



**CITY COUNCIL
SPECIAL AND REGULAR MEETING AGENDA**
Tuesday, March 10, 2015 at 4:00 PM
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025

4:00 P.M. CLOSED SESSION (1st floor Council Conference Room, Administration Building)

Public Comment on these items will be taken prior to adjourning to Closed Session

CL1. Closed Session pursuant to Government Code Section §54957:
Public Employee Performance Evaluation - City Manager

Attendees: City Manager Alex McIntyre, Jan Perkins

CL2. Closed Session pursuant to Government Code Section §54957.6 to conference with labor negotiators regarding labor negotiations with SEIU, AFSCME, Unrepresented Management

Attendees: City Manager Alex McIntyre, Assistant City Manager Starla Jerome-Robinson, City Attorney Bill McClure

6:30 P.M. STUDY SESSION

SS1. Update on the Menlo Gateway Project at 100-190 Independence Drive and 101-155 Constitution Drive including an overview of the new hotel and the project review process ([Staff Report #15-045](#))

7:00 P.M. REGULAR SESSION

ROLL CALL – Carlton, Cline, Keith, Mueller, Ohtaki

PLEDGE OF ALLEGIANCE

REPORT FROM CLOSED SESSION

ANNOUNCEMENTS

A. PRESENTATIONS AND PROCLAMATIONS

A1. Proclamation: Red Cross Month

A2. Proclamation recognizing Menlo School on its 100-year anniversary

A3. Presentation to delegation from Galway, Ireland

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

C. PUBLIC COMMENT #1

Under “Public Comment #1”, the public may address the Council on any subject not listed on the agenda and items listed under the Consent Calendar. Each speaker may address the Council once under Public Comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The Council cannot act on items not listed on the agenda and, therefore, the Council cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

D. CONSENT CALENDAR

D1. Adopt amended salary schedule for fiscal year 2014-15 ([Staff Report #15-043](#))

D2. Approval of \$2,070,000 transfer from unassigned fund balance to Strategic Pension Funding Reserve ([Staff Report #15-025](#))

D3. Approve minutes for the Council meeting of February 24, 2015 ([Attachment](#))

E. PUBLIC HEARING - None

F. REGULAR BUSINESS

F1. Approve the preferred alternative for the Santa Cruz Avenue Sidewalk Project between Olive Street and Johnson Street ([Staff Report #15-044](#))

F2. Accept the 2014-15 Mid-Year Financial Summary and appropriate \$85,000 in revenue from the Redevelopment Property Tax Trust Fund for expenditures related to the dissolution of the former Community Development Agency ([Staff Report #15-034](#))

G. CITY MANAGER’S REPORT – None

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS - None

J. COUNCILMEMBER REPORTS

K. PUBLIC COMMENT #2

Under “Public Comment #2”, the public if unable to address the Council on non-agenda items during Public Comment #1, may do so at this time. Each person is limited to three minutes. Please clearly state your name and address or jurisdiction in which you live.

L. ADJOURNMENT

<http://www.menlopark.org/AgendaCenter> and can receive e-mail notification of agenda and staff report postings by subscribing to the [Notify Me](#) service on the City's homepage at www.menlopark.org/notifyme. Agendas and staff reports may also be obtained by contacting the City Clerk at (650) 330-6620. Copies of the entire packet are available at the library for viewing and copying. (Posted: 3/5/2015)

At every Regular Meeting of the City Council, in addition to the Public Comment period where the public shall have the right to address the City Council on the Consent Calendar and any matters of public interest not listed on the agenda, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the Mayor, either before or during the Council's consideration of the item.

At every Special Meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the Mayor, either before or during consideration of the item.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available for inspection at the Office of the City Clerk, Menlo Park City Hall, 701 Laurel Street, Menlo Park, CA 94025 during regular business hours. Members of the public may send communications to members of the City Council via the City Council's e-mail address at city.council@menlopark.org. These communications are public records and can be viewed by any one by clicking on the following link: <http://ccin.menlopark.org>.

City Council meetings are televised live on Government Access Television Cable TV Channel 26. Meetings are re-broadcast on Channel 26 on Thursdays and Saturdays at 11:00 a.m. A DVD of each meeting is available for check out at the Menlo Park Library. Live and archived video stream of Council meetings can be accessed at <http://www.menlopark.org/streaming>. Persons with disabilities, who require auxiliary aids or services in attending or participating in City Council meetings, may call the City Clerk's Office at (650) 330-6620.

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COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: March 10, 2015

Staff Report #: 15-045

STUDY SESSION: Update on the Menlo Gateway Project at 100-190 Independence Drive and 101-155 Constitution Drive including an Overview of the New Hotel and the Project Review Process

RECOMMENDATION

Staff recommends that the City Council review and provide feedback on the Menlo Gateway project and the project review process.

At this meeting, no formal action will be taken by the City Council.

POLICY ISSUES

The policy issues for the City Council to consider are whether the project revisions are material changes to the uses outlined in Section 3 of the Conditional Development Permit and whether the revisions are within the City Manager's authority according to Sections 1.36 and 21.14 of the Development Agreement.

BACKGROUND

In June 2010, the City Council voted to approve the Menlo Gateway project, subject to voter approval of a ballot measure for the November 2, 2010 general election. The voters approved Measure T, and the project approvals became effective with the certification of the election results on December 7, 2010.

The project involved General Plan and Zoning Ordinance Amendments and a number of other approvals, including a Development Agreement, to allow the construction of an office, hotel, and health club development on two sites (referred to as the Independence Site and Constitution Site) located between US 101 and Bayfront Expressway adjacent to the Marsh Road interchange as shown in Attachment A. Additional information about the project is available on the City website at <http://www.menlopark.org/651/Menlo-Gateway-Project>

ANALYSIS

The applicant has requested a study session in order to provide an update on the project and introduce the new hotel operator (Ensemble Partners) and hotel brand (Marriott Autograph Collection). In addition, the applicant would like feedback regarding the process for reviewing the project revisions to accommodate the new hotel operator and a separate health and fitness center incorporated into the parking structure on the Independence site instead of the previously integrated hotel and health club program.

The applicant has provided a letter which discusses the hotel component of the project (Attachment B) as well as initial project plans (Attachment C). In addition, the applicant team will make a presentation at the Council study session.

The office component of the project comprised of approximately 700,000 square feet remains effectively unchanged except for updates to the architecture and slight adjustments to building placement.

The hotel/health club component of the project has been revised as follows:

- An increase in the number of hotel rooms from 230 to 250 plus a corresponding increase in projected annual transient occupancy tax (TOT) in 2020 of approximately \$1.1 million from \$2.2 million to \$3.3 million;
- An increase in the square footage of the hotel of approximately 20,000 from 173,000 to 193,000;
- A decrease in the square footage of the health and fitness component of approximately 29,000 from 69,000 to 40,000; and
- A net decrease in square footage of approximately 9,000.

Over the coming months, staff will review a number of details to insure that the revised project complies with the previous approvals and results in no new or increased impacts. This review would include a Planning Commission meeting as required by Section 8.12 of the Conditional Development Permit.

Both the Development Agreement and the Conditional Development Permit contemplated the fact that the applicant may need to pursue a hotel program other than the Marriott Renaissance ClubSport that was considered during the project approvals. A total of two such hotels were built and Marriott has since dropped the brand. Because the Renaissance ClubSport is no longer feasible, the applicant has found a substitute hotel that appears to meet, and exceed, the requirements of the Development Agreement in terms of quality and financial performance.

The Conditional Development Permit includes language regarding project modifications. The primary question is whether or not the changes to the hotel and health and fitness component outlined above constitute a “material change” to the uses listed in Section 3 of the Conditional Development Permit. Specifically, the question is whether the increase in the number of hotel rooms and hotel square footage and the decrease in health and fitness

square footage constitute a “change” in the approved use necessitating a formal amendment to the Conditional Development Permit. When looking at the project as a whole, especially the restrictions in place regarding maximum height, maximum floor area ratio and performance measures, such as energy and water consumption and trip limitations, staff is of the opinion that the revisions do not constitute a material change. As such, the Development Agreement enables the City Manager, in consultation with the City Attorney and City Council, to approve project modifications. This Council study session on March 10 serves as one step in the consultation process.

Prior to issuing a letter regarding compliance of the revised project to the previous approvals, staff will conduct a detailed review of the revised project and consider input from the Planning Commission. Staff believes that the following would serve as an appropriate process and timeline for memorializing the revisions to the project while having one more consultation with the City Council:

- City Council study session on March 10;
- Planning Commission study session on June 16;
- City Council consultation on July 14 or 21; and
- City Manager issues letter including findings and any applicable conditions in July.

If the Council believes there is no need for further consultation beyond the March 10 study session, then the Council could opt for the following alternate sequence of events that maintains the same timeline:

- City Council study session on March 10;
- City Council consent item on March 24 approving a process that authorizes the City Manager to issue a letter after the Planning Commission study session without further input from the City Council;
- Planning Commission study session on July 13 or 20; and
- City Manager issues letter including findings and any applicable conditions in July.

The City Manager letter would only be issued if the City Manager determines that the modifications to the project are substantially consistent with the existing project approvals and do not result in any new or increased environmental impacts.

Upon issuance of the letter, the project would then move forward with preparation of construction drawings and the submittal of building permits. The schedule outlined above would keep the project on track for a hotel occupancy targeted for 2018. Any delays to the schedule outlined above, would have a corresponding delay in the opening of the hotel due to financing considerations.

IMPACT ON CITY RESOURCES

The applicant is bearing the cost of staff time to review the revisions to the project in accordance with the Master Fee Schedule.

ENVIRONMENTAL REVIEW

Environmental review is not required for this study session. On June 15, 2010, the City Council adopted findings in accordance with the California Environmental Quality Act and certified the Environmental Impact Report (EIR) prepared for the project. Given that there may be minor revisions to the project as described above, additional analysis will be conducted to confirm that the project does not result in environmental impacts that were not already identified in the certified EIR. The Conditional Development Permit includes the performance metrics related to energy consumption, water consumption and trips that will help insure that the revised project is consistent with the EIR.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting. In addition, the City sent an email update to individuals who signed up for updates on projects in the Greater M-2 Area, notifying them that the City Council would be considering this item, and linking to the Menlo Gateway project page, which is available at the following location: <http://www.menlopark.org/651/Menlo-Gateway-Project> and which provides additional details about the proposal.

ATTACHMENTS

- A. Location Map
- B. Letter from PKF Consulting, dated February 19, 2015
- C. Revised Conceptual Project Plans

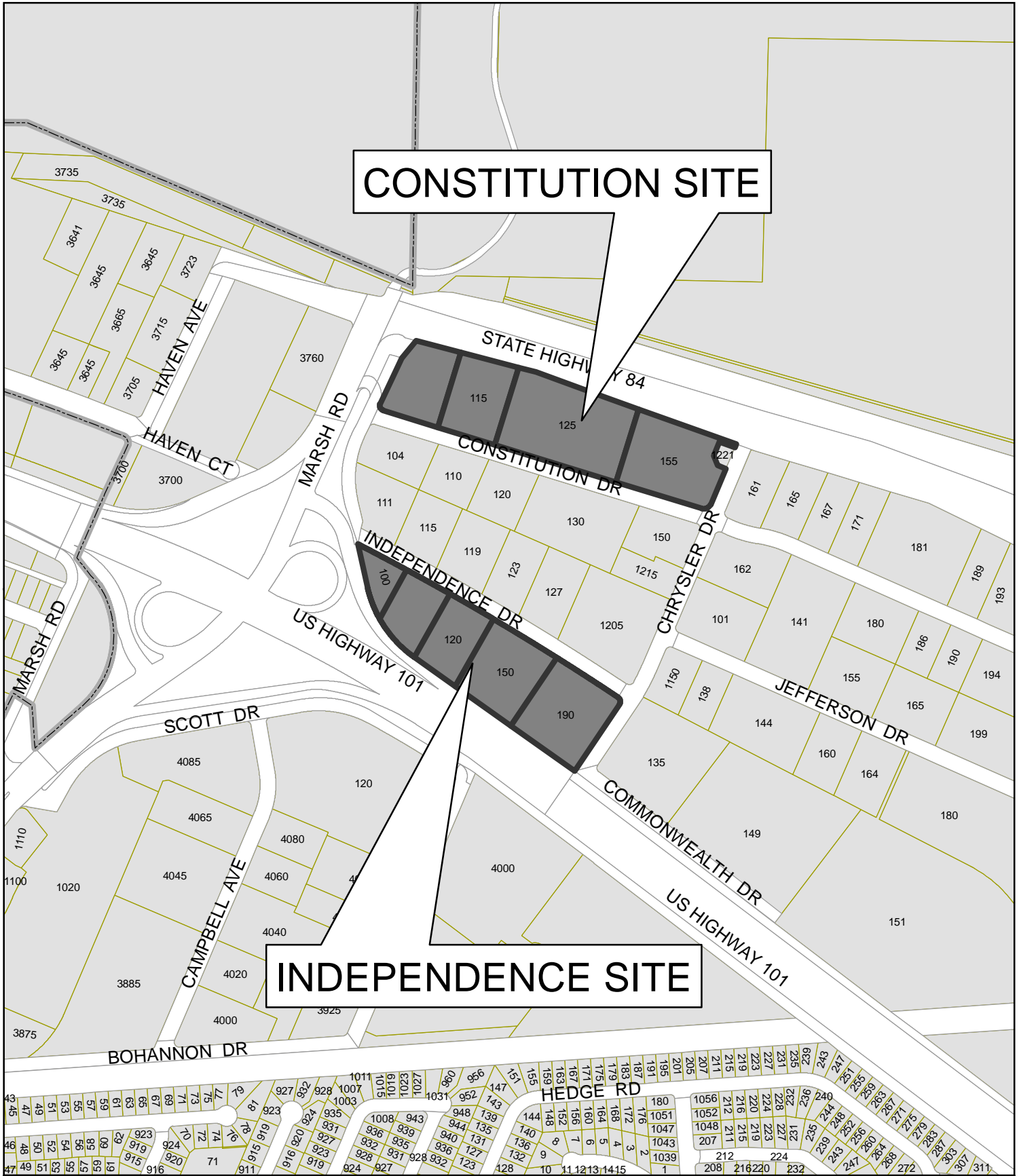
Report prepared by:

Justin Murphy

Assistant Community Development Director

CONSTITUTION SITE

INDEPENDENCE SITE



CITY OF MENLO PARK
 LOCATION MAP
 MENLO GATEWAY PROJECT

DRAWN: TAS CHECKED: THR DATE: 1/12/15 SCALE: 1" = 500' SHEET: 1



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February 19, 2015

Mr. David D. Bohannon
Bohannon Development Company
Sixty 31st Avenue
San Mateo, CA 94403

Re: Proposed Menlo Gateway Hotel – Menlo Park, California

Dear Mr. Bohannon:

As we understand it, the City of Menlo Park (the “City”) has asked that representatives of the Bohannon Development Company (“Bohannon”) provide a letter to the City responding to the following questions pertaining to current development plan for the proposed hotel to be located as a part of the planned Menlo Gateway mixed-use development:

- That a Renaissance ClubSport (“ClubSport”) hotel, which was the original hotel concept, is not currently commercially feasible;
- That the currently proposed hotel which will be affiliated with Marriott International as an Autograph Collection Hotel will be consistent with a AAA four diamond rating;
- That the proposed Autograph Hotel will generate revenue in the same range as originally proposed the ClubSport; and,
- That the proposed hotel will be affiliated with a national hotel brand.

Presented in the following paragraphs is a brief response to the above questions.

