



**SPECIAL CITY COUNCIL
COMMUNITY DEVELOPMENT AGENCY MEETING MINUTES
Tuesday, February 5, 2008
7:00 p.m.
Menlo Park Senior Center
110 Terminal Avenue, Menlo Park, CA 94025**

ROLL CALL – Cohen, Robinson, Boyle, Cline, Fergusson

Staff present – City Manager Rojas, City Attorney McClure and City Clerk Kelly. Other staff were present in the audience.

PLEDGE OF ALLEGIANCE

A. COMMISSION/COMMITTEE VACANCIES AND REPORTS

1. Advisory bodies attendance reports for 2007. ([attachment](#))

Council Member Boyle expressed concern that there may not be consistency in how commission and committee members are treated based on the vague language of the commission attendance policy. He asked if the Council was interested in strengthening this language to require commissioners to attend a minimum number of meetings and if the standard is not met to require automatic removal of commissioners.

Council Member Cline commented that one way of addressing this might be to have the commissions and committees make recommendations to the Council regarding removal of members for lack of attendance.

Council Member Fergusson pointed out that a past practice that has been successful has been to have the Council liaison to the commission contact members that have low attendance to determine if this is a temporary problem and to encourage improved attendance. She stated that members sometimes find that their life situations have changed and may decide to resign.

Vice Mayor Robinson agreed with having the Council liaisons contact members with low attendance.

Action: By Council consensus, it was agreed that the Council liaisons would contact commissioners who had not met attendance requirements for purposes of encouraging improved attendance.

2. Commission members and Chamber of Commerce reports.

Fran Dehn, Chamber of Commerce, stated that Parking Plaza Two is the next plaza to be evaluated and that the Chamber is hosting a meeting in coordination with the Public Works Department, to get community feedback.

B. PRESENTATIONS AND PROCLAMATIONS - None

C. PUBLIC COMMENT #1

Brysun Washington, Anna Kofuttua and Sonia Sanchez, all of East Palo Alto Academy, spoke about the Sojourn to the Past project, which provides an opportunity for high school students to take a trip to the South to meet persons involved in the civil rights movement. They asked for donations to help students, who could not afford to, take this trip. Donations can be sent to Stanford New Schools, Sojourn Field Trip, P.O. Box 20524, Stanford, CA 94309.

D. CONSENT CALENDAR

Action: Moved, seconded (Boyle/Fergusson) and carried unanimously to approve the Consent Calendar as noted below:

1. **Waiver of the reading and adoption of an Ordinance amending Chapter 5.69 (Video Service Providers) of Title 5 (Business Licenses and Regulations) of the Menlo Park Municipal Code to establish a fee to support public education, and government access once Comcast is granted a State Video Franchise.** ([Staff Report #08-016](#))

Action: Adopted Ordinance No. 960 amending Title 5, Chapter 5.69 of the Municipal Code, to establish a fee to support public education and government access under Comcast's state video franchise.

2. **Adoption of a resolution accepting a Public Access Easement dedication at the southwest corner of Willow Road and Willow Place for the 64 Willow Road project and authorizing the City Manager to sign the certificate of acceptance.** ([Staff Report #08-017](#))

Action: Adopted Resolution No. 5778 accepting a public access easement dedication for the 64 Willow Road project and authorizing the City Manager to sign the certificate of acceptance.

E. PUBLIC HEARING - None

F. REGULAR BUSINESS

1. **Adoption of a resolution appropriating \$457,747 from the Agency bond tax increment, approving an amendment to the contract of sale with Willow Corners LLC and authorizing a revised budget of \$2,233,747 for purchase of a commercial condominium unit at 1299 Willow Road, construction improvements, purchase of furniture and equipment, project administration and contingency for the Police/City Service Center and authorization of the Agency Director to execute contracts and purchase agreements as necessary to complete the portions of the work that are the Agency's responsibility, subject to the limits of the proposed project budget.** ([Staff Report #08-018](#))

Police Commander Terri Molakides presented the staff report. She stated that the proposed Police/City Service Center will replace the existing police substation which is needed to provide additional office space, improved parking, and better access the neighborhood. She said the Center will be a satellite of the main Police Station and a service center for the community, providing a limited number of services currently only available at City Hall. Residents will be able to obtain police reports and parking permits, pay water bills, as well as receive useful information and publications. Commander Molakides reviewed the history of the project and the projections for completion.

