



**CITY COUNCIL
COMMUNITY DEVELOPMENT AGENCY
REGULAR MEETING MINUTES**
Tuesday, November 17, 2009 at 7:00 p.m.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers

The Council convened at 7:00 p.m. with Council Members Cohen and Fergusson absent and all other members present.

PLEDGE OF ALLEGIANCE – Led by Mayor Robinson

ANNOUNCEMENTS

- City is accepting applications for the Housing Commission and the Finance & Audit Committee – Deadline December 4th

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

B. PRESENTATIONS AND PROCLAMATIONS

1. Proclamation and presentation on the 2010 Census initiatives ([Attachment](#))

The proclamation was received by Margot Grant, Census Coordinator with the County of San Mateo. She also gave a PowerPoint presentation.

Council Member Fergusson arrived at 7:09 p.m.

C. PUBLIC COMMENT #1

- Marilu Serrano – spoke about the Belle Haven School / Ravenswood School District

D. CONSENT CALENDAR

1. Adopted **Resolution No. 5895** approving the Memorandum of Understanding (MOU) between the City of Menlo Park and agencies within the San Mateo and San Francisco Counties for records data sharing within the West Bay Information Sharing System (WBISS); and authorizing the City Manager and Chief of Police to sign on behalf of the City of Menlo Park, the MOU allowing the Menlo Park Police Department to become of member of West Bay Information Sharing System (WBISS) ([Staff report #09-156](#))

Action: Motion and second (Boyle/Fergusson) which passed unanimously approving the Consent Calendar.

E. PUBLIC HEARINGS

1. Adoption of a Resolution accepting the Fiscal Year 2009-10 State Supplemental Local Law Enforcement Grant (COPS Frontline) in the amount of \$100,000; and approval of a request to use the funds in support of specific technology initiatives ([Staff report #09-155](#))

Staff presentation by Management Analyst, Susan Tsai

Mayor Robinson opened the Public Hearing

Action: Motion and second (Boyle/Cline) which passed unanimously to close the Public Hearing.

Action: Motion and second (Robinson/Cline) which passed unanimously to adopt **Resolution No. 5896** accepting Fiscal Year 2009-10 State Supplemental Local Law Enforcement Grant (COPS Frontline) in the amount of \$100,000; and approving use of the funds in support of specific technology initiatives

F. REGULAR BUSINESS

1. Provide comments on the Menlo Gateway (Bohannon Hotel & Office) proposal located at 101 to 155 Constitution Drive and 100 to 190 Independence Drive in order to guide negotiations of the proposed Development Agreement and adopt a Resolution authorizing the City Manager to execute amendments to the contract with Bay Area Economics (BAE) for potential additional fiscal and economic consulting services with funding provided by the project applicant ([Staff report #09-163](#))

Public comments:

- Henry Riggs on behalf of the Planning Commission – Gave a summary of the Planning Commission's concerns, comments and suggestions on the project
- Mr. Bohannon, project applicant – Spoke to the carbon neutrality issues
- William Nack – Building Construction Workers spoke in favor of the project
- Victor Torreano – Spoke on behalf of the sheet metal workers union in favor of the project
- Angie Simon – Western Allied Mechanical spoke in favor of the project
- Mike Swanson – Plumber Steam Fitters Union spoke in favor of the project
- Richard Stamper – Resident of Belle Haven for 52 years spoke in favor of the project
- Mark Leach – Electrical Workers of San Mateo County spoke in favor of the project
- Laurita Wheeler – spoke in support of the project
- Nancy Cash – spoke in support of the project
- David Howard – spoke in support of the project
- Fay Hintzen – Mt. Olive Church spoke in favor of the project
- Vincent Bressler – cut the parking in half, have an outside witness to the negotiations and have it recorded and made public
- Steve Kennedy – spoke to photo voltaic lighting
- Ev Gonzalez – spoke to photo voltaic lighting
- Patti Fry – not a great project but it could be and the M-2 needs a plan first
- Gail Slocum – go into negotiations, have report backs and a clear process and a two member subcommittee of the Planning Commission
- Katie Ferrick – spoke to the carbon footprint issues, parking garages and the opportunity for growth this project has for Menlo Park

The Council took a break from 9:23 to 9:33 p.m.