Feasibility of Original Renaissance ClubSport Concept: Renaissance ClubSport was a joint venture between Marriott International and Leisure Sports. The concept was to meld a Marriott Renaissance hotel with a major health and fitness club. Two of these facilities were developed, one in Walnut Creek, CA and the other in Aliso Viejo, CA during the 1990 and 2000 period. Due to limited developer interest as a result of the high capital cost of this concept, Marriott and Leisure Sports ended their joint venture in about 2012 and terminated all future development activities. Accordingly, no more ClubSport hotels will be developed and therefore the concept is not available for the Menlo Gateway project.

Is Marriott Autograph Collection Hotel a AAA Four Diamond Hotel: The Autograph Collection is Marriott International’s “soft brand”. A soft brand is a brand that lets a hotel operate under its own unique name and concept, while remaining tied into all of the marketing and reservations channels of a major hotel chain. The concept is that this allows the hotel to develop its own unique identity, but still benefit from the marketing power of a major hotel brand. Other soft brands include – Starwood Hotel’s Luxury Collection, Choice Hotel’s Ascend Collection and Hilton Worldwide’s Curio. Currently there are 61 Autograph Hotels open, with 46 under development or approved.

Marriott’s Autograph Collection is positioned within the industry in the lower luxury hotel segment, similar to W, Kimpton, InterContinental and Fairmont Hotels but above Westin, Renaissance and Marriott hotels. Accordingly, the brand is definitely considered “Four Diamond” level of quality. Examples of Autograph Collection Hotels include the following, all of which are rated Four Diamonds:

- Brown Palace Hotel in Denver, Co
- Epicurean Hotel in Miami, FL
- Boscolo Exedra in Rome
- St. Ermins Hotel in London
- Union Station Hotel in Nashville, TN
- Pier South Hotel in San Diego, CA
- Henry Hotel in Dearborn, MI
- Grand Bohemian Hotel in Orlando, FL
- Carlton in New York, NY

A presentation on Autograph Collection Hotels prepared by Marriott is appended to this letter.

Revenue Generation: Presented below is a table which shows the number of rooms, annual occupancy, average daily room rate (“ADR”) and total rooms revenue as forecasted by the developers for both the proposed ClubSport and the Autograph Collection Hotel for the year 2020.

Comparison of Projected Rooms Revenue for the Year 2020				
Hotel	Number of Rooms	Occupancy	ADR	Rooms Revenue
Renaissance ClubSport	230	78.0%	\$260.00	\$17,025,000
Autograph Collection	250	75.0%	\$377.44	\$25,902,000

As can be noted, the Autograph Collection Hotel is forecast to generate almost \$9.0 million more in room’s revenue than the ClubSport for that year.

Affiliation with a National Hotel Brand: As noted above, the Autograph Hotel Collection is one of Marriott International’s hotel brands, so it is part of a major national hotel brand.

PKF Consulting USA (“PKF Consulting”) appreciates this opportunity to be of service to you. Should you have any questions, or if we can be of further assistance, please do not hesitate to contact us.

Yours sincerely,

PKF Consulting USA
A Subsidiary of CBRE, Inc.



By: Thomas E. Callahan, CPA, CRE, FRICS, MAI
Senior Managing Director
thomas.callahan@pkfc.com | 415.772.0360
State of California Certified General
Real Estate Appraiser # AG009618

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FEBRUARY 20, 2015

BOHANNON DEVELOPMENT COMPANY

MENLO GATEWAY

MENLO PARK, CA

CONSTITUTION & INDEPENDENCE DRIVE SITES
AERIAL VIEW FROM BAYSHORE FREEWAY

HELLER MANUS ARCHITECTS **HM**



FEBRUARY 20, 2015

BOHANNON DEVELOPMENT COMPANY

MENLO GATEWAY

MENLO PARK, CA

CONSTITUTION & INDEPENDENCE DRIVE SITES
AERIAL VIEW FROM BAYFRONT EXPRESSWAY

HELLER MANUS ARCHITECTS **HM**



FEBRUARY 20, 2015

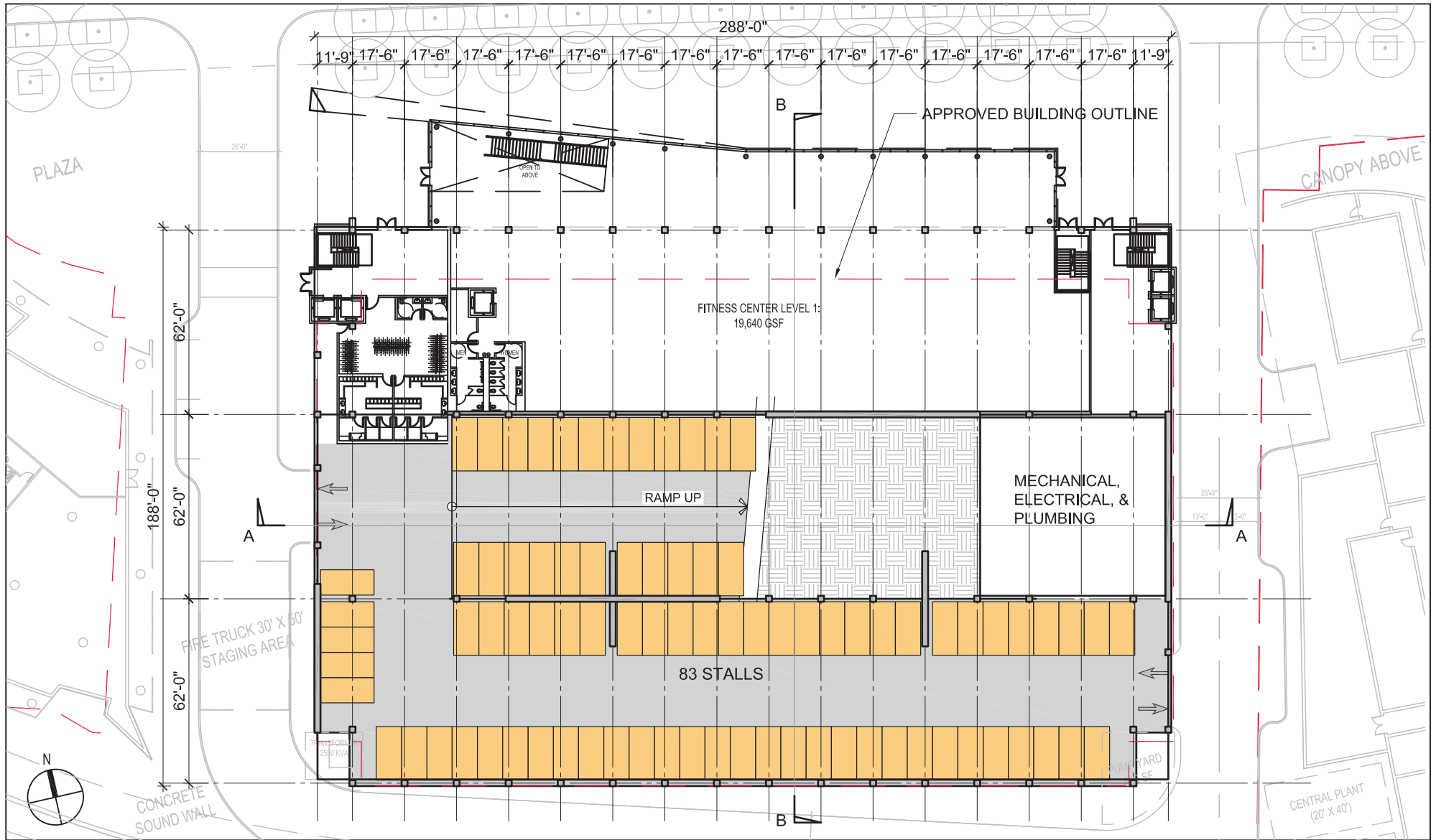
BOHANNON DEVELOPMENT COMPANY

MENLO GATEWAY

MENLO PARK, CA

INDEPENDENCE DRIVE SITE
AERIAL VIEW

HELLER MANUS
ARCHITECTS **HM**

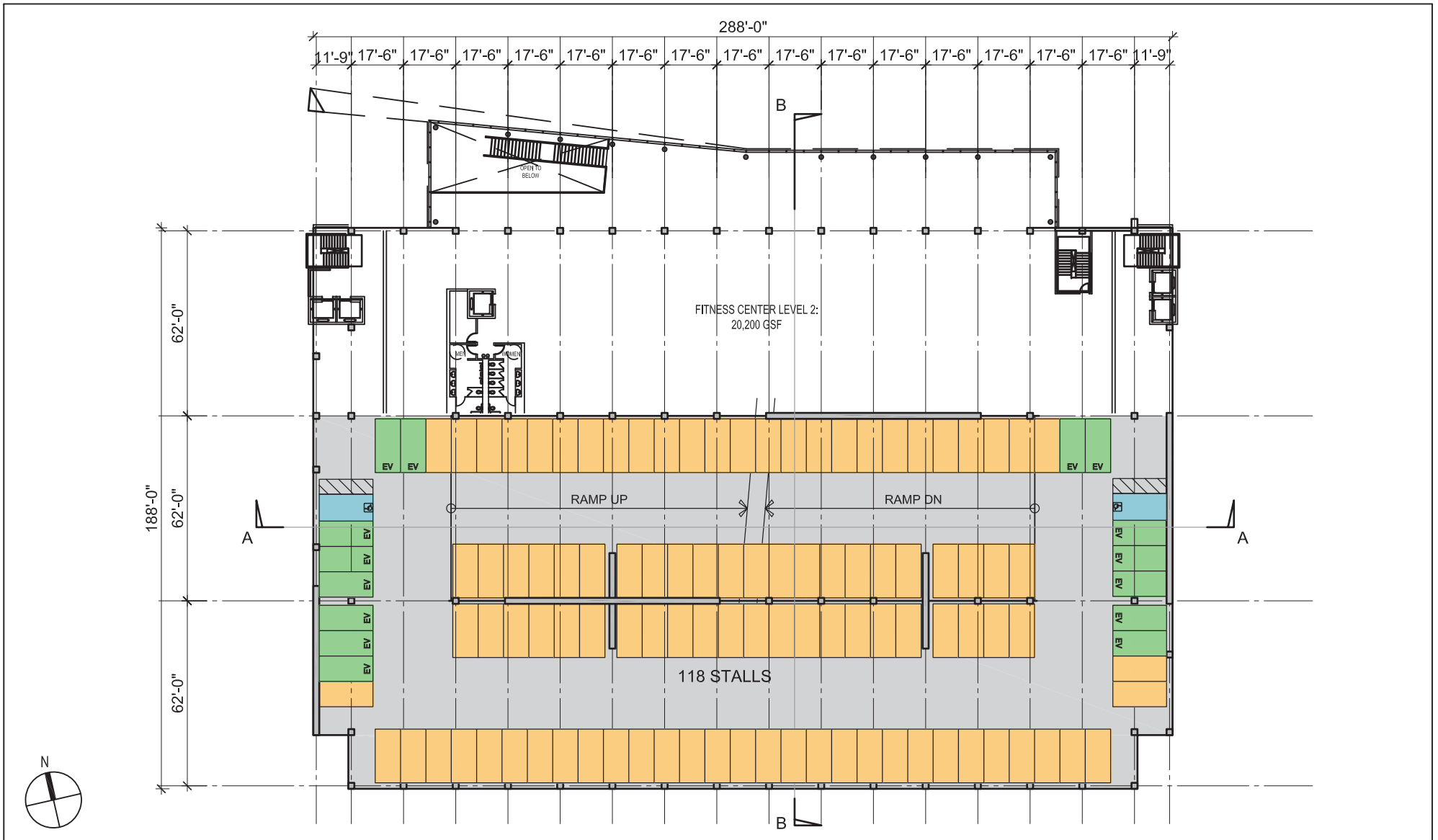


MARCH 2, 2015
 SCALE: 1"=30'-0"
 0 30' 60'

MENLO GATEWAY

INDEPENDENCE DRIVE - PARKING GARAGE 1
 GROUND LEVEL PARKING PLAN





MARCH 2, 2015
SCALE: 1"=30'-0"

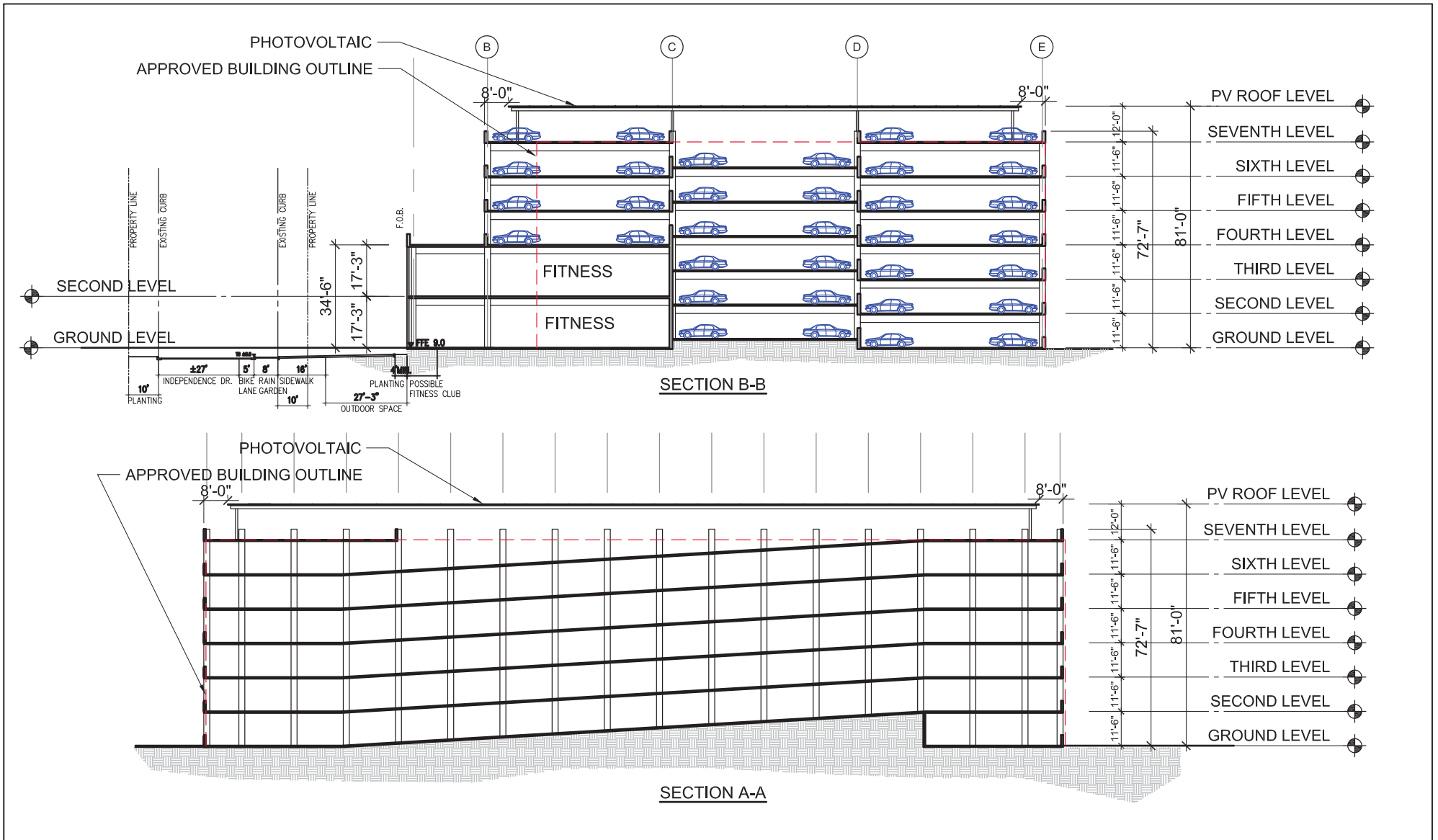
BOHANNON DEVELOPMENT COMPANY

MENLO GATEWAY

MENLO PARK, CA

INDEPENDENCE DRIVE - PARKING GARAGE 1
SECOND LEVEL PARKING PLAN





MARCH 2, 2015
SCALE: 1"=30'-0"