In response to questions raised by Agency Member Boyle, Gary Moiseff, Willow Corners, LLC, gave an update on the status of the project and reported that the amendment to the contract requires that the substation be completed no later than 30 weeks from start of construction. He stated that they would like to build some of the retail space concurrently but this is dependent on market conditions.

Agency Member Boyle asked that the Board obtain information on the incremental operating expenses as soon as possible and questioned the Agency Director as how best to avoid delays on future projects. He also asked if language couldn't be put in the contract to ensure that the substation be completed prior to the completion of the retail space.

Agency Director Rojas responded that there were lots of reasons for the delays, some caused by the City and some out of the City's control. He stated that the lesson learned is that it is important to get everyone on the same page and to keep communications flowing.

Agency Member Fergusson asked if any green building life cycle analysis has been or is planned for this project. Ruben Nino, Assistant Public Works Director, replied that has not been done but that there are environmental components being incorporated into the building keeping within the budget.

Members of the public commented as follows:

Stu Soffer said he was glad to see the project moving forward. He questioned certain language in the contract regarding the commencement date and the liquidation damage clause.

Matt Henry said that the community needs this new substation and that it is important that residents in minority areas, especially children, see the police as part of their neighborhood.

Action: Moved, seconded (Cline/Fergusson) and carried unanimously to: 1) adopt Resolution No. 293: a) appropriating \$457,747; b) approving an amendment to the contract; and c) authorizing a revised budget of \$2,233,747 and 2) authorizing the Agency Director to execute contracts and purchase agreements. The motion also included directing staff to report back on green building aspects of the building and to include in the contract an assurance that the Police/City Service Center would be completed prior to finishing construction of the retail space.

2. **Consideration of a request to sell a portion of a City-owned parcel located at 50 Terminal Avenue, the site of Beechwood School, to the California Family Foundation and direction to staff to seek consultant services to facilitate the possibility of sale.** ([Staff Report #08-019](#))

Kent Steffens, Public Works Director, presented the staff report. He stated that the California Family Foundation, which operates the Beechwood School, has requested that the City sell approximately 60,000 square feet currently leased to the Foundation plus an additional 4,000 square foot area adjacent to the leased area. Mr. Steffens stated that the Foundation has leased the property for the past 21 years for one dollar a year and the current lease expires in 2034.

Richard Jacobsen, the California Family Foundation, expressed appreciation to Menlo Park for its 22-year history of working with the Foundation. He stated the Foundation's interest in acquiring the property is to endow the long-term operation of the school and improve their ability to solicit funding commitments to build permanent school structures at this site. He informed the Council that they are willing to pay full market price for the property.

In response to Council questions, Mr. Jacobsen stated that there are 170 students enrolled at the school and that they don't intend to expand beyond that. He said that they plan on building two, two-story buildings based on the small size of the lot. He also noted that the size and configuration of the property is not appropriate for playing fields. Mr. Jacobsen informed the Council that approximately 35% of the children attending the school are Menlo Park residents and the rest come from the surrounding areas. He stated their mission is to serve the Ravenswood School District area and to focus on the average student. Mr. Jacobsen stated that 85% of their student body graduate from high school compared to 28% of the students that attend schools in the Ravenswood School District and that many of their students go on to community and other colleges.

Members of the public commented as follows:

Priscilla Taylor, a teacher at the Beechwood School, spoke about their program and the commitment and involvement of the staff and the parents in advancing academic and social skills of the students. She stated that the school needs to build permanent structures.

Rachel Bickerstaff, member of the Parents Advisory Board, informed the Council that having their children attend the Ravenswood School District was not an option they were willing to consider. She stated that the parents and staff are very involved with the students and the school is considered a community.

David Laurance, principal of Beechwood School, explained that they have a basic need for more rooms and that the teachers are limited in what they can do because of the size of class rooms. He stated that both the science lab and library are off campus and that they don't have any room large enough for meetings of the entire student body. He said that they would like to give the students, teachers, and the parents the facility that they deserve. Mr. Laurance also reported that the parents are required to volunteer throughout the year and to attend several hours of educational training.