Action: By consensus of the Council, direction was given for the city to enter into good faith negotiations with the developer with caveats. A summary of the Council member's caveats is included in a separate attachment.

Action: Motion and second (Fergusson/Robinson) which passed unanimously approving **Resolution No. 5897** authorizing the City Manager to execute amendments to the contract with

Bay Area Economics (BAE) for potential additional fiscal and economic consulting services with funding provided by the project applicant.

2. 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 – None

G. CITY MANAGER'S REPORT – None

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS – None

J. COUNCILMEMBER REPORTS

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

K. PUBLIC COMMENT #2 – None

L. ADJOURNMENT – 11:56 p.m.

Margaret S. Roberts, MMC
City Clerk

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

Menlo Gateway Development Agreement
Summary of City Council Caveats for Entering into Good-Faith Negotiations
11/17/09

Scale/Traffic/Greenhouse Gases

Boyle

- Not necessarily interested in reducing parking, but interested in improving the aesthetics of the parking structures by improving the design.
- Concerned about whether the traffic and greenhouse gas emission goals are achievable; what would the framework be for the negotiating team and the developer?
- In order to reduce trips further, pursue increases in shuttle use by enhancing overall shuttle service and connections to other systems (e.g., Stanford's Margueritte).
- Explore new exit off 101 Northbound.
- Consider a bike bridge that crosses the railroad tracks from the Onetta Harris Center to Chilco Street as a potential benefit.

Cline

- Would like some flexibility in the future in case there is not a need for the amount of office that has been proposed (700,000 square feet).
- Apply some creativity and vision to the parking structures; think about Zipcars, hybrids, carpools, etc.
- Likes the 50% trip reduction goal (should set a high bar for staff to try its best) and should include a high standard of "clawbacks".
- Fine with the term "approach" for carbon neutrality.
- Wants flexibility to deal with a potential future problem of US 101 and surrounding streets turning into a parking lot.
- Would like to focus traffic mitigations on the Middlefield Road corridor.

Robinson

- Agrees with Cline's comments and appreciates Boyle's comments.
- Craft a goal that pushes the envelope of what is doable.
- TDM would usually result in a 5-10% reduction maximum, so a 50% reduction is a great goal for reducing greenhouse gases, but reluctant about drawing a line in the sand.
- Building housing would reduce trips; alternatively could strive to reduce vehicle miles traveled (VMT) of current re-directed trips.
- Parking structures should be as aesthetically pleasing as possible.
- Concerned about traffic on feeder roads and Marsh Road/US 101 interchange.
- Observes consensus for being aggressive in terms of reduction of trips and greenhouse gas emissions, but not on how specific the reductions should be.
- OK with non-local offsets of greenhouse gas emissions given the bang for the buck associated with preserving carbon sinks elsewhere.

Fergusson

- Reduce traffic and traffic-related impacts so that they are at or below the impacts associated with Alternative 3.
- The 38% trip reduction (or 6,906 net new trips) could result from TDM and/or from a reduction in project size.
- Echo previous comments about the parking structures. Don't build them all; reduce size; phase implementation so that only the minimum number of spaces that are absolutely necessary are built.
- Has serious issues with the site layout on Constitution; would like to see the parking structures "behind" the buildings, especially if the transmission lines go underground.
- OK with the term "approaching" carbon neutrality, but would prefer that the project "be" carbon neutral; the project should definitely mitigate to a less than significant level.
- Thinks reduction targets (i.e., a specific number) should be provided.

Cohen (as communicated by Council member Fergusson)

- Reduce traffic by 50%.

Housing

Fergusson

- Planning Commission recommendation is spot on – locating housing near jobs reduces carbon footprint.

