



CITY COUNCIL SPECIAL MEETING MINUTES

**Thursday, May 5, 2005
7:00 p.m.
City of Menlo Park
Menlo Park City Council Chambers
701 Laurel Street
Menlo Park, CA 94025**

A. ROLL CALL - Jellins, Cohen, Duboc, Fergusson. Mayor Winkler absent.

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

B. PUBLIC COMMENT - None

C. REGULAR BUSINESS

Council Member Fergusson announced that she would recuse herself, because she owns property within 500 feet of the La Hacienda Market, and left the Chambers.

1. Report on the La Hacienda robbery investigation and consideration of options relative to regulating check cashing operations.

Chief Boyd introduced various members of his team who have been working on the issue. Commander Molakides presented the staff report giving historical data on the robberies. She explained that there has been a string of robberies in the Bay Area. Some of the targets have been small markets and some offer check cashing services. Commander Molakides shared nationwide trends on the check cashing industry. She also covered successful preventative measures that have been used. Commander Molakides provided details on how cities like Oakland and Redwood City are addressing this problem, adding that law enforcement agencies organized regional meetings, and a reward is being offered to anyone providing information leading to the arrest of a suspect. The four options available to Council were explained, including three different types of ordinances and initiating nuisance abatement procedures.

Public Comment

Anne Craib believes that the market is a positive presence; however, she believes that five robberies in 21 months is unacceptable. Ms. Craib supports initiating abatement procedures.

Ross Wilson mentioned various options to keep the area safe. Mr. Wilson is looking for an immediate solution.

Chris DeCardy (with time donated by Tracy Morris) thanked Council for having this meeting; and while he is grateful for the existence of the market, he said that five robberies is unacceptable. He covered solutions proposed to Council via his document, and thanked staff for its report.

Steve Schmidt thanked the Council for holding this special meeting. He enjoys having the market in the Willows and believes its services are needed. He urges Council to follow the Police Department's recommendations and solve security issues.

Mark Costa (with time donated by Paula Travers and Hendrick van der Meer) shared a slide presentation with details on what has been done nationwide. Mr. Costa enumerated reasons why this site is attractive to robbers. He thanked the La Hacienda owner, Mr. Chavez, for putting up a fence. He believes the check cashing business should be stopped until there is a solution.

Eric Doyle does not support banning check cashing because it serves the community. He hopes that a time delay safe is implemented; and, in his opinion, this type of machine will not deprive customers of the service.

Kate Zablocki would like to support the La Hacienda market but she has safety concerns. She supports the diversity of the area, and she is looking for a win-win solution that pleases the market and the neighbors. She supports Mr. Doyle's idea regarding a time delay machine.

Kellen Glinder (with time donated by Judy Glinder) reported that patients of his have been held at gunpoint and this can traumatize children forever. While he frequents the market, he would like the problem fixed.

Nolan Cabrera works with a number of youth whose parents use the La Hacienda services, and he advocates translating these meetings into Spanish. Mr. Cabrera believes it would be critical to hear from the people who use the cash checking business.

Norma D'Onofrio believes that something should be done right now instead of waiting for another robbery to happen. She is interested in a neighborhood watch program.

Donna Chu believes there has been mismanagement of the La Hacienda market. Ms. Chu added that the City has taken too long to address this issue.

S. Subbiah (with time donated by Jagan Subbiah) stated that he had warned the City about the escalation of crime three years ago. He opined that the situation will not stop until something tragic happens. He believes the alleys are the perfect getaway for robbers. Mr. Subbiah said that many of the Police suggestions were not implemented and the La Hacienda owners committed repeated violations. He would like Council to do something by June 7, 2005.

Lawrence Lee thanked the Council for listening to the neighborhood. He said this is about safety and he feels unsafe. In his opinion this hurts residents and businesses.

Jay Karwash owns Quality Market and has provided check cashing services for 27 years without ever being robbed. Mr. Karwash supports his competitor, but advocates security services and a time release machine as precautionary measures.

Susan Morse shared a slide presentation and urges Council to act promptly. She would like the regulations to be imposed now, and concurs with Redwood City's approach.