MENLO GATEWAY

INDEPENDENCE DRIVE - PARKING GARAGE 1
BUILDING SECTION

BOHANNON DEVELOPMENT COMPANY

MENLO PARK, CA





ENTRY VIEW



AERIAL VIEW



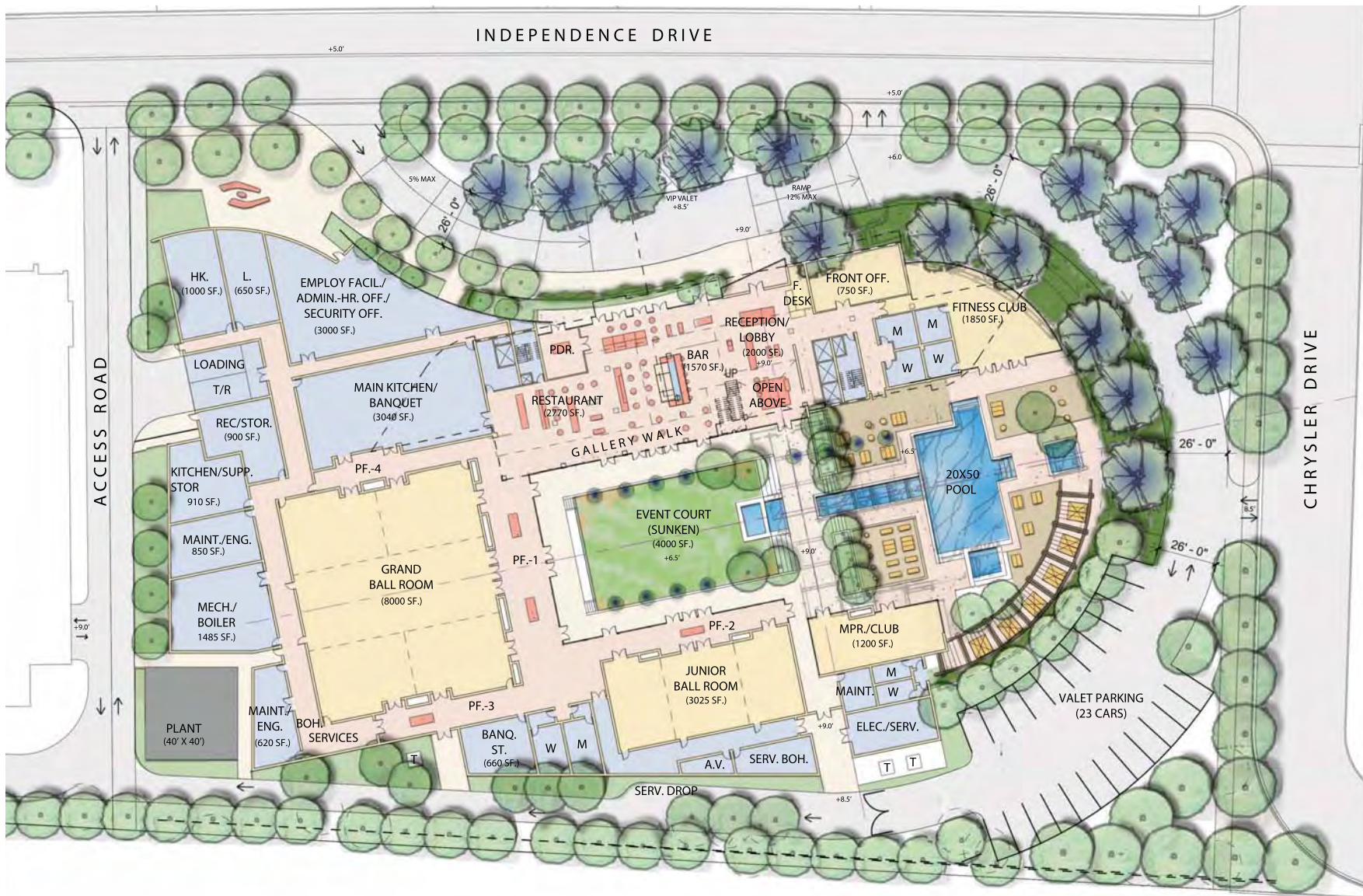
LANDSCAPE CONCEPT



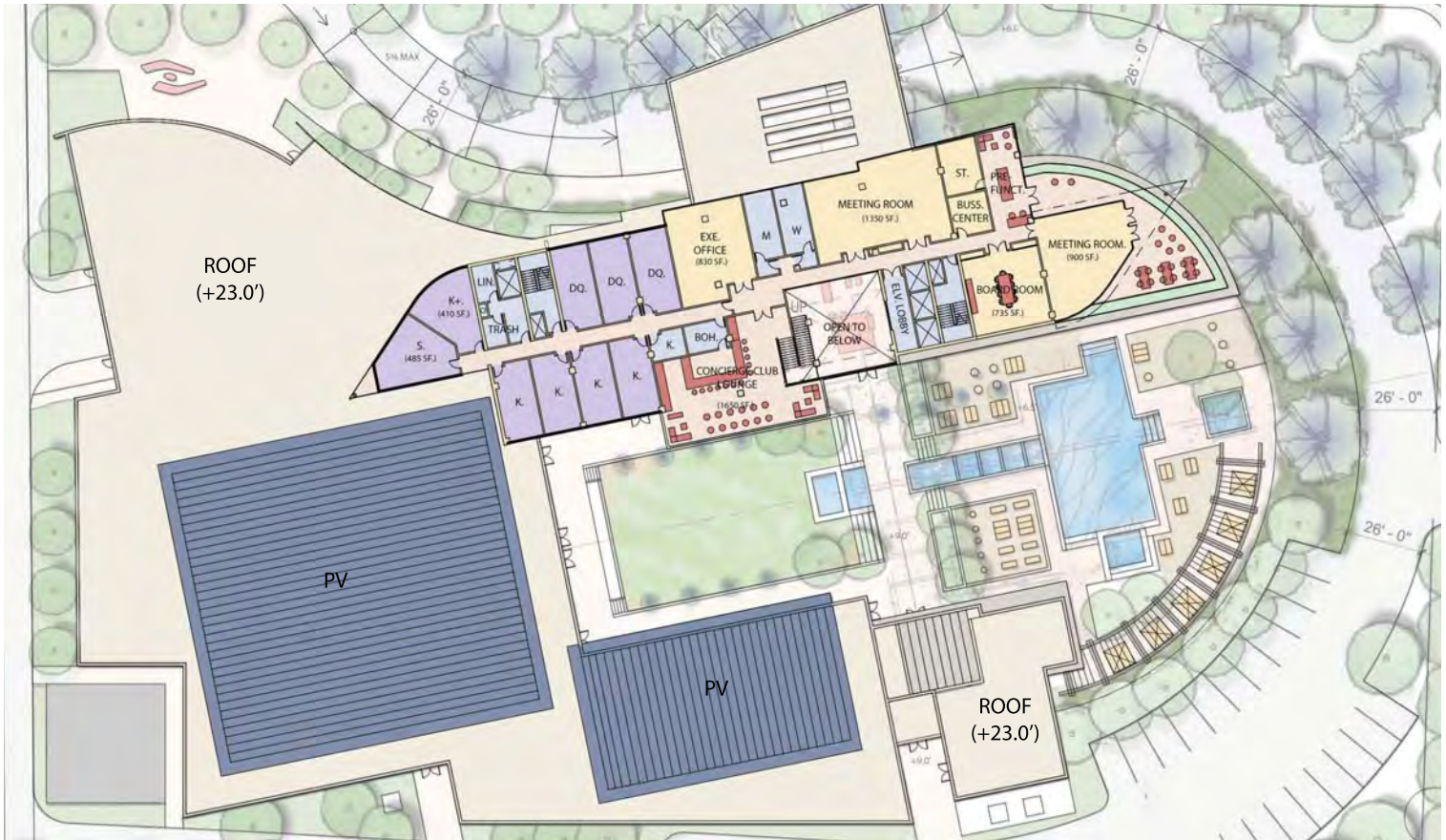
INDEPENDENCE SITE LANDSCAPE CONCEPT



SITE LANDSCAPE CONCEPT



SITE PLAN
scale: 1"=40'-0"



FLOATING LOUNGE



CONFERENCE TERRACES AND CLUB HOUSE



FLOOR PLAN - LEVEL 02
scale: 1"=40'-0"



FLOOR PLAN - LEVEL 03-10
scale: 1"=40'-0"

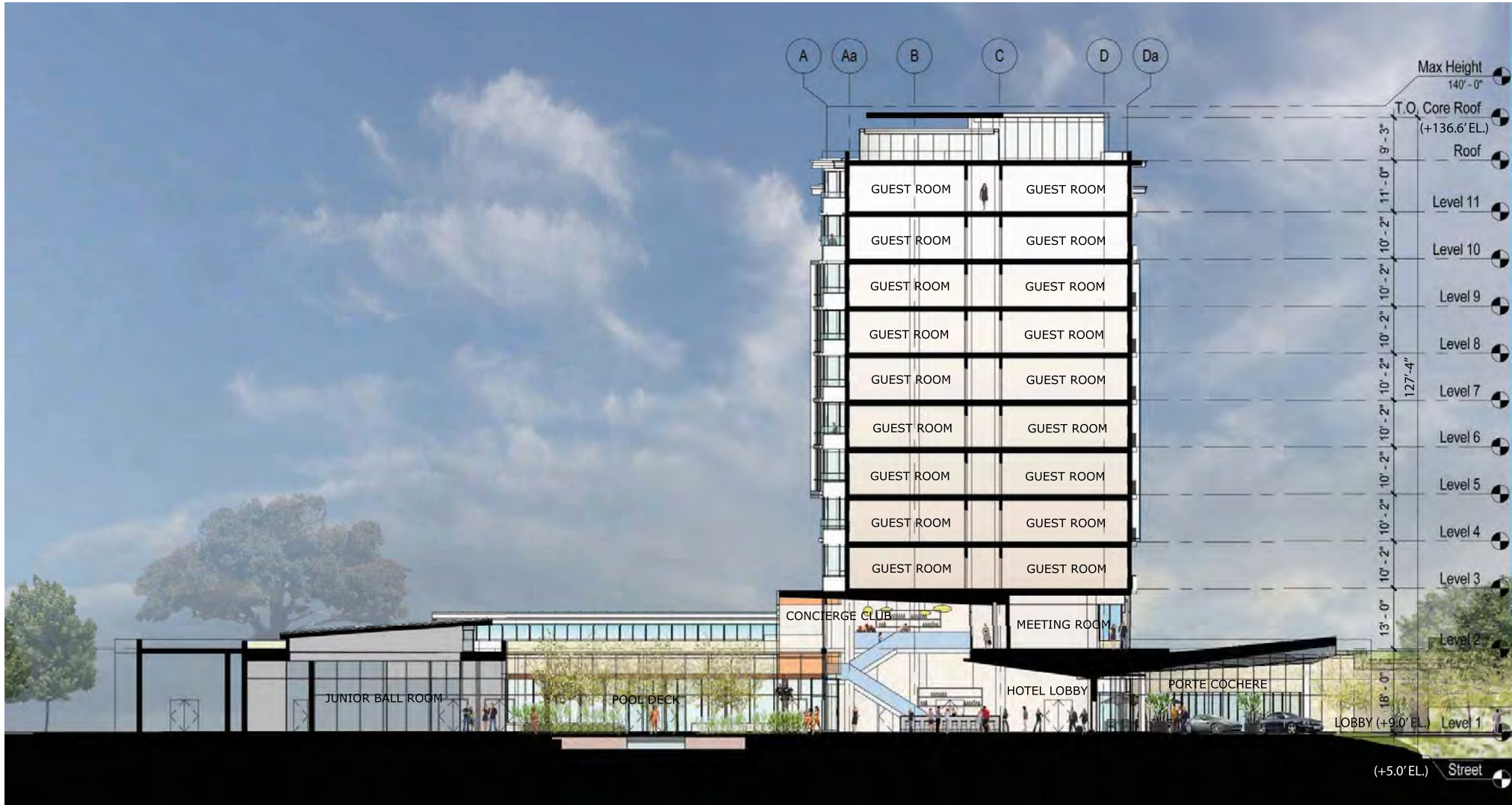


FLOOR PLAN - LEVEL 11
scale: 1"=40'-0"



ROOMS AND INTERIOR SPACES

FLOOR PLAN - LEVEL 03-11
scale: 1"=40'-0"



SECTION A
scale: 1"=20'-0"



HUMAN RESOURCES DEPARTMENT

Council Meeting Date: March 10, 2015

Staff Report #: 15-043

CONSENT CALENDAR: **Adopt Amended Salary Schedule for Fiscal Year 2014-15**

RECOMMENDATION

Staff recommends that the City Council adopt the amended Salary Schedule for Fiscal Year 2014-15 (Attachment A).

POLICY ISSUES

Adoption of an amended Salary Schedule is consistent with applicable State laws and regulations and represents no changes in City policy.

BACKGROUND

On August 19, 2014, the City Council adopted a Salary Schedule that reflected the current pay ranges as of August 10, 2014, for all City classifications consistent with Government Code 20636(b)(1) and California Code of Regulations (CCR) Section 570.5.

ANALYSIS

This amended Salary Schedule includes a correction of a typographical error to the pay rate for the City Manager classification and the addition of the new classification of Police Corporal.

IMPACT ON CITY RESOURCES

There are no impacts to City resources as a result of adopting the amended Salary Schedule.

