



**CITY COUNCIL
COMMUNITY DEVELOPMENT AGENCY
SPECIAL MEETING MINUTES**
Tuesday, November 3, 2009 at 6:00 p.m.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers

The Council convened at 6:04 p.m. with all Council Members present. Also present were City Manager, Glen Rojas; Assistant City Manager, Starla Jerome-Robinson; City Attorney, Bill McClure; City Clerk, Margaret Roberts

PLEDGE OF ALLEGIANCE – Led by Mayor Robinson

ANNOUNCEMENTS

- The first of three community meetings for the Willows Area-Wide Study will be held on Thursday, November 5 at 7:00 p.m. in the Council Chambers.
- Sunday at the Farmers Market 10-12 – Meet the Mayor

STUDY SESSION

1. Consideration of feedback from Planning Commission and discuss environmental impacts and mitigations, public benefit, fiscal impact analysis and development program of the Menlo Gateway (Bohannon Hotel & Office) project ([Staff report #09-154](#))

Introduction of the item by Thomas Rogers

Project description provided by David Bohannon (applicant), Tom Gilman, Andrea Traver, and Scott Pickard

Rod Jeung from PBS&J provided a review on the Environmental Impact Report (EIR)

Charles Taylor gave an overview of the traffic impacts

Ron Golem with BAE gave a Financial Impact Analysis (FIA)

The staff presentation was wrapped up by Justin Murphy

Council questions to applicant, consultants and staff ensued.

Members of the public that spoke on the item:

- Clem Molony – consider public benefits and transportation
- Rose Bickerstaff – Fantastic project with endless benefits. She requested the Council take a serious look at this project.
- Matt Henry – supports the project, asked the Council to consider the possibilities when the redevelopment funding no longer exists, and the pluses outweigh the minuses

- Gail Slocum – this is a unique opportunity, local developer, urged that negotiations move forward and clearly state what caveats there are, leadership model for LEED certification
- Nancy Cash – in favor of the project, jobs are critical to the community, aesthetics, major lift to the community, time to get on with the project, take positive action
- Sharon Williams – Job Train and the relationship with the Bohannon family has existed for years, full support of the Belle Haven community, project will provide jobs, the community impacts are positive
- Chuck Bernstein – opposes the project, by tripling the density the value of the property is tripling, Mr. Bohannon is not ready to go ahead with the project, there are no jobs, not enough information to make a decision
- Charlie Bourne – impacts on neighbors to the city, jobs will demand new housing, increase in local school population, increase traffic, other ways to get the benefits without a project of this size
- Johnnie Walton – the city is divided by so many little communities and Belle Haven is one and that community would like something nice, this will bring the entire community together, get the project done
- Steven Kennedy – the impacts on the Menlo Park Fire District, solar installation analyses should be redone, look forward to using Job Train trainees
- Patti Fry – need to talk about what the city wants and needs not what the developer wants, office buildings will not bring in revenue, we can change and grow without taking this big bullet, the General Plan asks for revenue with minimal impacts, this project will have significant impacts, look at this carefully, hire a professional negotiator for the development agreement
- Vincent Bressler – as a member of the Planning Commission he pointed out that Mr. Bohannon stated he is not comfortable with a five year start time, this is not a project it is a development option, it is not jobs, it would be irresponsible to go forward with the negotiations, the economy does not support this type of project
- Morris Brown – the project is too big and not suitable to Menlo Park, traffic and environmental impacts are too big, there is not enough information to move forward, this is not a solution to financial issues for the city, construction is years away, building office space of this nature is not feasible, study the M2 area to determine what is needed
- Frank Carney – too much traffic, aesthetics would have a negative impact, answer no to the project
- Paul Collacchi – Menlo Park does not have the measures in place for the size of this project, the size of the footprint is large, go through his calculations of revenue, is this project sustainable, is this the right concept, is this the right area for this project, M2 study should be done first, a lot of city resources are being

spent on this project and is this where the resources should be spent (provided a handout)