Robert Morse believes it is important to instill a sense of safety in the community and hopes Council can work on that. Mr. Morse reiterated that this is a community where families raise kids.

Alan Jones agreed with those who preceded him.

Jennifer Lucas echoed previous comments.

Lisa de Avila, a native Spanish speaker, said that she engages a lot of the people who use check cashing and they cannot understand English. She is sorry that not everybody can understand the issues, and she volunteered to translate meetings.

Marcia Bever (with time donated by Paul Bever) shared that the robberies impacted employees and family members working there. She does not believe that added security will solve the problem. Ms. Bever believes that regulating check cashing is appropriate, and in her opinion this is a legal long-term solution and it should be enacted by June 7, 2005.

Lisa Van Horn would like to see the check cashing services discontinued. Ms. Van Horn no longer shops or walks around that area because she feels unsafe.

Marie Richardson hopes it is clear how the community wants the City Council and the Police Department to promptly deal with this issue.

Carolyn Fairman would like to have this be a safe neighborhood again, and she does not think that armed guards are the solution. She thanked Council for having this meeting, and the Police Department for its report. Ms. Fairman is hoping something gets done quickly.

Pam Law believes that security should be improved. She hopes the check cashing business stays in the neighborhood to serve those who need it. Ms. Law respects the local ethnic and financial diversity.

Dana Shields Hubbell said that she was at the market ten minutes after the robberies, and was frightened by the situation. Ms. Hubbell fears someone getting shot. She would like something to be done now.

Mike Deksheniaks (with time donated by Leslie Fine) suggests stopping the check cashing business.

Alaina Sloo said the City needs to find a safe solution to this problem. Ms. Sloo would like the La Hacienda market to stay but a compromise needs to be reached. She believes there is a reciprocal responsibility between the City and the market.

Diane Mavica (with time donated by Luigi Mavica) believes that check cashing should be regulated. She requests that an ordinance be voted on immediately. Ms. Mavica mentioned that a flier was translated into Spanish and she thinks Spanish speaking users should be consulted. She supports the Redwood City and Oakland approaches. Ms. Mavica clarified that the outcry from the neighborhood is not borne out of racism but out of concern.

Rene Lajous spoke in regards to ancillary services, and he agrees with providing these services in a safe manner. Mr. Lajous believes that a permit is needed if the market provides check cashing.

Bernice van der Meer is a neighbor of the La Hacienda market and said she is considering moving out of the Willows because of safety concerns. She enjoys the neighborhood but safety is essential.

Rebecca Alexander (with time donated by Poly Atkinson) has lived in the Willows all her life, however she does not believe that residents welcomed the La Hacienda market. She said that targeting a social class is not acceptable, and she would not like to shut down check cashing services. She asks that meetings regarding La Hacienda market be bilingual.

Rhoda Alexander has lived in the Willows for a quarter century and wants to focus on the issue of crime and not the victims. She likes the idea of a neighborhood watch program. She suggested

offering discounts to Police Officers so they can eat in the area and be more visible. She asks the community to patronize the market and scare away the criminals.

Julia Rumann believes that the business should be changed and her first concern is safety. She said robbers have already shot people in the East Bay, and she refuses to use the market.

Patrick Farris is a business owner who supports local businesses. He complimented the La Hacienda market for putting up a fence. He believes the community is strong and can find a solution.

Jennifer Mazzon said it is very hard to believe that it is unsafe to go to the La Hacienda market. She has grown up in the Willows, and the lack of safety upsets her.

Anatoli Zelkin owns the business next to the La Hacienda market, and said he has seen some improvements. Mr. Zelkin believes the owners are working towards making it safer.

Nicole Lance believes that safety should be the first concern and that if check cashing is unsafe it should be stopped. She would like the Council to take immediate action.

Claudia Case does not believe that a security guard is the solution. She has lived in a country that was at war and she does not support guards. Ms. Case hopes for a better situation.

Harriett Lee has lived in the neighborhood for 41 years and enjoys the La Hacienda market. She would like to institute a neighborhood watch program.

