consideration of Future Land Uses for the Haven Avenue Area.

Community Development Director Arlinda Heineck and Business Development Manager David Johnson gave a joint presentation regarding the Haven Avenue area. A power point presentation of the properties located in the area was shown and discussed. Haven Avenue is located along the easterly portion of the City. Most of the westerly side is located in Redwood City. According the City's General Plan, current zoning is for general industrial uses including some office uses and limited retail. There are approximately 40 acres in size with approximately 650,000 square feet of building area. More discussion took place. A virtual tour was provided site by site of approximately thirty properties along Haven Avenue.

Additional information was provided as well as data regarding the properties. The City's current General Plan and zoning is not well designed for a broader range of uses in this area. As a result, the City has talked with local auto dealerships to find out their site preferences. Additionally, a report prepared by PCG Investments about this area was included with the staff report in the Council packet. The Council asked questions and made comments. Staff answered Council Members questions and provided additional information. Community Development Director Heineck stated work is being done to revise the Zoning Ordinance. City Manager David Boesch spoke about the role of the redevelopment agency which has been in existence approximately twenty years. Haven Avenue is in the redevelopment agency area and the redevelopment agency can play a role in the City's ability to acquire property. There are various options if Council is interested in new types of uses in this area. Staff would analyze the options.

Mayor Duboc asked for Public Comment.

Doug Marks, resident and Menlo Park homeowner and a real estate broker representing a current Haven Avenue property owner. He stated that market demand is more for sale properties rather than lease properties. He thinks the vacancies apply more to the larger properties. There is a significant demand for industrial versus R&D and office use.

Mark Foster, sales partner with Foster Enterprises. Expanding the zoning to allow more uses such as big box retail is a good thing. Changing the zoning to disallow industrial would stop Mom and Pop operations.

T. Jack Foster, Jr., Foster Enterprises. A moratorium would be very damaging.

Tim McClean, broker with Colliers International working on a project at 3633 Haven Avenue. He thinks the project is a quality project and beneficial to the community.

Mike Cobb, broker with Colliers International. He thinks the vacancies will decline, and stated that small local companies need this type of space.

Richard Mugnolo, owner of Cadillac Buick Pontiac GMC of Menlo Park, 1300 El Camino Real. He stated the dealership needs more space and stated they would like to stay in Menlo Park. He added that in his opinion, Haven Avenue is a perfect area for auto dealerships.

Soroush Kaboli, Haven Avenue does need infrastructure change. Flooding can be a problem. Carlsen Porsche was a byproduct of the bay area dot com boom. There is no better transition than industrial condominiums.

Council Discussion

Council Member Collacchi directed questions to some of the speakers. The speakers answered questions and provided additional information. Mayor Pro Tem Winker asked about time requirements if the City placed a moratorium on the area while a study was implemented on uses. City Manager Boesch responded that the amount of time is dependent upon the level of detail and what is economically feasible. He stated that he is fairly certain there is an interest in the area by developers. As pointed out, there is one application in process and there are a lot of properties that could be in the process of sale/purchase. Staff would provide Council with further analysis in three to four months. The timeline for 3633 Haven Avenue was discussed.

Mayor Duboc asked if there were any other questions. There was additional discussion. Council Member Jellins acknowledged the City is generally behind market trends and an opportunity may exist to facilitate land use changes. He thinks government financing is tied to sales taxes and property values, and expressed an interest in the City exploring expanded uses and an Auto Mall concept. He asked staff to provide information about the possibilities and directed staff to return with

information in the not too distant future. Council Member Jellins also stated that infrastructure improvements are important. Council Member Jellins made a motion to direct staff to return to Council in not greater than 60 days with a plan of action to facilitate the expansion of uses in the Haven area with the goal of increasing sales tax revenue and property values on Haven Avenue. Staff answered more questions and more discussion took place. The motion was clarified to add direction that staff add information about what tools might be used to facilitate the uses. Council also asked for an outline on how to go about amending the General Plan.

M/S Jellins/Duboc directing staff to return to Council within 60days with information, and a plan to facilitate the expansion of uses in the Haven area. Motion carries 5-0.

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.

There are several bills pending. Mayor Duboc received a letter from CCAG urging the City to support Proposition 1A and urging the City to oppose proposition 68.

G. WRITTEN COMMUNICATION

1. Housing Commission Recommendation Regarding Preferences for Below Market Rate Housing Units at the Hamilton Avenue Housing and Park Development.

Public Comment

Elza Keet, member of the Housing Commission, spoke regarding the Housing Commission’s preference for Below Market Rate Housing for the Hamilton Avenue and Park site. The majority of teachers need small homes.

Community Development Director Heineck answered questions regarding the Below Market Rate Housing Program. Council Member Collacchi and Council Member Kinney discussed this item. Mayor Duboc stated the Below Market Rate Housing Program would be discussed at another time.

2. Letter of Interest in Acquiring City-Owned Parcel No. 055-351-080, which is located interior to the block bounded by Market Place, Ivy Drive, Hill Avenue and Hamilton Avenue.

City Manager Boesch stated an inquiry has been made to ascertain the City’s interest in selling this property. He would like the Council to provide criteria associated with selling the property if this is Council’s desire.

Public Comment

Fred Allen, civil engineer, he has done some preliminary site work on the site and provided some information. He was interested in hearing more about the site.

H. INFORMATION ITEM

1. Samtrans’ New Regional Express Bus Service.

The Information Item was discussed during the presentation by Linda Haskins.

I. COUNCIL MEMBER REPORTS

Council Member Jellins asked that Council re-consider the approved stop sign on University Avenue at the intersection of Menlo Avenue. Council agreed that this item should be placed on a future City Council Agenda for re-consideration.

J. PUBLIC COMMENT #2 (Limited to 30 minutes)

No public comment.

K. ADJOURNMENT at 9:47 p.m. until August 31, 2004.

Respectfully Submitted,

Pat Carson, Executive Secretary and Acting City Clerk
Approved at the City Council Meeting of October 12, 2004.