ENVIRONMENTAL REVIEW

No environmental review is required.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

A. Salary Schedule Effective as of 03/01/15

Report prepared by:

Gina Donnelly

Human Resources Director

**City of Menlo Park Salary Schedule
(as of 03/01/15)**

ATTACHMENT A

Job Title	Employee Unit	FLSA	Top Step	MIN/Annual	MAX/Annual	MIN/Hourly	MAX/Hourly
Library Page	SEIU	N	E	24,211.26	28,899.66	11.6400	13.8941
Recreation Leader	SEIU	N	E	22,821.97	27,241.34	10.9721	13.0968
Senior Recreation Leader	SEIU	N	E	27,241.34	32,516.85	13.0968	15.6331
Recreation Aide	SEIU	N	E	29,153.49	34,799.02	14.0161	16.7303
Transportation Driver	SEIU	N	E	30,472.62	36,357.78	14.6503	17.4797
Library Clerk	SEIU	N	E	31,109.31	37,130.29	14.9564	17.8511
Senior Library Page	SEIU	N	E	31,109.31	37,130.29	14.9564	17.8511
Teacher's Aide	SEIU	N	E	31,851.66	37,962.70	15.3133	18.2513
Night Clerk	SEIU	N	E	33,292.69	39,701.79	16.0061	19.0874
Gymnastics Instructor	SEIU	N	E	33,988.03	40,571.23	16.3404	19.5054
Literacy Assistant	SEIU	N	E	38,787.01	46,388.37	18.6476	22.3021
Office Assistant I	SEIU	N	E	38,787.01	46,388.37	18.6476	22.3021
Child Care Teacher - Title 22	SEIU	N	E	42,453.22	50,796.72	20.4102	24.4215
Office Assistant II	SEIU	N	E	43,412.30	51,988.77	20.8713	24.9946
Program Assistant	SEIU	N	E	43,412.30	51,988.77	20.8713	24.9946
Library Assistant I	SEIU	N	E	44,379.09	53,135.26	21.3361	25.5458
Accounting Assistant I	SEIU	N	E	47,445.63	56,936.26	22.8104	27.3732
Building Custodian I	SEIU	N	E	47,445.63	56,936.26	22.8104	27.3732
Child Care Teacher - Title 5	SEIU	N	E	47,445.63	56,936.26	22.8104	27.3732
Office Assistant III	SEIU	N	E	47,445.63	56,936.26	22.8104	27.3732
Human Resources Assistant	Confidential	N	OR	47,445.63	56,936.26	22.8104	27.3732
City Service Officer	SEIU	N	E	48,502.48	58,271.41	23.3185	28.0151
Library Assistant II	SEIU	N	E	48,502.48	58,271.41	23.3185	28.0151
Maintenance I - Community Services	SEIU	N	E	48,502.48	58,271.41	23.3185	28.0151
Maintenance I - Parks	SEIU	N	E	48,502.48	58,271.41	23.3185	28.0151
Maintenance I - Streets	SEIU	N	E	48,502.48	58,271.41	23.3185	28.0151
Maintenance I - Trees	SEIU	N	E	48,502.48	58,271.41	23.3185	28.0151
Maintenance I - Water	SEIU	N	E	48,502.48	58,271.41	23.3185	28.0151
Maintenance I - Building Maintenance	SEIU	N	E	50,796.72	60,969.58	24.4215	29.3123
Accounting Assistant II	SEIU	N	E	51,988.77	62,393.55	24.9946	29.9969
Building Custodian II	SEIU	N	E	51,988.77	62,393.55	24.9946	29.9969
Secretary	SEIU	N	E	51,988.77	62,393.55	24.9946	29.9969
Library Assistant III	SEIU	N	E	53,135.26	63,863.49	25.5458	30.7036
Maintenance II - Parks	SEIU	N	E	53,135.26	63,863.49	25.5458	30.7036
Maintenance II - Streets	SEIU	N	E	53,135.26	63,863.49	25.5458	30.7036
Maintenance II - Trees	SEIU	N	E	53,135.26	63,863.49	25.5458	30.7036
Police Records Officer	SEIU	N	E	53,135.26	63,863.49	25.5458	30.7036
Community Development Technician	SEIU	N	E	54,417.79	65,325.10	26.1624	31.4063
Development Services Technician	SEIU	N	E	54,417.79	65,325.10	26.1624	31.4063
Water Service Worker	SEIU	N	E	54,417.79	65,325.10	26.1624	31.4063
Community Services Officer	SEIU	N	E	55,654.14	66,928.99	26.7568	32.1774
Contract Specialist	SEIU	N	E	55,654.14	66,928.99	26.7568	32.1774
Maintenance II - Building Maintenance	SEIU	N	E	55,654.14	66,928.99	26.7568	32.1774
Police Records Training Officer	SEIU	N	E	55,654.14	66,928.99	26.7568	32.1774
Property and Court Officer	SEIU	N	E	55,654.14	66,928.99	26.7568	32.1774
Environmental Programs Specialist	SEIU	N	E	56,936.26	68,398.30	27.3732	32.8838
Librarian I	SEIU	N	E	56,936.26	68,398.30	27.3732	32.8838
Custodial Services Supervisor	AFSCME	N	E	57,916.66	69,525.20	27.8445	33.4256
Engineer Technician I	SEIU	N	E	58,271.41	70,092.88	28.0151	33.6985
Traffic Engineering Technician I	SEIU	N	E	58,271.41	70,092.88	28.0151	33.6985
Administrative Assistant	SEIU	N	E	59,597.41	71,614.82	28.6526	34.4302
Gymnastics Program Coordinator	AFSCME	N	E	60,596.92	72,796.04	29.1331	34.9981

**City of Menlo Park Salary Schedule
(as of 03/01/15)**

Job Title	Employee Unit	FLSA	Top Step	MIN/Annual	MAX/Annual	MIN/Hourly	MAX/Hourly
Program Supervisor - Title 22	AFSCME	N	E	60,596.92	72,796.04	29.1331	34.9981
Program Supervisor - Title 5	AFSCME	N	E	60,596.92	72,796.04	29.1331	34.9981
Recreation Program Coordinator	AFSCME	N	E	60,596.92	72,796.04	29.1331	34.9981
Youth Services Coordinator	AFSCME	N	E	60,596.92	72,796.04	29.1331	34.9981
Deputy City Clerk	SEIU	N	E	60,969.58	73,399.46	29.3123	35.2882
Equipment Mechanic	SEIU	N	E	60,969.58	73,399.46	29.3123	35.2882
Maintenance III - Building Maintenance	SEIU	N	E	60,969.58	73,399.46	29.3123	35.2882
Maintenance III - Parks	SEIU	N	E	60,969.58	73,399.46	29.3123	35.2882
Maintenance III - Streets	SEIU	N	E	60,969.58	73,399.46	29.3123	35.2882
Maintenance III - Trees	SEIU	N	E	60,969.58	73,399.46	29.3123	35.2882
Maintenance III - Water	SEIU	N	E	60,969.58	73,399.46	29.3123	35.2882
Computer Support Technician	SEIU	N	E	62,393.55	75,048.27	29.9969	36.0809
Planning Technician	SEIU	N	E	62,393.55	75,048.27	29.9969	36.0809
Red Light Photo Enforcement Facilitator	SEIU	N	E	62,393.55	75,048.27	29.9969	36.0809
Librarian II	SEIU	N	E	63,863.49	76,929.42	30.7036	36.9853
Engineering Technician II	SEIU	N	E	65,325.10	78,624.00	31.4063	37.8000
Traffic Engineering Technician II	SEIU	N	E	65,325.10	78,624.00	31.4063	37.8000
Water Quality Technician	SEIU	N	E	65,325.10	78,624.00	31.4063	37.8000
Accountant	SEIU	N	E	66,928.99	80,595.84	32.1774	38.7480
Code Enforcement Officer	SEIU	N	E	66,928.99	80,595.84	32.1774	38.7480
Communications Officer	SEIU	N	E	66,928.99	80,595.84	32.1774	38.7480
Executive Secretary to the City Mgr	Confidential	X	OR	67,355.00	81,870.00	32.3822	39.3606
Assistant Planner	SEIU	N	E	68,398.30	82,380.48	32.8838	39.6060
Belle Haven Family Serv Pgm Mgr	AFSCME	X	E	69,525.20	83,679.04	33.4256	40.2303
Literacy Program Manager	AFSCME	X	E	69,525.20	83,679.04	33.4256	40.2303
Communications Training Officer	SEIU	N	E	70,092.88	84,449.25	33.6985	40.6006
Senior Engineering Technician	SEIU	N	E	70,092.88	84,449.25	33.6985	40.6006
Economic Development Specialist	SEIU	N	E	73,399.46	88,481.12	35.2882	42.5390
Building Inspector	SEIU	N	E	73,399.46	88,481.12	35.2882	42.5390
Construction Inspector	SEIU	N	E	73,399.46	88,481.12	35.2882	42.5390
Financial Analyst	SEIU	N	E	73,399.46	88,481.12	35.2882	42.5390
Lead Communications Officer	SEIU	N	E	73,399.46	88,481.12	35.2882	42.5390
Management Analyst	SEIU	N	E	73,399.46	88,481.12	35.2882	42.5390
Recreation Supervisor	AFSCME	X	E	74,599.47	89,879.01	35.8651	43.2111
Associate Planner	SEIU	N	E	75,048.27	90,453.58	36.0809	43.4873
Transportation Management Coord	SEIU	N	E	75,048.27	90,453.58	36.0809	43.4873
Business Manager - Development Serv	AFSCME	X	E	76,219.24	91,871.99	36.6439	44.1692
City Arborist	AFSCME	X	E	76,219.24	91,871.99	36.6439	44.1692
Facilities Supervisor	AFSCME	X	E	76,219.24	91,871.99	36.6439	44.1692
Fleet Supervisor	AFSCME	X	E	76,219.24	91,871.99	36.6439	44.1692
Parks and Trees Supervisor	AFSCME	X	E	76,219.24	91,871.99	36.6439	44.1692
Streets Supervisor	AFSCME	X	E	76,219.24	91,871.99	36.6439	44.1692
Assistant Engineer	SEIU	N	E	76,929.42	92,695.62	36.9853	44.5652
Librarian III	AFSCME	X	E	78,118.75	94,170.13	37.5571	45.2741
Revenue and Claims Manager	AFSCME	X	E	78,188.75	94,170.13	37.5907	45.2741
Water System Supervisor	AFSCME	X	E	79,873.28	96,269.40	38.4006	46.2834
Human Resources Analyst	Confidential	X	OR	80,143.47	96,559.00	38.5305	46.4226
Branch Library Manager	AFSCME	X	E	81,875.60	98,655.57	39.3633	47.4306
Senior Building Inspector	SEIU	N	E	82,380.48	99,343.50	39.6060	47.7613
Senior Planner	SEIU	N	E	82,380.48	99,343.50	39.6060	47.7613
Transportation Planner	SEIU	N	E	82,380.48	99,343.50	39.6060	47.7613
Support Services Manager	AFSCME	X	E	85,777.65	103,442.93	41.2393	49.7322
Associate Engineer	SEIU	N	E	86,321.66	104,156.42	41.5008	50.0752

**City of Menlo Park Salary Schedule
(as of 03/01/15)**

Job Title	Employee Unit	FLSA	Top Step	MIN/Annual	MAX/Annual	MIN/Hourly	MAX/Hourly
Plan Checker	SEIU	N	E	86,321.66	104,156.42	41.5008	50.0752
Environmental Programs Manager	AFSCME	X	E	87,677.16	105,730.64	42.1525	50.8320
Financial Services Manager	AFSCME	X	E	87,677.16	105,730.64	42.1525	50.8320
Police Officer	POA	N	E	89,677.95	109,004.06	43.1144	52.4058
Transportation Engineer	SEIU	N	E	90,453.58	109,202.70	43.4873	52.5013
Community Services Superintendent	Exec	X	OR	91,085.80	113,856.00	43.7913	54.7385
Public Works Superintendent	Exec	X	OR	91,085.80	113,856.00	43.7913	54.7385
Police Corporal	POA	N	E	96,515.95	117,315.74	46.4019	56.4018
City Clerk	Exec	X	OR	95,798.40	119,748.00	46.0569	57.5712
Children's Services Manager	AFSCME	X	E	96,269.40	116,223.91	46.2834	55.8769
Community Services Manager	AFSCME	X	E	96,269.40	116,223.91	46.2834	55.8769
Housing Manager	AFSCME	X	E	96,269.40	116,223.91	46.2834	55.8769
Technical Services Manager	AFSCME	X	E	98,655.57	119,104.37	47.4306	57.2617
Assistant to the City Manager	Exec	X	OR	98,870.40	123,588.00	47.5338	59.4173
Building Official	AFSCME	X	E	100,858.30	121,887.66	48.4896	58.5998
Senior Civil Engineer	AFSCME	X	E	100,858.30	121,887.66	48.4896	58.5998
Senior Transportation Engineer	AFSCME	X	E	100,858.30	121,887.66	48.4896	58.5998
Police Sergeant	PSA	N	E	108,146.50	131,452.74	51.9935	63.1984
Economic Development Manager	Exec	X	OR	108,787.20	135,984.00	52.3015	65.3769
Information Services Manager	AFSCME	X	E	110,853.17	133,984.83	53.2948	64.4158
Development Services Manager	AFSCME	X	E	110,853.17	133,984.83	53.2948	64.4158
Assistant Community Development Director	Exec	X	OR	113,021.80	141,276.00	54.3374	67.9212
Police Lieutenant	Exec	X	OR	122,333.80	152,916.80	58.8143	73.5177
Engineering Services Manager	Exec	X	OR	125,587.20	156,984.00	60.3785	75.4731
Transportation Manager	Exec	X	OR	125,587.20	156,984.00	60.3785	75.4731
Assistant Director of Public Works	Exec	X	OR	125,587.20	156,984.00	60.3785	75.4731
Human Resources Director	Exec	X	OR	132,058.60	165,072.00	63.4897	79.3615
Police Commander	Exec	X	OR	139,200.00	174,000.00	66.9231	83.6538
Library Services Director	Exec	X	OR	139,603.20	174,504.00	67.1169	83.8962
Community Development Director	Exec	X	OR	143,146.60	178,932.00	68.8205	86.0250
Finance Director	Exec	X	OR	143,338.60	179,172.00	68.9128	86.1404
Community Services Director	Exec	X	OR	145,104.00	181,380.00	69.7615	87.2019
Public Works Director	Exec	X	OR	147,034.60	183,792.00	70.6897	88.3615
Assistant City Manager	Exec	X	OR	151,373.80	189,216.00	72.7759	90.9692
Police Chief	Exec	X	OR	154,666.60	193,332.00	74.3589	92.9481
City Manager	Exec	X	OR	N/A	199,000.00	N/A	95.6731
City Attorney	Exec	X	OR	N/A	108,000.00	N/A	51.9231

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FINANCE DEPARTMENT

Council Meeting Date: March 10, 2015

Staff Report #: 15-025

CONSENT CALENDAR: **Approval of \$2,070,000 Transfer from Unassigned Fund Balance to Strategic Pension Funding Reserve**

RECOMMENDATION

Staff recommends the City Council approve the Finance and Audit Committee's recommendation to transfer an additional \$2,070,000 in unassigned fund balance to the strategic pension funding reserve.

POLICY ISSUES

Transferring \$2,070,000 from unassigned fund balance in the General Fund to the strategic pension funding reserve supports Council's policy to set aside funding for strategic opportunities to reduce the City's pension liability.

Taking this action will increase the balance in the strategic pension funding reserve to \$4 million.

BACKGROUND

When the Finance and Audit Committee met on October 23rd to review the unaudited year-end results, a proposal was made to increase the total amount of net surplus contributed to the new strategic pension funding reserve to \$3 million. Per the recently adopted policy, 25% of the net operating surplus from fiscal year 2013-14, or \$930,000, was added to the \$1 million already in this reserve, leaving this reserve with an ending balance of \$1,930,000 as of June 30, 2014. This proposal would increase the amount in this reserve to \$4 million by utilizing an additional \$2,070,000 of the net surplus that closed the fiscal year as unassigned fund balance. At that time, the Committee approved making a recommendation to the City Council to increase the total reserve to \$4 million; however, prior to making a formal recommendation to take this action, the Committee decided to review the results of the most recent pension actuarial studies from CalPERS. This review occurred at the Committee's January 8th meeting. At that time, the Committee confirmed its direction to staff to return to Council with a recommendation to transfer an additional \$2,070,000 from unassigned fund balance into the strategic pension funding reserve.

ANALYSIS

As of the most recent CalPERS actuarial valuation reports, the total market-value unfunded liability of the City's pension plans is \$37.2 million. To the extent that funds are available to transfer into the strategic pension funding reserve, the City has the opportunity to continue to proactively address its significant unfunded pension liability more aggressively than is required.