Kirsten Keith described what a public nuisance is, and she hopes the Council reviews all its options. She added that security guards create a different feel to the neighborhood.

Council Discussion

Council member Duboc would like to know how each decision will be enforced. City Attorney McClure said these actions would be part of a regulatory scheme which includes enforcement. Mr. McClure stated that some of the recourses include: discontinuing the permit, civil penalties, and forcing operations to cease. Mayor Pro Tem Jellins expects the Police Department to include a security scheme and measures for the store owner to comply with. Council Member Cohen shared that his prime concern is the lack of safety and he would like two things: 1) a cash cap; and, 2) a time-delay safe. Mr. Cohen added that if these two components are not included he will have to vote to cease check cashing.

The fence at the La Hacienda was discussed and Mr. McClure explained the requirements. Council Member Duboc questioned how soon it would be until the permits got approved to finish construction on the check cashing bullet-proof booth. City Attorney McClure said it is all underway, but he noted that construction began before permits were granted. With proper plans the Planning Department will expedite the permits. He added that in order to declare a public nuisance the owner would need to get a notice and a hearing be conducted. Council Member Cohen is not satisfied with the timeline and would like the process to move faster. Council debated the abatement process versus the regulatory approach.

Mayor Pro Tem Jellins recapped the four options. Chief Boyd added that a lot of good ideas had been derived from the community, and the Police are anticipating continued communication with residents. Council Member Duboc would like to create regulations quickly; and, in addition, start a neighborhood watch group. In the long-term she would like to have a three pronged approach: set regulations for the La Hacienda market, start the neighborhood watch group, and have the City design an ordinance limiting future check cashing businesses.

Mayor Pro Tem Jellins asked if the La Hacienda Market did everything suggested to them. City Attorney McClure said they have not unblocked visual barriers such as displays and window signage. They have not limited the amount of cash in registers, no signs have been posted, they do not have a full-time monitoring video, and have not installed a security monitor screen. Council Member Cohen has a problem with the approach of waiting for the store to implement these items. He does not want check cashing to continue and he would like to declare it a public nuisance, and after that encourage La Hacienda to meet the requirements. Mr. Cohen believes a viable solution is using ATM cards or a vault with a cash cap and time delay. Council discussed the various options related to containing the problem, and variations of a motion that might be agreeable to all.

M/S Cohen/Duboc directing staff to:

- 1) initiate abatement proceedings to consider whether the La Hacienda market check cashing constitutes a public nuisance, based on how it is currently operating**
- 2) give notice and set a hearing before the City Council, requiring the abatement of a public nuisance relating to check cashing operations**
- 3) prepare a regulatory ordinance for check cashing operations and establish an administrative permit process for check cashing operations (conditional upon the completion of a security plan as designed by the Police Department)**
- 4) include enforcement of the 13 items to be completed by the La Hacienda market**
- 5) incorporate a combined safe/cash dispersal system with a cap on the total amount of money that can be withdrawn at a time and that includes a time delay**
- 6) assist with the creation of a neighborhood watch program.**

Council Member Duboc would like to see new zoning regulations as a long-term priority. Mayor Pro Tem Jellins agrees with placing this on a future list. Council Member Cohen talked about the possibility of creating an informal group that assists City staff. Council Member Duboc hopes the La Hacienda market complies and Council Member Cohen echoed these feelings. Council discussed the time and money involved in following up on this issue. Council Member Cohen stated that if the La Hacienda complied with all the requirements, then Council could conduct a special meeting on June 9, 2005. Mr. McClure explained that if the Council is available then both the hearing could be held on that date and the adoption of the ordinance could take place. Mayor Pro Tem Jellins reflected that in his opinion less drastic measures might have achieved similar results.

Motion carries unanimously. Mayor Winkler and Council Member Fergusson absent.

D. ADJOURNMENT – the meeting adjourned at 10:05 p.m.

Respectfully submitted,

Silvia M. Vonderlinden, CMC

Approved at the Council Meeting of August 16, 2005.