Melody McLaughlin urged the Council to sell the land to the Foundation so that they can build permanent school structures. She spoke to the success of the school program.

Council Member Fergusson announced that she has visited the school site and has heard testimony that this is a very good school program. However, she cautioned on moving forward without giving the public time to review and comment on this proposal and suggested the Council delay action for a period of time.

Council Member Cline acknowledged that this school is very unique and has a success record, the value of which can not be quantified. He stated the school fills a real need in the community and he is in support of selling the land to the school.

Council Member Boyle disclosed that he is a past supporter of the school and that he can't imagine a better use for the property. He stated that staff's recommendation does not commit the Council to sell the property at this time and there will be time to get additional public input.

Vice Mayor Robinson echoed comments made by other council members regarding the value of the school to the community and his willingness to support this proposal.

Action: Moved, seconded (Boyle/Robinson) and carried unanimously to direct staff to seek consultant services to facilitate the possible sale of the City-owned parcel to the California Family Foundation.

3. **Approval of a scope of work and authorization for the City Manager/Agency Executive Director to execute funding agreements with the Metropolitan Transportation Commission and San Mateo County Transportation Authority for proceeding with work on the Dumbarton Rail Station Area Specific Plan.** *(Continued from December 18, 2007)* ([Staff Report #08-020](#))

Arlinda Heinick, Community Development Director, presented the staff report, which recommends the Council approve a scope of work for a comprehensive planning study of an area surrounding a proposed Dumbarton Rail Station and authorize the City Manager and Agency Director to execute funding agreements with the Metropolitan Transportation Commission (MTC) and the San Mateo County Transportation Authority (TA) for partial funding of the study. She stated that the Redevelopment Agency budget includes \$225,000 for consultant services for the plan and the budget would be supplemented by grants of \$225,000 from MTC and \$75,000 from TA. Ms. Heinick stated that additional funding will be required as follows: 1) \$35,000 to fund the Fiscal Impact Analysis; 2) \$100,000 to \$150,000 for a contract planner over the three year planning period; and 3) possibly to supplement the budget for consulting services.

Council Member Fergusson questioned whether or not the City would have flexibility as to the location of the rail station, the west side of Willow versus the east side, and what staff resources would be needed to work on this study.

Council Member Boyle asked if the City, in accepting this planning grant, would be committing to 2,200 housing units in an area where much of the land is environmentally sensitive and if the study could be expanded to cover more of the M-2 area.

Council Member Cline pointed out that this area is a jobs area and asked if there is the ability to negotiate jobs for housing in the study. He also stated his preference to do a full M-2 study and to not limit the study to a smaller area.

Mayor Cohen expressed his view that approving this grant and doing this study will get in the way of other projects. He asked if it would be possible to apply for these grants at a later date and expressed concern that MTC is getting into the housing business, putting requirements on cities who are responsible for providing the services.

The Community Development Director responded that the rail station has been identified in the scope of work for the east side of Willow and that the scope would need to be changed and approved by MTC if the desire is to change the location. She stated that the study will require a significant amount of time from a transportation engineer and planning staff and

that based on projects already being worked on, planning staff will be unable to take on any new projects this year. Ms. Heinick stated that expanding the study would most likely increase the timeline and budget.

James Coreless, of the Metropolitan Transportation Commission, responded that the 2,200 housing units is meant to be an average for each station along the transportation corridor and that some cities may have more housing units and others less. He stated that MTC's interest is in more effective transportation systems and they believe this can be accomplished by partnering with local governments who control land use.

Mr. Coreless stated that he did not see a major problem with the City looking at two options for location of the rail station, but that a final location should be determined early in the studying process to avoid complications with environmental review and circulation plans. He also stated that MTC plans on having on-going meetings with the planning staff of all five cities to work together on this. He said that they are in the process of getting the next cycle of grant funding and need to know soon whether or not Menlo Park wishes to participate.

Members of the public commented as follows:

Jim Bigelow, Chamber of Commerce, urged the City to go forward with this planning study.