- David Speer – first time he has seen the information and it has only been available since July, referenced the EIR on page 6, FIA does not capture all of the information needed to make the decision, potential flood zone, plan for all of M2 prior to making this decision, a 20 year development agreement would tie the hands of the city, is this the right hotel type for the area, why another health club, what do the impacts cost Menlo Park and the region, measure all of the costs, this is not a sustainable project
- Wanda Haynes – think hard and give this project serious thought, residents in the Belle Haven area are excited about this project

Questions for Council:

- Is the following question the appropriate one for staff to ask on November 17 in order to receive Council direction and begin negotiation of the Development Agreement?
- The above question was changed to be: With what is currently on the table; the draft EIR, draft FIA, Planning Commission input to date, public input to date and the developer's application content; is the Council willing to have the City enter into a good-faith negotiation effort with the developer with the following caveats (to be determined on the 17th)?
 - Are you willing to consider approving a project of the proposed size?
 - If yes, are there any caveats needed to consider to approve a project of the proposed size?
 - If no, what aspect(s) of the proposed size would need to change to consider approving the project?
- Would the Council like the Planning Commission to weigh in on the previous question at a special Commission meeting on November 9 and report back to the Council at the November 17 meeting?
 - By consensus of the Council, they would like the Commission to weigh in on the questions.
- Is there any additional information that the Council needs to be able to answer the first question on November 17?
 - The Council wanted the following additional information:
 - What is the development agreement negotiating process going to look like and what are the qualifications of the City's negotiating team?
 - What is the best way to structure the discussion of public benefits and project benefits?
 - What types of permanent/non-construction jobs could be expected from this proposal?

- What are the current rents for Class A office?
- What amount of sales tax is currently generated in Bohannon East compared to the rest of M-2 and the rest of the City?
- What else can be done to further minimize traffic impacts or improve traffic flow?
- What were the guaranteed revenues in the Sun Microsystems Development Agreement?

A. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS – None

B. PRESENTATIONS AND PROCLAMATIONS – None

C. PUBLIC COMMENT #1 – None

D. CONSENT CALENDAR

1. Approval of the City of Menlo Park Statement of Principles for High Speed Rail ([Staff report #09-151](#))

The item was pulled by Fergusson for purposes of the discussing the alignments.

Councilmember Cohen and City Attorney McClure are recused and vacated the Council chambers at 11:11 p.m.

Action: Motion and second (Cline/Robinson) and passed 4-0 to approve the Statement of Principles for High Speed Rail with the changes and to bring back a letter for approval on November 10, 2009.

2. Acceptance of Council minutes for the meetings of August 25, 2009, September 1, 2009 and October 20, 2009 ([Attachment](#)) (Amendments)

Action: Motion and second (Boyle/Fergusson) which passed unanimously approving the minutes with the submitted changes.

E. PUBLIC HEARINGS

1. Community Development Agency Board adoption of the proposed Redevelopment Implementation Plan for the Las Pulgas Community Development Project Area, FY 2009/2010 - FY 2014/2015 ([Staff report # 09-148](#)) (Open and continue Public Hearing to November 10, 2009)

The public Hearing was opened and there were no comments.

Action: Motion and second (Cline/Fergusson) which passed unanimously to continue the Public Hearing to November 10, 2009.

F. REGULAR BUSINESS – None

G. CITY MANAGER'S REPORT – None

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS

1. Review of the City's investment portfolio as of September 30, 2009
([Staff report #09-152](#))
2. Quarterly financial review of General Fund operations as of September 30, 2009
([Staff report #09-153](#))

Mayor Robinson left the meeting at 11:35 p.m.

J. COUNCILMEMBER REPORTS

1. Report from the City Council Subcommittee on High Speed Rail

K. PUBLIC COMMENT #2 – None

L. ADJOURNMENT at 11:39 p.m.

Margaret S. Roberts, MMC
City Clerk

The minutes were accepted at the Council meeting of December 15, 2009