After reviewing the latest actuarial information and confirming the direction to proceed with recommending the transfer of an additional \$2,070,000 into the strategic pension funding reserve, Finance staff presented options for consideration with respect to the \$4 million reserve, along with the pros and cons of each option. Three options were presented: keep the funds in the City's reserves, send all or a portion of the funds to CalPERS, or place the funds in an irrevocable trust outside of CalPERS. The final option is an emerging opportunity that is not currently available, but staff has confirmed at least one financial services firm is working on developing such a trust. Putting all or a portion of the funds in an irrevocable trust potentially has advantages over keeping it in the City's reserves. Two advantages include restricting these funds to only be used for pension purposes while also being invested in instruments yielding higher returns than the City's investment portfolio. While the latter advantage subjects the City to market risk, just as would be the case if the City sent additional funds to CalPERS, utilizing an irrevocable trust outside of CalPERS would allow the City to choose an investment strategy that aligned with a level of risk at which the City is comfortable investing.

As noted, this option is not yet available, but indications are that it should be a viable option for the City at some point during 2015. The Finance and Audit Committee has directed Finance staff to continue to gather information on this option as it is being developed and report back on progress. Staff expects to be able to provide another update at the next Finance and Audit Committee meeting. Should Council choose to pursue this option once it is available for all or a portion of the funds in the strategic pension funding reserve, it will be important that a well-defined utilization policy also be developed. Doing this will ensure that once the funds are in an irrevocable trust for pension purposes that there is a plan established for how to maximize the benefit of the trust.

IMPACT ON CITY RESOURCES

There is no net impact on City resources, as these funds are being retained by the City and simply being transferred from one General Fund reserve to another General Fund reserve.

ENVIRONMENTAL REVIEW

No environmental review is required.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

None

Report prepared by:

Drew Corbett

Finance Director

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**CITY COUNCIL
SPECIAL AND REGULAR MEETING
DRAFT MINUTES
Tuesday, February 24, 2015 at 6:00 PM
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025**

6:00 P.M. CLOSED SESSION (1st floor Council Conference Room, Administration Building)

Mayor Carlton called the meeting to order at 6:00 p.m. Councilmember Cline arrived at 6:15 p.m.

There was no public comment.

- CL1.** Closed Session pursuant to Government Code Section §54957 to conference with labor negotiators regarding labor negotiations with the Police Officers Association (POA)

Attendees: Alex McIntyre, City Manager, Starla Jerome-Robinson, Assistant City Manager, Bill McClure, City Attorney, Gina Donnelly, Human Resources Director, Drew Corbett, Finance Director, Charles Sakai, Labor Attorney, Police Chief Bob Jonsen and Police Commander Dave Bertini

- CL2.** Closed Session pursuant to Government Code Section §54957 to conference with labor negotiators regarding labor negotiations with the Police Sergeants' Association (PSA)

Attendees: Alex McIntyre, City Manager, Starla Jerome-Robinson, Assistant City Manager, Bill McClure, City Attorney, Gina Donnelly, Human Resources Director, Drew Corbett, Finance Director, and Charles Sakai, Labor Attorney

7:00 P.M. REGULAR SESSION

Mayor Carlton called the meeting to order at 6:59 p.m. All Councilmembers are present. Staff present: City Manager Alex McIntyre, Assistant City Manager Starla Jerome-Robinson, City Attorney Bill McClure and City Clerk Pamela Aguilar

Mayor Carlton led the pledge of allegiance.

There was no reportable action from the Closed Session held earlier this evening.

ANNOUNCEMENTS

Assistant City Manager Starla Jerome-Robinson introduced Phase 1 of the Chambers technology upgrade featuring new touch screen monitors at the dias and monitors for viewing presentations.

The City is recruiting for vacancies on the Environmental Quality, Housing, Library, Parks & Recreation and Transportation Commissions. Applications are due to the City Clerk's office on March 27th. There are also 2 vacancies on the Planning Commission; applications to the Planning Commission are due on March 13th.

SS. STUDY SESSION

SS1. Provide feedback on a boutique hotel development at 1400 El Camino Real ([Staff Report #15-041](#))([Pollock presentation](#))([Hornberger presentation](#))

Economic Development Manager Jim Cogan introduced the item. Jeff Pollock of Pollock Realty Association made a presentation. Mark Hornberger of Hornberger and Worstell Architects made a presentation.

Council expressed support for the project and directed the City Manager, City Attorney and staff to meet with the applicant to develop financial options that may include TOT rebates and loans by which the City will be made whole. In addition, there was agreement that the architectural design should fit with the City's character of warmth and high quality.

A. PRESENTATIONS AND PROCLAMATIONS - None

B. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS

B1. Transportation Commission quarterly report on the status of their 2 Year Work Commission Chair Bianca Walser reported on the work of the commission regarding Santa Cruz Avenue sidewalks, NTMP, school outreach, Streetlight Program, electric vehicles and El Camino Real undercrossing.

C. PUBLIC COMMENT #1

- Jay Siegel spoke regarding the water bill tier structure and its impact on condo owners ([handout](#))
- Omar Chatty spoke regarding Caltrain fatalities and encouraged Council to support BART across the bay
- Wynn Grcich spoke regarding fluoride ([handout](#))
- Fergus O'Shea, representing Facebook, spoke regarding the M2 Area update

D. CONSENT CALENDAR

Councilmember Mueller requested Item D7 be pulled for further discussion.

D1. Approve an appropriation of \$41,500 and authorize the City Manager to execute an agreement, not to exceed a total of \$41,500, with Up Urban, Inc. for Phase II of the Menlo Park Economic Development Plan Update and facilitation of a City Council Study Session on Public Benefit Strategies ([Staff Report #15-039](#))

Councilmember Mueller stated that the study session on public benefit strategies is scheduled to come before the Council in April.

D2. Authorize the City Manager to exceed his purchase authority for the purchase and processing of library materials from Baker & Taylor in an amount not to exceed \$105,000 ([Staff Report #15-031](#))

- D3.** Adopt **Resolution 6254** to request \$354,100 of Lifeline Transportation Program funds from the Metropolitan Transportation Commission to fund 50-percent of the proposed \$708,200 three year operations budget for the City's Midday Shuttle Service spanning Fiscal Years 2015-16 through 2017-18 ([Staff Report #15-029](#))
- D4.** Adopt **Resolution 6255** supporting San Mateo County Community Choice Aggregation ([Staff Report #15-030](#))
Mayor Carlton and Councilmember Mueller expressed support for this project.
- D5.** Authorize the Public Works Director to accept the work performed by Del Conte's Landscaping, Inc. for the El Camino Real Trees Project – Phase III
([Staff Report #15-033](#))
- D6.** Adopt **Resolution 6256** accepting dedication of public access easements from Giant Properties LLC (Facebook West Campus) and Wilson Menlo Park Campus, LLC (Facebook East Campus) and authorize the City Manager to sign agreements and easements required by conditions of approval of the project
([Staff Report #15-032](#))
- D7.** Accept Council minutes for the meetings of January 26, and January 27, 2015
([Attachment](#))
- D8.** Authorize the City Manager to enter into a contract with Socrata, Inc. for development of an open data portal and appropriate \$14,820 for the project budget
([Staff Report #15-042](#))

ACTION: Motion and second (Cline/Ohtaki) to approve all items on the Consent Calendar, except D7, passes unanimously.

ACTION: Motion and second (Mueller/Keith) to approve item D7 on the Consent Calendar with the modifications stated passes unanimously.

E. PUBLIC HEARING

- E1.** Adopt a resolution approving the El Camino Real/Downtown Specific Plan Proportionate Cost-Sharing Program Study and adopt the proposed Supplemental Transportation Impact fees as identified in the study ([Staff Report #15-036](#))
Transportation Manager Nikki Nagaya introduced the item.

Mayor Carlton opened the Public Hearing. There was no public comment.

ACTION: Motion and second (Ohtaki/Keith) to close the public hearing passes unanimously.

ACTION: Motion and second (Keith/Ohtaki) to adopt **Resolution 6257** approving the El Camino Real/Downtown Specific Plan Proportionate Cost-Sharing Program Study and adopt the proposed Supplemental Transportation Impact fees as identified in the study passes unanimously.

F. REGULAR BUSINESS

F1. Approval of the City Council's Fiscal Year 2015-16 Work Plan ([Staff Report #15-037](#))([presentation](#))

City Manager Alex McIntyre introduced the item.

Public Comment:

- Diam Bailey of MenloSpark encouraged Council to maintain the Climate Action Plan as a priority and stated she looks forward to a partnership between the City and Menlo Spark in assisting with sustainable measures.

ACTION: Motion and second (Cline/Ohtaki) to approve the City Council's FY 2015-16 Work Plan passes unanimously.

F2. Status update and possible Council feedback on the Environmental Review for the 1300 El Camino Real Project ([Staff Report #15-016](#)) - Continued from January 23, 2015

Senior Planner Thomas Rogers introduced the item and responded to Council questions.

At 9:15 p.m. City Attorney McClure recused himself and left the Council chambers due to a conflict of interest that his business location is in proximity to the location that is the subject of this item.

At 9:32 p.m. Councilmember Ohtaki recused himself and exited the Council chambers during Council discussion regarding banks on El Camino Real due to a conflict of interest that he is employed with a bank.

At 9:34 p.m. Councilmember Ohtaki returned to the Council chambers.

This item will come back to Council at a future meeting for discussion regarding alternate land use scenarios.

F3. Discuss and provide guidance to voting delegate for a vacancy on the League of California Cities Peninsula Division Executive Committee ([Staff Report #15-035](#))

City Clerk Pam Aguilar introduced the item.

ACTION: Council voted unanimously to recommend Liz Kniss for the office of Vice President of the LCC Peninsula Division.

G. CITY MANAGER'S REPORT

City Manager McIntyre reported on upcoming events and activities ([presentation](#))

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS

There were no staff presentations.

- I1. Quarterly review of data captured by Automated License Plate Readers (ALPR) for the period beginning October 1, 2014 through January 1, 2015
([Staff Report #15-028](#))

Commander Dave Bertini responded to Council questions regarding inquiries of Menlo Park residents, false reads, recovery of stolen vehicles and arrests.

- I2. Quarterly financial review of General Fund operations as of December 31, 2014
([Staff Report #15-027](#))

- I3. Review of the City's Investment Portfolio as of December 31, 2014
([Staff Report #15-026](#))

- I4. Revised Economic Development Goals ([Staff Report #15-038](#))

- I5. ConnectMenlo (General Plan and M-2 Area Zoning Update) Status Update
([Staff Report #15-040](#))

J. COUNCILMEMBER REPORTS

Mayor Pro Tem Cline and Councilmember Keith reported on a meeting with Caltrain. Councilmember Mueller reported on a grant received from the U.S. Department of Justice for mentoring and tutoring for Belle Haven and East Palo Alto school children and an upcoming meeting of the Ravenswood School District Round Table to discuss the Flood School site. Councilmember Ohtaki reported on a meeting between the Fire District liaisons, City Manager McIntyre and Rex Ianson of the Menlo Park Fire Protection District.

K. PUBLIC COMMENT #2

There was no public comment.

- L. ADJOURNMENT at 10:05 p.m.

Pamela Aguilar
City Clerk

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PUBLIC WORKS DEPARTMENT

Council Meeting Date: March 10, 2015

Staff Report #: 15-044

REGULAR BUSINESS: **Approve the Preferred Alternative for the Santa Cruz Avenue Sidewalk Project between Olive Street and Johnson Street**

RECOMMENDATION

Staff recommends the City Council approve the preferred sidewalk alternative for further design and implementation on Santa Cruz Avenue between Olive Street and Johnson Street.

POLICY ISSUES

This project is consistent with several policies in the 1994 General Plan Circulation and Transportation Element. These policies seek to promote the use of alternatives to the single occupant automobile, the safe use of bicycle and to promote walking as a commute alternative, and to maintain a circulation system that will provide for the safe movement of people. It is also consistent with the City's Complete Streets Policy adopted in January 2013.

BACKGROUND

Santa Cruz Avenue is classified as a minor arterial within the project extents and carries approximately 15,300 vehicles on an average weekday as of October 2014. It provides a primary access route to Hillview Middle School, located on the west end of the project. In 2009, the City adopted a Sidewalk Master Plan, which identified Santa Cruz Avenue as a priority street for sidewalk installation based on traffic volumes, proximity to major destinations (schools, parks, churches, etc.), ease of implementation, and cost-benefit analysis.

In 2008, the City Council directed staff to move forward with conceptual layouts for the installation of sidewalks on Santa Cruz between Olive Street and Johnson Street while retaining the existing travel way (bike lanes, travel lanes, and center turn lanes). The scope of services for this project included the following four tasks:

- Preparation of detailed land survey
- Development of an informational survey and analysis of responses
- Development of three general alternative conceptual schemes
- Participation in four public meetings

A study was prepared, including detailed land surveys and four alternative conceptual schemes (Attachment A). The four proposed alternatives included variations on sidewalk width (5 vs. 10.5 feet), presence of on-street parking, presence of a landscaped planting strip between the sidewalks and the street, and on which side of the street sidewalks would be located.

These conceptual schemes showed the approximate effects each alternative would have on the adjacent property. None of the proposed alternatives would require right-of-way acquisition of private property by the City (i.e., the sidewalks can be accommodated within public right-of-way). However, in some cases adjacent properties may lose on-street parking or alternatively may need to use City right-of-way where the property owners have installed landscaping, fencing, etc.

In April 2013, staff held a citywide community meeting to discuss the alternative designs. Several of the residents who attended the meeting acknowledged the need for sidewalks but raised concerns regarding the alternative designs and the potential impacts on their properties.

In November 2013, staff sent out a survey to the property owners on Santa Cruz Avenue asking them to rank the four alternatives that came from the 2008 Sidewalks on Santa Cruz study. Surveys were sent to 68 properties within the project extents, 41 on the south side and 27 on the north side. Some of the properties, 14 on the south side and 3 on the north side, or 25 percent of properties, have existing sidewalks along their frontage where no changes are proposed.

The following table summarizes the results of the 2013 surveys:

2013 Survey Results				
Alternative	Sidewalk Width	Side of Street	Parking	Percent Ranked as First Choice
1	5 feet	North	Maintained	19%
2	5 feet	Both	Maintained	10%
3	10.5 feet	Both	Parking Pockets (lose some parking)	0%
4	5 feet	Both	Removed to fit 3 foot planting strip	10%
No Response				29%
Do Nothing				4%
None of the Above				26%

After returning the survey, many property owners requested to meet with staff to discuss the alternatives and provide clarifying information. Staff spoke or met with approximately 15 property owners individually to answer questions and hear concerns. Many property owners also requested consideration of an additional alternative, to remove on-street parking in front of their residences, which the residents believe could help preserve trees, fencing, and structures as well as possibly reducing speeds on

Santa Cruz Avenue. Since a large proportion of residents responded “none of the above” or “do nothing” on their surveys (30 percent) and asked for consideration of this additional alternative, staff expanded the number of alternatives under consideration and resurveyed the property owners.

ANALYSIS

In August 2014, staff sent out another survey which included the original four alternatives, plus three alternatives that included the option of removing on-street parking and using the existing asphalt parking area to install sidewalks. Attachment B shows conceptual cross-sections for the seven alternatives.

