



CITY COUNCIL SPECIAL AND REGULAR MEETING MINUTES

Tuesday, February 14, 2012 at 6:00 p.m.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers

Mayor Keith called the Closed Session to order at 6:04 p.m.
Council Member Fergusson arrived at 6:20 p.m.

- CL1.** Pursuant to Government Code Section 54957.6 to conference with labor negotiators regarding labor negotiations with the Service Employees International Union (SEIU)
Attendees: Starla Jerome-Robinson, Interim City Manager, Bill McClure, City Attorney and Glen Kramer

There were no members of the public present to comment on the Closed Session item.

Mayor Keith called the Regular Session to order at 7:22 p.m. with all members present.

The pledge of allegiance was led by Mayor Keith.

REPORT FROM CLOSED SESSIONS

There was no reportable action from Closed Session.

ANNOUNCEMENTS:

There will be a special meeting on Saturday, February 25, 2012 regarding Trees for Menlo and more information will be forthcoming with the agenda posting.

A. PRESENTATIONS AND PROCLAMATIONS

- A1.** Presentation: Honoring the Youth of the Year nominees and winner for the Boys and Girls Club Awards ([Attachment](#))

Mayor Keith presented a Certificate of Excellence to Mark Johnson, and Diante Davenport. Tajianna Robinson was also honored although not able to attend the meeting.

Peter Fortenbaugh, Executive Director of the Boys and Girls Club spoke to the Council regarding the program in Menlo Park.

- A2.** Presentation: Police Department Operations Update
Staff presentation by Chief Roberts ([PowerPoint](#))

B. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS

- B1.** Environmental Quality Commission quarterly report on the status of the 2-Year Work Plan Commission report presented by Chair Mitch Slomiak

- B2.** Consider applicants for appointment to fill two vacancies on the Housing Commission
([Staff report #12-023](#))

Staff presentation by Margaret Roberts, City Clerk

ACTION: Council Member Fergusson nominated Brigid VanRandall and Patrick DeWitt, Council Member Cline nominated Julianna Dodick and Council Member Ohtaki nominated Stuart Soffer.

ACTION: Council Member Fergusson voted for Patrick DeWitt; Council Members Cline and Keith voted for Julianna Dodick; Council Members Cohen and Ohtaki voted for Stuart Soffer; Brigid VanRandall received a unanimous vote and was reappointed to the Housing Commission.

ACTION: Council Members Cline, Keith and Fergusson voted for Julianna Dodick therefore being appointed to the Housing Commission.

C. PUBLIC COMMENT #1

- Tom Huggett spoke in support of Consent Item D3, funding for Habitat for Humanity.
- Michael Francois spoke regarding biochemical cremation.
- Adina Levin spoke regarding Consent Item D1, a comment letter on the Draft Bay Area to Central Valley High Speed Train
- Cilali Contreras a participant of Exploritory Experiences spoke in support of the Facebook Project.
- SuraTewolde a participant of Exploritory Experiences spoke in support of the Facebook Project.
- Maggie Creighton spoke in favor of Facebook and pointed out that Facebook is a good neighbor.

D. CONSENT CALENDAR

Mayor Keith suggested including the informational items with the Consent Calendar.

ACTION: Motion and second (Cline/Fergusson) to approve the Consent Calendar, except Item D2, and to accept the informational items as submitted passes unanimously.

D1. Authorize the City Manager to enter into an agreement with D&G Sports, Inc. to deliver and install equipment for the Arrillaga Family Gymnastics Center, in an amount not to exceed \$200,000, including contingency ([Staff report #12-024](#))

D2. Approve a comment letter on the Draft Bay Area to Central Valley High Speed Train partially revised Draft Program Environmental Impact Report ([Staff report #12-025](#))

NOTE: Council Member Cohen and City Attorney McClure announced their recusal due to the proximity of property and left the meeting at 7:59 p.m.

ACTION: Motion and second (Cline/Ohtaki) to approve the comment letter with modifications made during the meeting passes 4-0-1 (Cohen recused).

NOTE: Council Member Cohen and City Attorney McClure returned to the meeting at 8:01 p.m.

D3. Consider **Resolution No. 6047** authorizing an additional \$650,000 from the BMR Fund for the Habitat for Humanity Neighborhood Revitalization Program ([Staff report #12-022](#))

D4. Accept Council minutes for meetings of January 24, 30, and 31, 2012 ([Attachment](#))

I1. Quarterly financial review of General Fund operations as of December 31, 2011 ([Staff report #12-020](#))

I2. Review of the City's Investment Portfolio as of December 31, 2011 ([Staff report #12-021](#))

E. PUBLIC HEARINGS

E1. Consider an Appeal of a Planning Commission determination regarding the use of a portion of an existing accessory structure as a secondary dwelling unit on a property located at 116 O'Connor Street ([Staff report #12-026](#))

Note: This public hearing was continued from the January 24, 2011 City Council meeting
Staff presentation by Deanna Chow, Senior Planner

The Public Hearing was opened.