Jim Calhoun said the City has a unique opportunity to be part of the planning process to bring jobs into the area and encouraged the City to participate in this program.

Council Member Boyle stated that the City should see this as an opportunity to have a planning study subsidized; to help the City meet its housing element numbers; and to plan to bring in jobs, retail and commercial to the City and to the region.

Council Member Fergusson said that she wants the planning study to be about a transit station, not just a rail station. She agreed that the grant provides an opportunity to plan the City's destiny and create its vision. She expressed concern that without planning, the City is put in a position of looking at development projects in a piecemeal fashion. She expressed a desire to have the study look at placing a transit station on the west side of Willow Road.

Council Member Cline expressed concern for the impact of rail services on the communities that rail runs through and stated his preference for transit hubs. He reiterated that he believes it is a mistake to not study the whole M-2 area and worried about how the Council will determine which projects will be put on hold as well as the full cost of doing this study.

Vice Mayor Robinson said that even though planning is important, he has reservations about this project being the best use of taxpayer's dollars and the impact on the residents of the City. He worried that by supporting the planning study, the City would be giving momentum to a heavy rail project and also stated his disappointment that MTC appears to be getting into the housing business. The Vice Mayor pointed out that the area in question is zoned M-2 and is not a housing area.

Mayor Cohen stated that he can not support accepting these grants and doing the planning study. He further stated that this is not the right plan or the right time and that the City

doesn't have the resources to take this on as the City has too many other commitments. The Mayor stated his belief that this transportation plan is moving in the wrong direction and doesn't provide a solution. Mayor Cohen referred to the M-2 area as the City's breadbasket and its largest tax revenue generator. He stated that he does not want to see housing displacing jobs in this area.

Action: Moved, seconded (Boyle/Fergusson; Ayes – Boyle, Fergusson, Robinson; Noes – Cline, Cohen) to approve the scope of work for a planning study of the area surrounding a proposed Dumbarton Rail Station and authorize staff to execute funding agreements with the Metropolitan Transportation Commission (MTC) and the San Mateo County Transportation Authority (TA) for partial funding of the study; amended to: a) include an option for a transit station to be located on either side of Willow Road and b) to consider in the plan a transit station, not just a rail station.

4. **Consideration of state and federal legislative items, including decisions to support or oppose any such legislation, and items listed under Written Communication or Information Item.**

Action: None

G. WRITTEN COMMUNICATION

1. **Memorandum from Council Member Fergusson regarding Council consideration to place on a future agenda authorization to sign up for Pacific Gas and Electric Company's Climate Smart program.** *(Continued from January 29, 2008)* ([attachment](#))

Council Member Fergusson asked the Council to add this matter to a future agenda.

Council Member Boyle expressed concern about adding the item without staff analysis and prioritizing it along with other expenditures.

Public Works Director Steffens responded that it would not take a lot of analysis for staff to comment on the specific PG&E program, but that if Council wanted a comparison of this to other programs, it would require more staff work and time.

Mayor Cohen pointed out that the Green Ribbon Citizens Committee has done a lot of work and felt this should not be considered without getting the recommendations of this committee along with the staff analysis and the recommendations of the various commissions and committees.

Council Member Cline and Vice Mayor Robinson said they saw no problem with putting this matter on a future agenda for discussion.

Action: The Mayor directed staff to put this on a future agenda.

H. INFORMATION ITEMS

1. **Review of the City's Investment Portfolio as of December 31, 2007.** ([Staff Report #08-021](#))

In response to a question raised by Council Member Boyle, Finance Director Carol Augustine reported that the City's policy does not permit investments of any longer than five years.

Action: Accepted report.

I. COUNCIL MEMBER REPORTS

Council Member Boyle announced that at the last Council of Cities dinner the current ABAG alternate was elected as the ABAG delegate and that at the next meeting a new alternate will be elected.

Mayor Cohen announced that on February 9 the City will be conducting a walking tour of the El Camino Real corridor as part of the El Camion Real/Downtown Vision Plan project.

J. PUBLIC COMMENT #2 – No speakers.

K. ADJOURNMENT – Adjourned at 11:32 p.m.

Respectfully submitted,

Sherry M. Kelly
City Clerk

Approved at the Council meeting of March 25, 2008