The following table summarizes the results of the 2013 and 2014 surveys:

				2013 Survey Results	2014 Survey Results
Alternative	Sidewalk Width	Side of Street	Parking	Percent Ranked as First Choice	Percent Ranked as First Choice
1	5 feet	North	Maintained	19%	16%
2	5 feet	Both	Maintained	10%	4%
3	10.5 feet	Both	Parking Pockets (lose some parking)	0%	1%
4	5 feet	Both	Removed to fit 3 foot planting strip	10%	4%
5	5 feet	North	Removed to fit sidewalks	N/A	19%
6	5 feet	South	Removed to fit sidewalks	N/A	4%
7	5 feet	Both	Removed to fit sidewalks	N/A	7%
No Response				29%	41%
Do Nothing				4%	1%
None of the Above				26%	0%

As shown, the proportion of property owners responding “none of the above” or “do nothing” declined from 30 percent in 2013 to 1 percent in 2014 with the addition of Alternatives 5, 6 and 7. However, there was an increase in the number of property owners not responding to the survey and approximately 40 percent of the properties that did not respond already have sidewalks along their frontage and no changes are proposed. While using the parking lanes to install sidewalks would not preclude future changes to utilize the full Santa Cruz Avenue public right-of-way to accommodate wider bicycle lanes or modifications to vehicle lanes, it could make those modifications more

challenging and expensive later on, since curbs and sidewalks would need to be relocated. All seven of the alternatives meet minimum width and design requirements.

Of the seven proposed alternatives, 20 percent opted for alternatives that would maintain on-street parking (Alternatives 1 and 2), while 34 percent opted for those that would remove all on-street parking (Alternatives 4, 5, 6, and 7). Little support was voiced for Alternative 3, both in 2013 and 2014 survey efforts.

To supplement the surveys, staff conducted periodic observations of the amount of parking in use on Santa Cruz Avenue within the project area between July and October 2014 at various times of the day, including during evening Summer Concerts, Family Fitness Extravaganza, and Halloween Hoopla events downtown. All observations showed that no more than 4 vehicles were parked on each side of Santa Cruz Avenue at any time of the day west of Arbor Road (between Olive Street and Arbor Road). East of Arbor Road, more parking demand is observed due to proximity to downtown and events and services at Menlo Park Presbyterian Church. However, east of Arbor, continuous sidewalks exist on the south side of Santa Cruz Avenue; thus, parking would not be affected on this side of the street. Of the property owners on the north side between Johnson Street and Arbor Road, three out of four responses voted in favor of parking removal alternatives (5, 6, or 7) to install sidewalks.

In the 2013 survey results, Alternative 1 (installing sidewalks on the north side and preserving on-street parking) received the most support at 19 percent. In 2014, with the addition of Alternatives 5, 6 and 7, Alternative 5 (installing sidewalks on the north side by removing parking), received the most support at 19 percent. Alternative 1 (sidewalks on the north side and keeping parking) ranked second with 16 percent of respondents choosing this alternative. Thus, overall Alternative 1 has received generally the most community support considering both surveys together. However, while these options would provide a continuous sidewalk, it would serve only one side of the street and require pedestrians to cross Santa Cruz Avenue to reach the sidewalks.

On February 11, 2015, the Transportation Commission considered alternatives for Santa Cruz Avenue sidewalks. Approximately 28 people attended the meeting, generally voicing support for sidewalks, requesting preservation of heritage trees and existing landscaping that provides aesthetic value to the corridor, and coordination with property owners. Draft minutes from this meeting detailing public comments are included in Attachment C. The Commission unanimously passed a motion (with one Commissioner absent) that a modified Alternative 3 be recommended to City Council as the preferred alternative with the following changes:

- Width of the sidewalk should be about 6 feet
- A priority be placed on preservation of the heritage trees
- Flexibility to install parking pockets, where needed, with the use of full right-of-way
- Addition of buffering space for bike lanes, where feasible
- Staff to work with the impacted property owners
- Staff to expand the notification area to include all users for future surveys

The Transportation Commission also discussed a desire to prioritize utility undergrounding on Santa Cruz Avenue over planned efforts to underground utilities in the downtown parking plazas.

The Bicycle Commission met on February 9, 2015, to consider the alternative sidewalk design concepts. The Commission discussed the various alternatives, and requested to continue the item to a Special Meeting on March 2, 2015, to allow for additional consideration of the alternatives and to meet with staff in the field to further review the options. Approximately 18 people attended the February 9 meeting, and 33 people attended the Special Meeting, and generally voiced support for sidewalks and enhanced bicycle lanes, and requested preservation of heritage trees. However, some property owners on Santa Cruz Avenue in attendance requested that no sidewalks be implemented. Draft minutes from these meetings detailing public comments are included in Attachment D and E. On March 2, 2015, the Bicycle Commission unanimously passed a motion to recommend a modified Alternative 3 to City Council as the preferred alternative with the following changes:

- Sidewalks should have a width between 6 and 8 feet, placed at the back of City right-of-way
- Highest priority be given to a continuous buffered bike lane for the length of the project. (Trial of a “protected” section of buffered bike lane to be considered, if feasible)
- Second highest priority be placed on preservation of the heritage trees
- Low priority be placed on preserving on-street parking
- Install enhanced pedestrian/bicycle crossings and painted bulbouts at intersections

The Bicycle Commission also discussed finding funds to upgrade existing sidewalks and to have utilities installed underground.

Along with the standard notifications for Commission meetings, one week prior to each meeting, a flyer was mailed to all residents along Santa Cruz Avenue as well placement of changeable message boards at each end of project area. For the Bicycle Commission’s Special Meeting and City Council meeting, the flyer notification area was expanded, per community feedback expressed at the February Commission meetings.

Next Steps

Based on the feedback collected from the surveys, community, and Commission meetings, staff has developed a preferred alternative for Santa Cruz Avenue, as shown in Attachment E. The recommended preferred alternative:

- Maintains existing travel lanes and center turn-lane
- Eliminates on-street parking
- Provides for a continuous 5-foot wide sidewalk on both sides of the street
- Enhances the existing 5-foot bicycle lanes by adding a 2-foot wide painted buffer area, where feasible
- Maximizes preservation of heritage trees

The preferred alternative would encroach approximately 2 feet beyond the existing paved roadway, but would not utilize the full City right-of-way at this time. Approximately 5 feet of additional right-of-way would remain in the City's possession for potential future use on each side of the street with this option, minimizing the impact to heritage trees and the landscaping in the corridor. Staff will work with individual property owners where existing trees, landscaping, fences, etc. would be significantly impacted by the preferred alternative to drop the bicycle lane buffers in those areas to accommodate the sidewalks. This alternative meets or exceeds all minimum design requirements for sidewalk width, bike lane and buffer (where provided) width, and vehicle travel lane width to provide a balanced, context-appropriate option for sidewalks on Santa Cruz Avenue.

Following City Council direction on selection of a preferred alternative, staff will move forward with engineering design and construction. Staff estimates that design will take approximately 9 to 12 months, depending on the alternative chosen.

IMPACT ON CITY RESOURCES

This project has been identified in the City's Capital Improvement Plan since 2007-2008, and has a remaining budget of approximately \$600,000. This amount is expected to fund completion of design, and a portion of construction, depending on the alternative selected by the Council. Staff anticipates requesting additional funds to complete the installation of the sidewalks through the CIP/Budget process for FY 2015/16.

ENVIRONMENTAL REVIEW

The current stage of this project is a study and an environmental review is not necessary under the California Environmental Quality Act Guidelines. Staff would return to the City Council for environmental clearance of the project as part of completing the design of the chosen alternative.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Conceptual Schemes
- B. Alternative Cross-Sections
- C. Draft Minutes from the February 11, 2015 Transportation Commission Meeting
- D. Draft Minutes from the February 9, 2015 Bicycle Commission Meeting
- E. Draft Minutes from the March 2, 2015 Bicycle Commission Special Meeting
- F. Preferred Alternative for Sidewalks on Santa Cruz Avenue between Olive Street and Johnson Street

Report prepared by:

Richard Angulo

Traffic Technician II

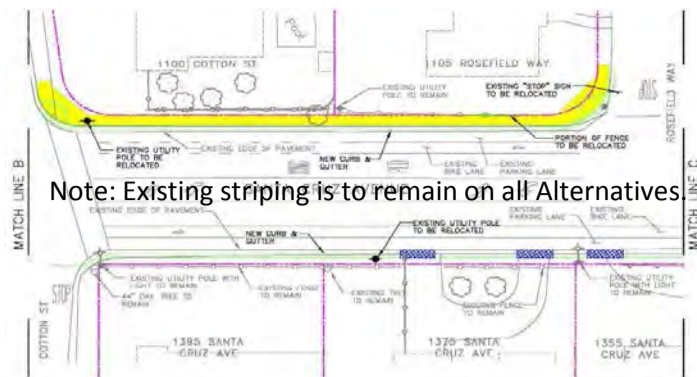
Nikki Nagaya

Transportation Manager

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Alternative 1

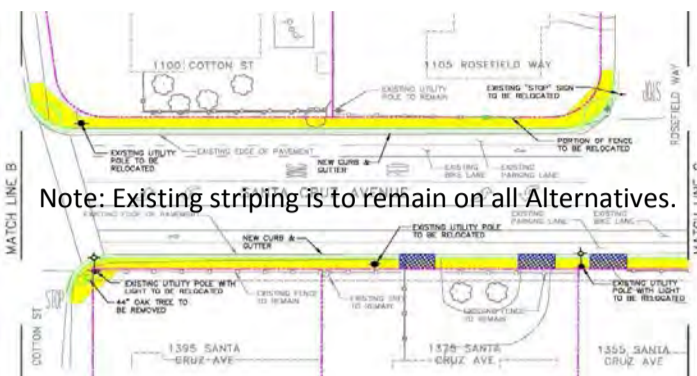
- New 5 foot Sidewalk on the north side of the street.
- Would use City right-of-way. May affect current landscaping, fences, structures, etc.
 - Parking would remain



Note: Existing striping is to remain on all Alternatives

Alternative 2

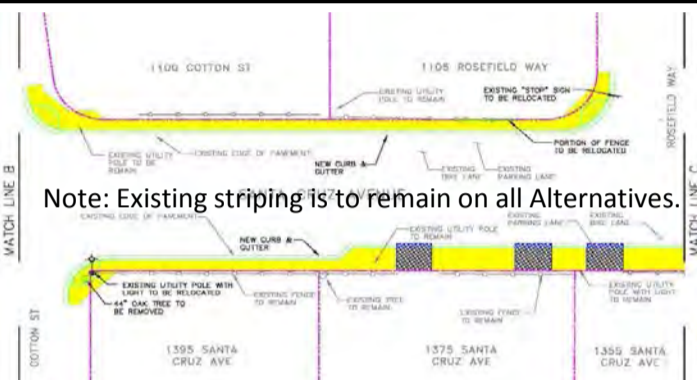
- New 5 foot Sidewalk on both sides of the street.
- Would use City right-of-way. May affect current landscaping, fences, structures, etc.
 - On-street parking would remain



Note: Existing striping is to remain on all Alternatives.

Alternative 3

- New 10.5 foot sidewalks with parking pockets on both sides of the street.
- Would use City right-of-way. May affect current landscaping, fences, structures, etc.
 - May lose on-street parking depending on where parking pockets are located



Note: Existing striping is to remain on all Alternatives.

Alternative 4

- New 5 foot sidewalks on both sides of the street with a 3 foot landscape strip.
- Would use City right-of-way. May affect current landscaping, fences, structures, etc.
 - Will lose on-street parking



Note: Existing striping is to remain on all Alternatives.

Alternative 5 (New)

- New 5 foot sidewalk on north side of the street
- Would use current parking strip with an option for a parking pocket using City right-of-way
 - May lose on-street parking depending on whether property owner prefers parking pocket



Note: Existing striping is to remain on all Alternatives

Alternative 6 (New)

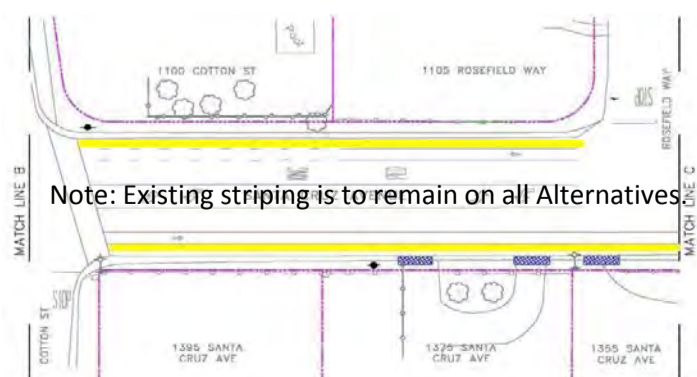
- New 5 foot sidewalk on south side of the street
- Would use current parking strip with an option for a parking pocket using City right-of-way
 - May lose on-street parking depending on whether property owner prefers parking pocket