Public Comment

- Appellant Shannon Thoke presented her reasons for the appeal and to grandfather the structure. ([Documents](#))
- Charlie Bronitsky, appellant's attorney, stated this is not being run as a bed and breakfast, she is trying to get the building grandfathered in. When the unit was first used it was part of a chicken ranch within the County and could therefore not be conformed to a second dwelling unit. There is historic basis for granting the appeal.
- Scott Marshall, who resides diagonal to the rear of the house, stated that in the five-years he has lived there he has not experienced any difficulties.
- Russ Peterson stated that it is a simple request and supports the appellant.
- Manfred Kopisch has lived on O'Connor and has had unpleasant incidents with people staying at the bed and breakfast and spoke against the appeal.
- Jason Watson lives on O'Connor and stated it has been a rental for the past six months since he moved to the neighborhood and it is a long-term rental.
- PeiPei Yu Pollmann stated that as a Planning Commissioner she was the only no vote on the item. Previous owners had rented out the room and she would like the Council to side with the appellant.

ACTION: Motion and Second (Fergusson/Ohtaki) to close the Public Hearing (at 8:22 p.m.) passes unanimously.

Council Member Fergusson stated for the record that she confirmed that she is outside of the 500 foot conflict area and therefore able to participate.

ACTION: Motion and Second (Ohtaki/Fergusson) to continue the item for the City Attorney and the appellant's attorney to draft findings that this unit has been and should be considered a second dwelling unit.

ACTION: Friendly amendment (Cohen) to have the City Attorney and the Appellant's attorney Prepare proposed findings and bring the item back on consent. Amendment accepted by Ohtaki and Fergusson.

ACTION: Continue the item to have the City Attorney and the Appellant's attorney prepare proposed findings grandfathering in the structure as a second dwelling and to return on the Consent Calendar at a future Council meeting passes 3-2 (Cline and Keith dissenting).

This action incorporates the motion and the amendment.

- E2.** Approve the use permit and architectural control for the Sharon Heights Pump Station Replacement Project consisting of the demolition of the existing equipment and construction of a new 810-square-foot pump house in the same location for the three pumps and emergency diesel generator and removal of one heritage tree subject to the conditions of approval; and authorize the Interim City Manager to increase the existing rental agreement with DW Pumps to an amount not to exceed \$90,000
([Staff report #12-028](#)) ([PowerPoint](#))

Staff presentation by Matt Ocamou, Engineering Services Manager

The Public Hearing was opened and there were no public comments made.

ACTION: Motion and Second (Fergusson/Cline) to close the Public Hearing (at 9:22 p.m.) passes unanimously.

ACTION: Motion and Second (Cline/Fergusson) to approve the use permit and architectural control for the Sharon Heights Pump Station Replacement Project consisting of the demolition of the existing equipment and construction of a new 810-square-foot pump house in the same location for the three pumps and emergency diesel generator and removal of one heritage tree subject to the conditions of approval; and authorize the Interim City Manager to increase the existing rental agreement with DW Pumps to an amount not to exceed \$90,000 passes unanimously.

F. REGULAR BUSINESS

NOTE: Starla Jerome-Robinson, Interim City Manager announced she is recused from F1 due to her husband's employment and left the meeting at 9:24 p.m.

F1. Direction on the parameters for negotiating the Development Agreement for the Facebook East Campus located at 1601 Willow Road ([Staff report #12-029](#)) ([PowerPoint](#)) Staff presentation by Justin Murphy, Development Services Manager and Rachel Grossman, Associate Planner

Public Comments

- David Ebersman, Facebook's Chief Financial Officer made a presentation to the Council.
- Opha Wray, Mt. Olive AOH Church of God spoke in favor of the Facebook Project as the community will benefit from Facebook being in Menlo Park.
- Phillip Spalletta stated that the community has support of educated, well trained individuals with Facebook and he supports the project.
- Sharon Williams spoke in favor of the Facebook Project and they are good listeners and do everything they can to help the community.
- David Ibarra spoke in favor of the Facebook Project as he believes what they can do for the community.
- Kail Lubarsky, director of marketing at Job Train, stated she has been working with Facebook for over a year and pointed out that Facebook truly embraces the community and those in need.
- Nancy Cash stated that the Church is fully supportive of Facebook and urged the Council to move forward expediently with the development agreement. She urged the Council not to overburden Facebook in terms of public benefits.
- Adina Levin spoke regarding bicycle improvements to be considered for inclusion in the development agreement.
- William Nack stated that Facebook would put an existing complex from non-use to use and the expansion will provide hundreds of jobs. Mr. Nack urged the Council to not look to Facebook to solve all of the problems caused by the loss of redevelopment funds.
- Diana Reddy spoke in support of Facebook and read into the record a letter from the Housing Leadership Council. ([Letter](#))
- Andrew Boone supports the bicycle improvements to the routes to the Facebook campus to be included in the development agreement and provided a map for consideration. ([Map](#))
- Fran Dehn, Chamber of Commerce, urged the Council to approach the development agreement negotiations with the realization that Facebook is the public benefit.
- Jim Bigelow, Chamber of Commerce, requested the Council to keep in mind the Measure A Call for Projects through the County. Take a kind approach with Facebook and do not make them compensate for previously existing situations.