Robinson

- A great way to reduce trips would be to have 50% of the employees live on-site.

Boyle

- Likes the idea of housing (or sports fields), but not a "Big 3" issue, which are revenue, traffic and climate change.

Cline

- Would like to start with land and figure out use later – maybe not housing.

Cohen (as communicated by Council member Fergusson)

- Provide housing, at least land for housing

Timeline

Fergusson

- Include milestones for reasonable progress.
- Include a phasing plan so that the City gets benefits sooner rather than later.
- Develop project in as rapid a manner as economically feasible.

- Encourage R&D/lab uses to reduce trips, even though water resources may be required. R&D/lab is a reasonable use for water resources.

Boyle

- Timely, guaranteed revenue with two sub-points:
 - City to maintain transfer rights;
 - Ensure that hotel is built in the first phase.
- Include a mechanism to receive revenues within a few years (e.g., in year 3 or 4) or similar timeframe like the Sun Microsystems Development Agreement.
- Consider a 5-year term with options to renew.
- Sales tax in lieu or a percentage of gross rents may be worth exploring, but it is complicated.

Cline

- Concurs with Boyle.
- Guaranteed revenue should be for the life of the project, not just a term.
- There should be “clawbacks” as disincentives for doing nothing.
- Assess whether traffic metrics can be improved.
- Discuss the types of potential offices uses in order to find a way to encourage a percentage of sales oriented uses.

Robinson

- Likes what he has heard from others.
- Certain aspects of the agreement should tie the hands of future Councils and should be set in stone.
- Incentivize revenue producing office uses and discuss revenue in lieu of sales tax.

Cohen (as communicated by Council member Fergusson)

- Provide guaranteed income stream besides the hotel.
- Complete in 5 years, start in 1 year, and build the hotel first.

Context

Fergusson

- Would like to see this area as a destination; therefore, needs to connect to the Haven Area.
- Corner of Marsh Road and Bayfront Expressway, with its adjacency to Bayfront Park and Bay views is a gateway / landmark / “signature” / defining location; one element of the project with the potential as a gateway feature befitting the importance of the location is the hotel.
- In order to achieve the vision, the transmission lines must be placed underground. What happens to the transmission lines here sets a precedent for all future Bayfront development.

- Retail services reduce trips.
- Explore pedestrian overpass of Bayfront Expressway.

Cline

- Look into Belle Haven needs, such as bike paths and access routes.
- Look into retail services in the project area or elsewhere.
- Look into a library for Belle Haven.
- Provide better connections to bay trails and parks.
- Consider opening the tunnel to the Sun Microsystems campus at Willow Road.

Boyle

- Fergusson's and Cline's comments are all things to try for, but the "Big 3" are revenue, traffic, and climate change; housing is at the next level.

Robinson

- Concur with previous comments.
- Would like to put the power lines underground whenever possible.
- Explore on-site retail services.
- Increase shuttle use as part of TDM for the area.
- Explore enhanced bus service for commuters from the East Bay crossing the Dumbarton Bridge.
- Consider upgrades to Bayfront Park, such as pathway improvements, as an extension of the health club.

Benefits

Cline

- Refer to comments from previous meeting.
- Likes the idea for a local library.
- Mitigations and benefits are two different things.

Robinson

- Pursue benefits that have a nexus to the project.

Boyle

- Invest in Dumbarton corridor transit, such as express buses across the bridge.

Fergusson

- Child care can reduce trips.
- Increase connectivity to the Bay Trail; local Menlo Park improvements should complement/tie into the East Palo Alto Waterfront Access Plan's system of open space, trails, public access, and restoration.
- Pursue more native species at Bayfront Park to create an upland habitat to complement the Don Edward National Wildlife Refuge.

- Additional recreation fields would be good.
- Willing to consider a larger conference component to the hotel.
- Incorporate the ability to utilize recycled water for irrigation and inside the building in the future.