Note: Existing striping is to remain on all Alternatives

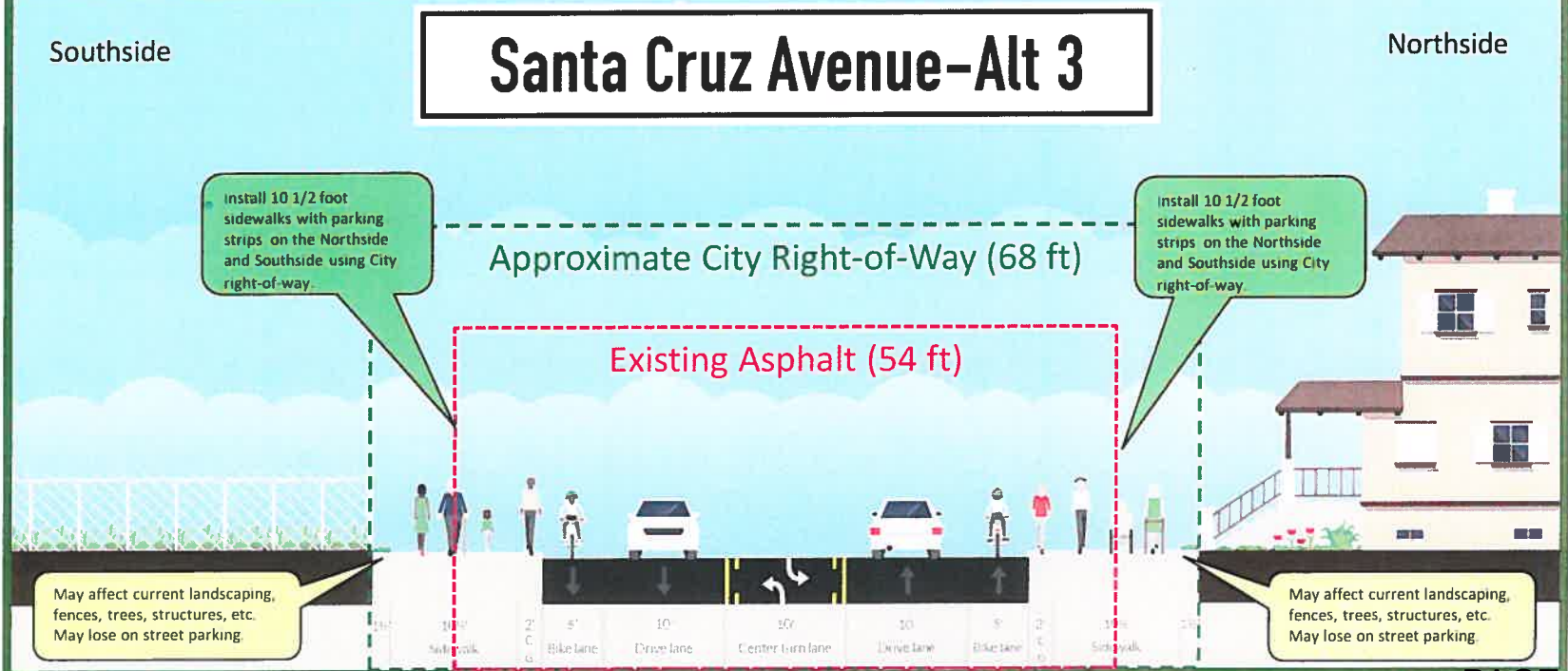
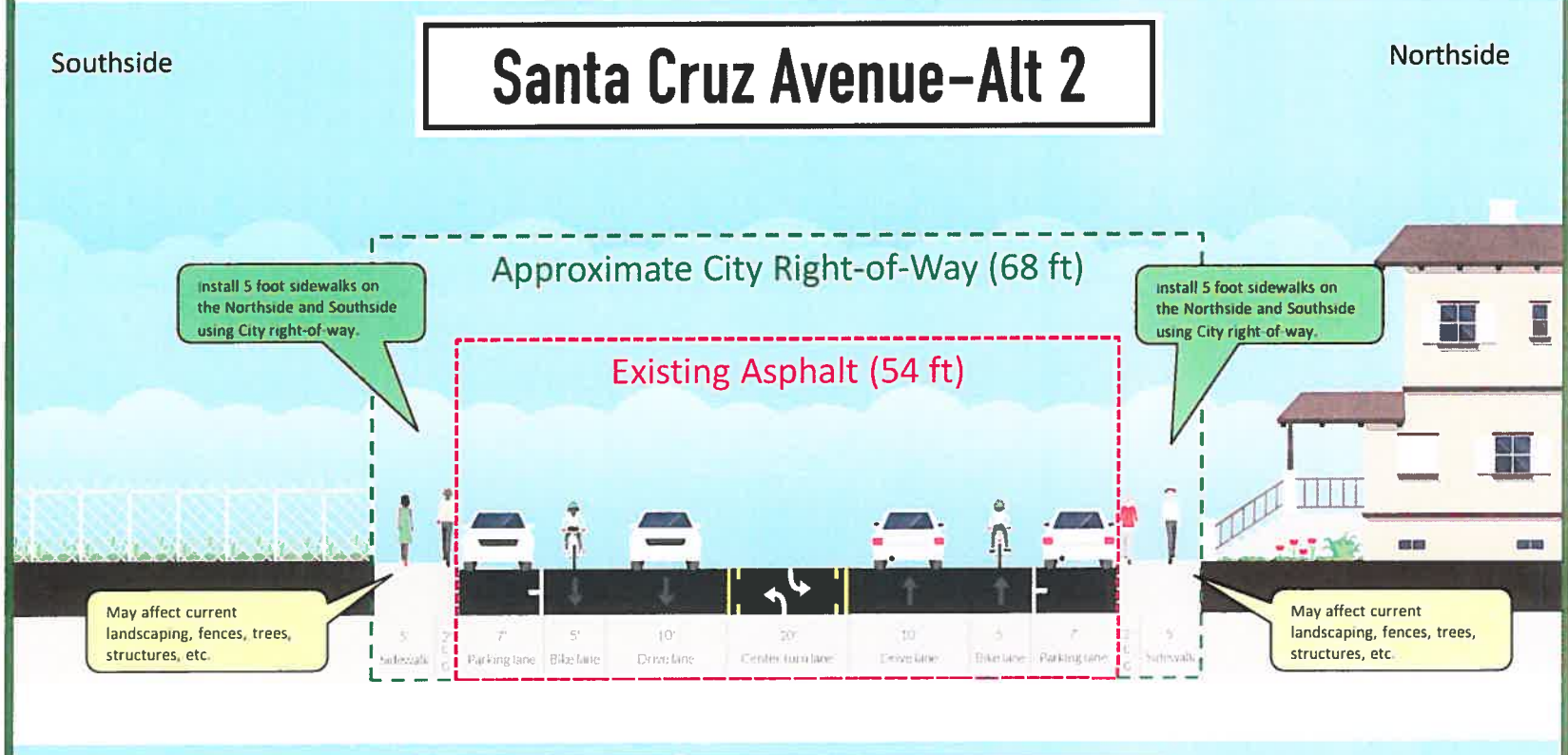
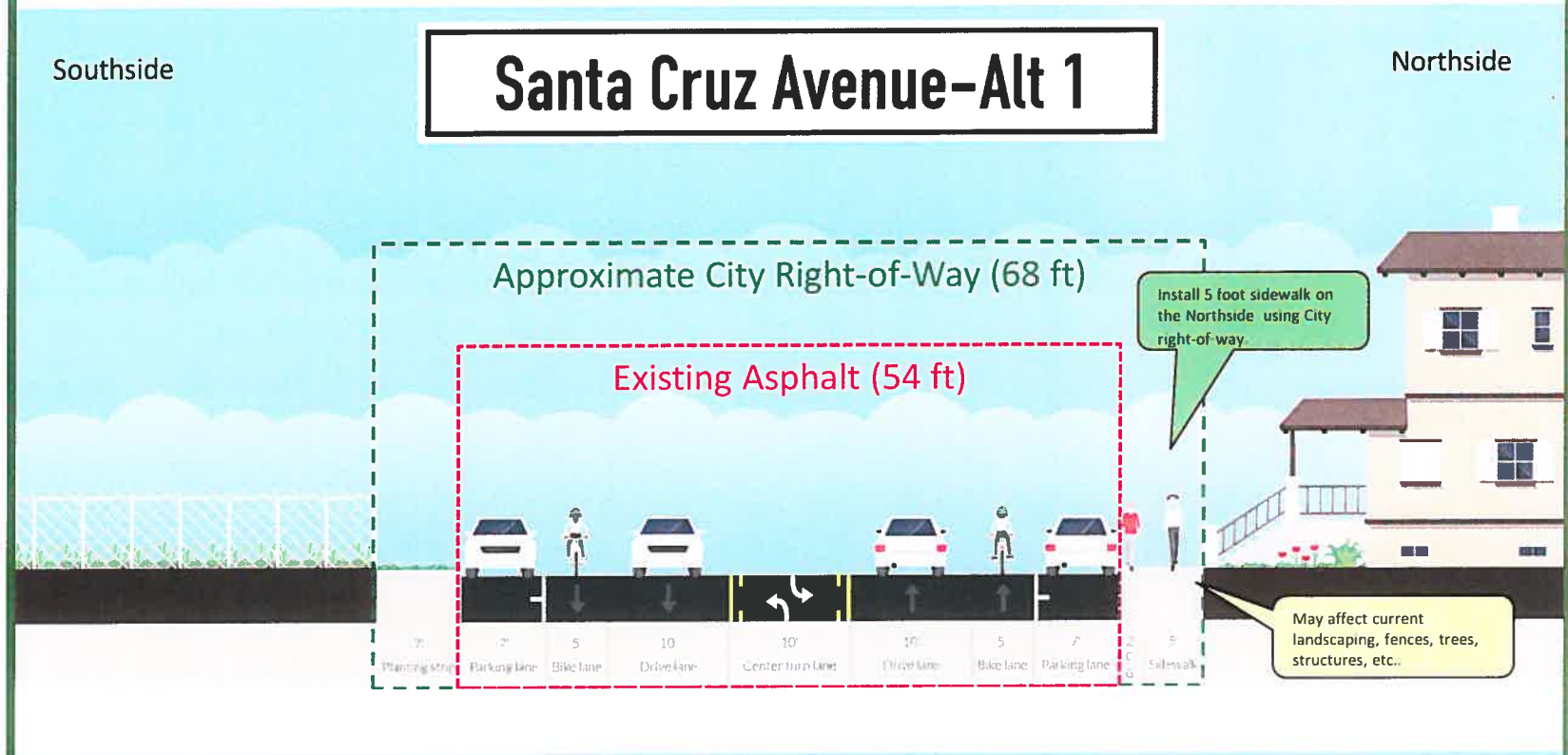
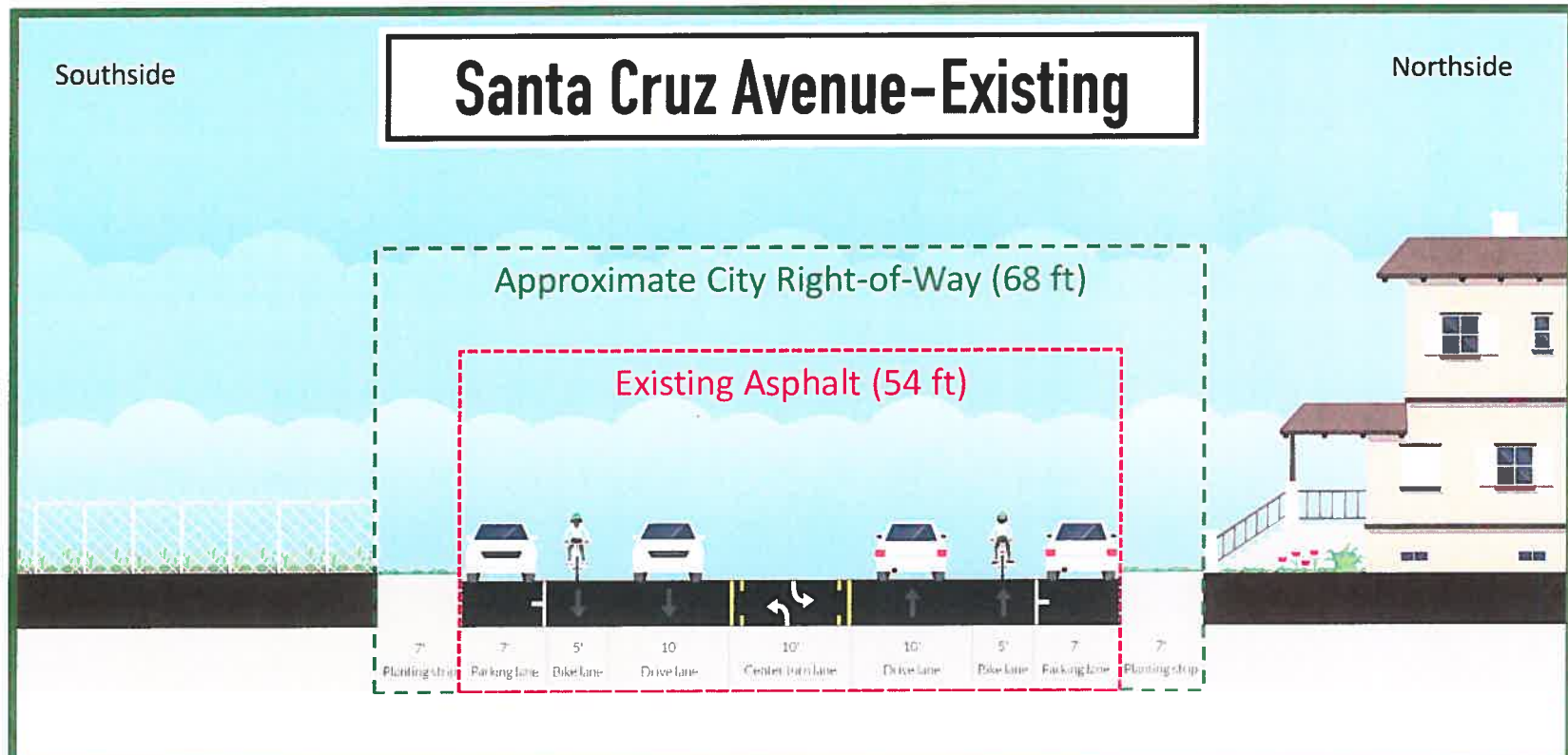
Alternative 7 (New)

- Alternative 7- New 5 foot sidewalk on south side of the street
- Would use current parking strip with an option for a parking pocket using City right-of-way
 - May lose on-street parking depending on whether property owner prefers parking pocket



Note: Existing striping is to remain on all Alternatives

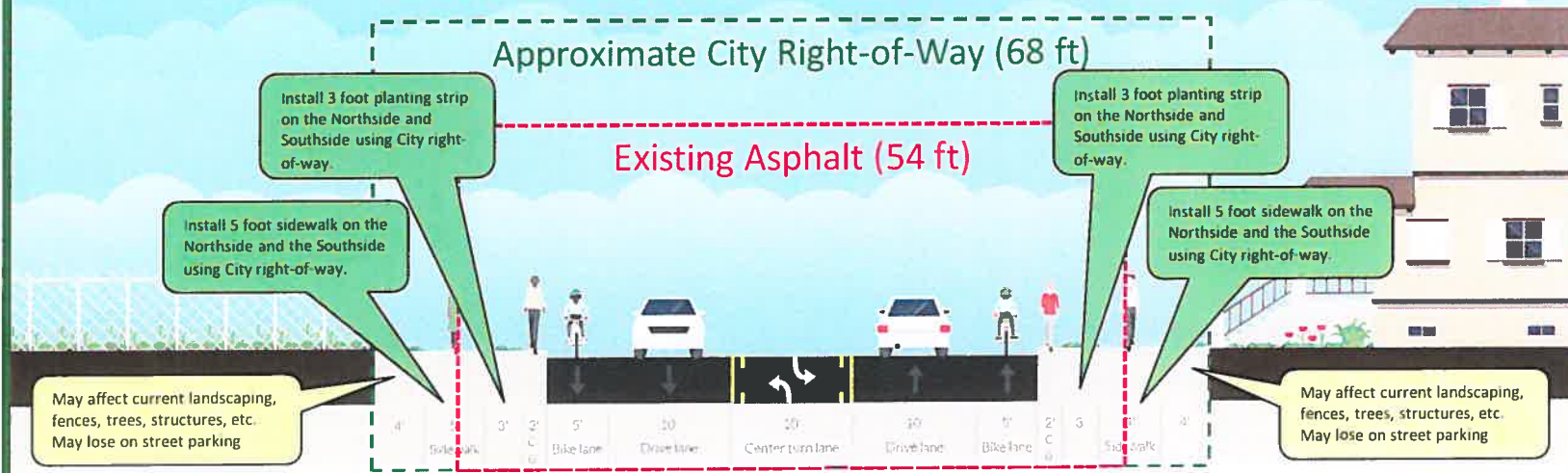
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Southside