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.

F2. Council discussion and possible recommendation on four seats on the HEART Board that will be decided on at the City Selection Committee meeting scheduled for February 24, 2012 ([Staff report #12-027](#))

Council Member Cohen advised that he is withdrawing his name as he is not comfortable doing anything related to housing.

ACTION: By consensus the Mayor should vote for the candidates that had provided letters of interest.

F3. Consider 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

The informational items were taken out of order and included with the Consent Calendar.

J. COUNCILMEMBER REPORTS

Council Members reported on meetings attended in compliance with AB1234 reporting requirements.

K. PUBLIC COMMENT #2: None

L. ADJOURNMENT

The meeting was adjourned at 11:12 p.m.

Margaret S. Roberts, MMC
City Clerk

Minutes accepted at the Council meeting of February 28, 2012

**Facebook Campus Project Development Agreement
Summary of City Council Direction for Entering into Good-Faith Negotiations
February 14, 2012**

City Council considered the following parameters as outlined in the staff report for negotiating the Development Agreement for the Facebook East Campus Project located at 1601 Willow Road:

1. Provide a source of on-going revenue for as long as the land use entitlement to exceed 3,600 employees is in place.
2. Provide one-time items in the form of public improvements or studies that would benefit the surrounding area.
3. Provide a mechanism for funding programs and services that meet on-going community needs.
4. Pursue a commitment to fund housing opportunities in the City and surrounding region.
5. Pursue a trip cap penalty amount that is severe enough to ensure compliance with the project description.

In general, the Council expressed support for a realistic, reasonable and fair agreement and believed the parameters provided a good basic structure subject to the addition of the following individual comments:

Cline

- Development Agreement negotiations should focus on opportunities where [public-private] partnerships would create the greatest benefit.
- Affordable housing is the number one priority.
- Consider development of creative programs that can address the need for affordable housing through corporate cash management systems.
- There needs to be good access to and from the site related to bicycles, shuttles and nearby amenities.
- Dissolution of redevelopment agencies should not be factor in negotiations.
- Explore ways in which funds are contributed directly to community organizations with guidance from the City.
- Address traffic impacts and pursue means to enhance the transportation system.
- Community resources, such as recreational and senior facilities, related to potential impacts should be on the table for discussion.
- If possible, the state of the existing school districts serving Menlo Park should be part of the discussions.
- Consider opportunities for improving Flood Park.

Cohen

- Consider advertisement revenue as a source for the on-going revenue stream.
- Explore ideas to link the impacts of jobs to housing associated with the project.
- Factor in the implication of the State Housing Element requirements associated with the need to plan for new housing.
- Facebook should be viewed as a community partner and the negotiation process should not be adversarial.
- Facebook should support the development of affordable housing, but should not be responsible for addressing all City challenges related to this matter.
- Facebook should recognize City's obligation to maintain services and infrastructure.
- Consider the nearby marshlands as a place where some of the volunteer energy could be spent to assist in reducing greenhouse gases and improve wildlife habitats.
- East of 101 is a unique community and trust that Facebook understands the balance that needs to be achieved.

Fergusson

- City has been pursuing efforts to improve the quality of life in the area and the Development Agreement provides a catalyst to pull threads together to create a better outcome.
- Consider an on-site bus stop for the transit service across the Dumbarton bridge.
- Attachment A of the staff report that summarizes public benefit ideas to date is aspirational.
- Consider undergrounding of electrical transmission lines on property frontage along Bayfront Expressway on the West Campus.
- Provide the language for Bayfront Expressway landscaping agreement from the Menlo Gateway project as part of the discussion.
- Supports idea to explore possibilities related to the school districts.
- Provide transit shelters.
- Number one focus from the public benefit ideas is completing the Bay Trail gap.

Keith

- Supports concept of a foundation or on-going committee to address community needs.
- Trip cap penalty is important and would like to see other examples of trip cap implementation.
- Improved bicycle access to the site and work on the Bay Trail Gap are key and they have broad benefits.
- In-lieu fee is important and maybe it should be evaluated periodically.
- Shuttles are important.

- Focus more on the Ravenswood School District than the Menlo Park School District.
- Does not support funding improvements to Flood Park associated with this project.
- Landscape improvement to Willow Road is a great idea.
- Look to leverage dollars through C/CAG for items such as bus shelters.
- Likes the idea of job opportunities for local residents.
- Explore potential for on-site child care.

Ohtaki

- Highest priority is on-going revenue.
- Expressed a concern that the estimate of \$15,000 of taxable sales per employee in the Fiscal Impact Analysis is understated.
- Comparable development agreements in other communities such as San Mateo (e.g., Franklin Templeton), Los Gatos (e.g., Netflix) and South San Francisco (e.g., Genentech) should be considered.
- Focus on near term revenues related to the East Campus.
- Provide a mechanism for funding programs and services that meets on-going community needs, such as Community Foundation.
- Attempt to formalize the existing corporate volunteer efforts into an on-going program.
- Add a 6th parameter to recognize the City's lead agency role and responsibility to work with and address the concerns of other agencies and organizations, such as East Palo Alto and the Fire District.