Santa Cruz Avenue-Alt 4

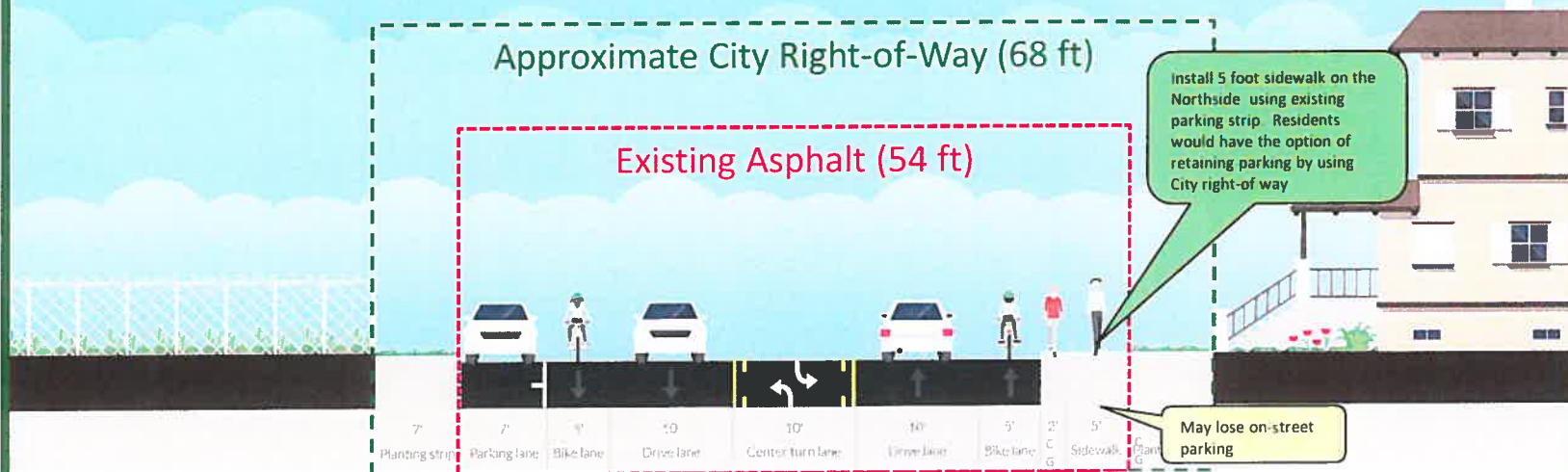
Northside



Southside

Santa Cruz Avenue-Alt 5

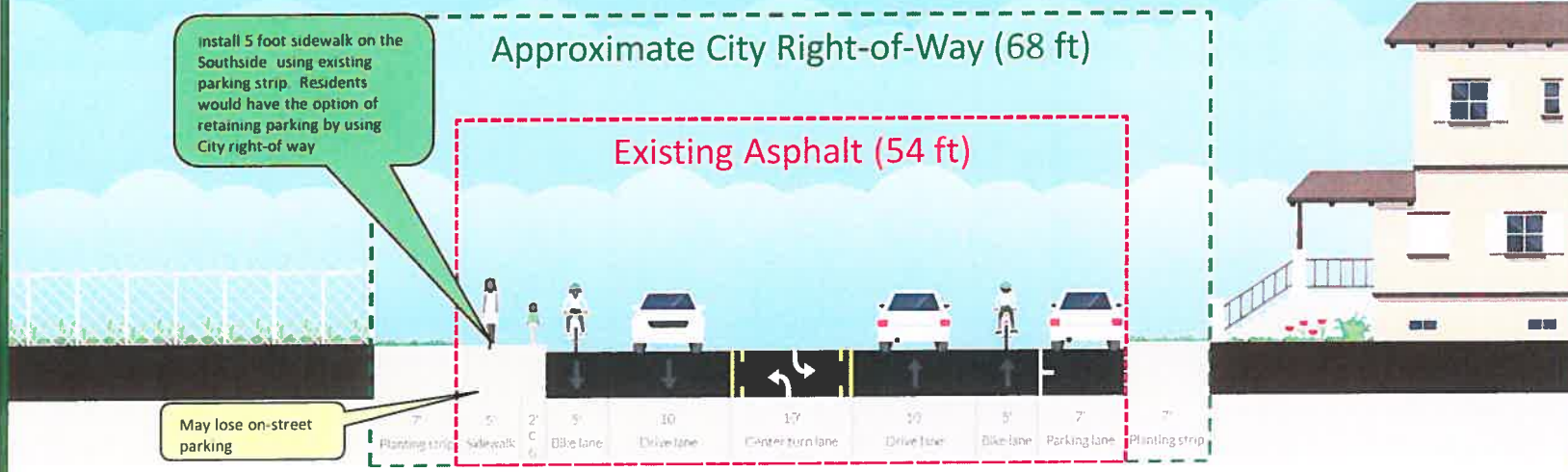
Northside



Southside

Santa Cruz Avenue-Alt 6

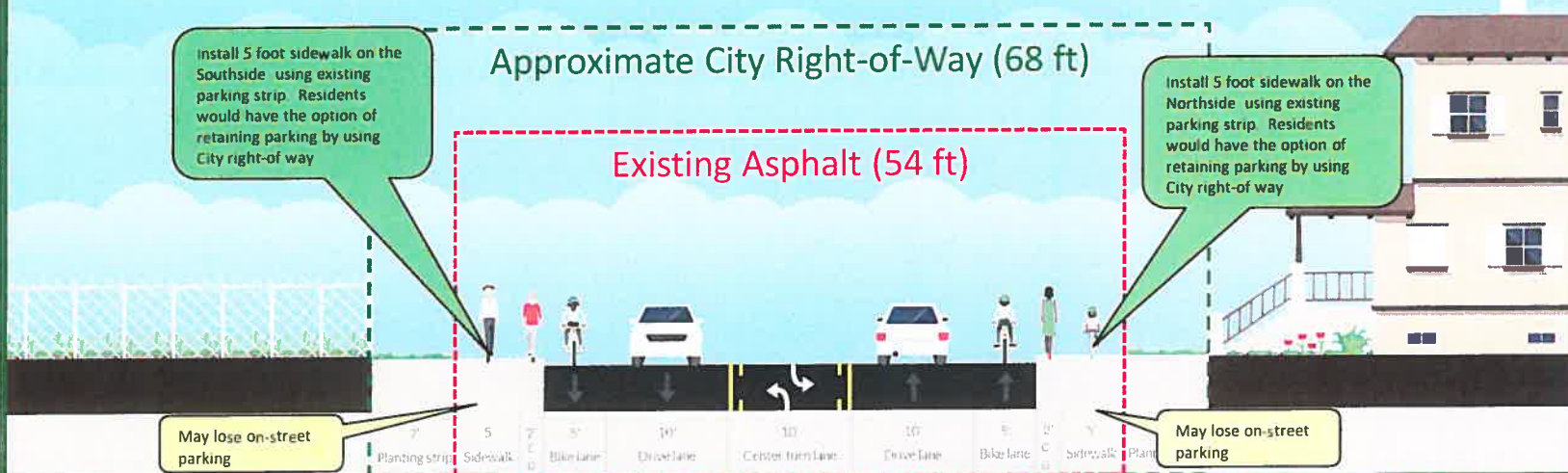
Northside



Southside

Santa Cruz Avenue-Alt 7

Northside





TRANSPORTATION COMMISSION MINUTES

Regular Meeting
Wednesday, February 11, 2015
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025

The meeting was called to order by Chair B. Walser at approximately 7:08 p.m.

ROLL CALL:

Present: P. Huang, A. Levin, M. Meyer, M. Shiu, B. Walser (Chair), J. Wetzel
Absent: P. Mazzara
Staff: R. Angulo, R. Baile, J. Quirion, N. Nagaya

A. PUBLIC COMMENT (Limited to 30 minutes)

The following members of the public spoke regarding Business Item B2 below:

B. Frimmer, Menlo Park resident, wanted sidewalks installed on Santa Cruz Avenue up to at least San Mateo Drive, but did not have any preference as to which side of Santa Cruz Avenue to install the sidewalks.

G. Druehl, Menlo Park resident, expressed concern regarding the lack of sidewalks on Santa Cruz Avenue and wanted the City to do the right thing for the safety of the school children that walk to Hillview School.

B. REGULAR BUSINESS

B1. Approve Minutes from the Regular Meeting of January 14, 2015

ACTION: Motion made by M. Shiu and seconded by A. Levin to approve the minutes from the regular meeting of January 14, 2015 passed, 3-0-3, with P. Huang, M. Meyer, and J. Wetzel abstaining, with no modification or amendment.

B2. Consider Santa Cruz Avenue Sidewalk Alternatives and Recommend to City Council a Preferred Alternative for More Detailed Design

J. Quirion provided a Power Point presentation.

The following members of the public spoke regarding this item:

Horace Nash, Menlo Park resident, suggested that the parking strips that are not being used very often be used as space for sidewalks to preserve many aspects that people

like on Santa Cruz Avenue and indicated that sidewalks are needed on both sides and that the speed on Santa Cruz Avenue should be lowered to 25 mph.

Pat Sewell, Menlo Park resident, wanted the whole neighborhood to vote on an alternative, not just Santa Cruz Avenue residents, and did not think that a safe sidewalk could be built on Santa Cruz Avenue.

Scott Scherer, Menlo Park resident, wanted the alternatives to consider strategically placed stop signs to create a break in traffic on Santa Cruz Avenue so residents could back out of their driveways safely and expressed concern that sidewalks could make Santa Cruz Avenue look wider and aesthetically unpleasing.

Dail Koghler, Menlo Park resident, liked sidewalks but did not want parking to be removed because of it.

Maggie Betsock, Menlo Park resident, thanked the commission for bringing this back on the agenda and would like to see the new sidewalk start initially on one side to make it simple and get it done.

Arnold Wilson, Menlo Park resident, wanted sidewalks on both sides of the street to be built as soon as possible and did not think that there should be a one rule to build the sidewalks.

Anthony Oro, Menlo Park resident, wanted the existing landscaping, especially the trees, to be maintained, that more money be requested to do both sides and if not possible, do only one side but do it right, and that different parts of the street might require different plans.

ACTION: Motion by M. Meyer and seconded by P. Huang unanimously passed, that the Transportation Commission recommend Alternative 3 to the City Council as the preferred alternative with the following changes:

- **A priority be placed on the heritage trees**
- **Flexibility to install parking pockets, where needed, with the use of the full right-of-way**
- **Addition of buffering space for bike lanes, where feasible**
- **Width of the sidewalk should be about 6 feet**
- **Staff to work with the impacted property owners**
- **Staff to expand the notification area to include all users for future surveys.**

B3. Review the Commission 2-Year Work Plan Regarding the Review of the Menlo Park Street Light Program

ACTION: Motion made by M. Meyer and seconded by J. Wetzel to remove Review of the Menlo Park Street Light Program from the Commission 2-Year Work Plan unanimously passed.

C. REPORTS AND ANNOUNCEMENTS

1. Update from the Downtown Businesses, Menlo Park Signage, and Branding Project Subcommittee (Huang/Walser)

None.

2. Update from the Subcommittee on Potential Revisions of the Neighborhood Traffic Management Program (NTMP) (Shiu/Walser)

None.

3. Update from the High School Project Subcommittee Regarding Transportation Related Challenges (Mazzara/Huang)

None.

4. Update on the Comprehensive Review of the Street Light Program in Menlo Park Subcommittee (Shiu)

See Business Item B3 above.

5. Update on the El Camino Real Traffic Study Subcommittee (Levin/Mazzara)

Staff N. Nagaya stated that the next community workshop would be scheduled on February 19, 2015 at 6:30 p.m. for the presentation of the three alternatives previously brought before the Transportation Commission with refined details. There would be subsequent voting for these alternatives at the workshop and on-line until March.

6. Update on the General Plan Transportation Issues Subcommittee (Levin/Meyer)

A. Levin reported that there would be a GPAC meeting tomorrow night at 6:30 at the Oak Room to discuss the synthesis of all inputs related to plans for the land use and transportation in the M2 region.

7. Impacts and Opportunities of Electric Vehicles Subcommittee (Meyer/Wetzel)

None.

D. INFORMATION ITEMS

D1. Commission Attendance Report

Staff R. Baile stated that at the beginning of the new calendar year, the City Clerk typically presents the Commission Attendance Report of the previous calendar year to the City Council and that the City Council likes to see that each commissioner attends a

minimum of 67% of the meetings. R. Baile added that in some circumstances a commissioner could request to participate remotely in a commission meeting if he or she could not attend the meeting on-site.

D2. Update on Transportation Projects

Staff R. Baile provided updates on the following projects:

- Willow Road (between Middlefield Road and Hamilton Avenue) Signal Modification Project – Staff is still waiting for Authorization to Proceed with Construction from Caltrans.
- Sand Hill Road (between Oak Avenue and NB I-280 off ramp) Traffic Signal Interconnect Adaptive Project – Consultant has finished all field work.
- Willow Road/ Durham Street/VA Entrance – Final Inspection walk through was completed last week.

D3. Update on the City's Neighborhood Traffic Management Program

R. Baile reported that the City did not receive any new inquiries or requests except a complaint of speeding on the segment of Willow Road between Middlefield Road and Gilbert Avenue.

E. ADJOURNMENT – 10:00 P.M.

Prepared by: Rene Baile, P.E.



BICYCLE COMMISSION
DRAFT MINUTES

Regular Meeting
Monday, February 09, 2015 at 7:00 PM
Civic Center Administration Building
City Council Conference Room

The meeting was called to order by B. Kirsch at 07:10PM.

ROLL CALL:

Present: F. Berghout, W. Kirsch (Chair), L. Lee, W. McKiernan, J. Weiner, C. Welton (Vice Chair)

Absent: M. Zumstein

Council Liaison: K. Keith arrived approximately 8:15PM

Staff: J. Quirion, N. Nagaya, K. Choy, R. Angulo

A. PUBLIC COMMENT (Limited to 30 minutes)

No public comment.

B. REGULAR BUSINESS

B1. Approve January 12, 2015 Regular Meeting Minutes ([Attachment](#))

ACTION: Motion and second (Welton/Berghout) to approve meeting minutes passes 6-0-1-0 (Zumstein absent).

B2. Consider Santa Cruz Avenue Sidewalk Alternatives and Recommend to City Council a Preferred Alternative for More Detailed Design ([Presentation](#))

J.Quirion provided a presentation regarding the background and proposed alternatives.

The following public comments were received:

Arnie Wilson spoke in support of sidewalks on both sides as he sees strollers using the bike lanes.

David Bascus stated that residents who didn't live on Santa Cruz should also be polled.

Ed Newman stated that he prefers a narrow road to slow down traffic and wants parking pockets.

Ingred Lang spoke in support of sidewalks and that the missing sidewalks are an eyesore.

Horace Nash spoke in support of the sidewalks and prefers flat sidewalks with removal of parking instead of using all of the city right of way and keeping existing landscaping.

Betsy Nash spoke in support of the sidewalks and prefers to maintain trees and vegetation and removing parking. She also stated a preference for flat sidewalks.

Nancy Ayers spoke in support of sidewalks and keeping bike lanes.

Ben Eiref spoke in support of sidewalks on both sides and stated that expanded outreach should occur.

Greg Klingsporn spoke in support of sidewalks and stated that there should be expanded community feedback.

John Keith spoke in support of sidewalks and prefers a consistent solution with priority on saving trees.

ACTION: This item was continued to a Special Meeting scheduled for March 2.

B3. Consider Creation of Subcommittee on Social Media & Marketing and Appoint Subcommittee Members

ACTION: This item was continued to the next Commission meeting.

B4. Discuss Commission Interest in Hosting a Bike Menlo Park Street Event in May

ACTION: Continued to the next meeting.

C. REPORTS AND ANNOUNCEMENTS

C1. Update on the El Camino Real Subcommittee
Continued to the next meeting.

C2. Update from the General Plan Advisory Committee
Continued to the next meeting

C3. Chair's Report
Continued to the next meeting.

D. INFORMATION ITEMS

D1. Summary of Recently Completed Bicycle Projects
Continued to the next meeting.

D2. Update on Upcoming Grant-Funded Bicycle Projects
Continued to the next meeting.

E. ADJOURNMENT – 9:30PM by B. Kirsch

Prepared by: J. Weiner

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BICYCLE COMMISSION
DRAFT MINUTES

Special Meeting
Monday, March 02, 2015 at 7:00 PM
Civic Center Administration Building
City Council Conference Room

The meeting was called to order by B. Kirsch at 07:05PM.

ROLL CALL:

Present: F. Berghout, W. Kirsch (Chair), L. Lee, W. McKiernan, J. Weiner, C. Welton (Vice Chair), M. Zumstein

Council Liaison: K. Keith arrived approximately 8:20PM

Staff: J. Quirion, N. Nagaya, K. Choy, R. Angulo

Consider Santa Cruz Avenue Sidewalk Alternatives and Recommend to City Council Preferred Alternative for More Detailed Design (*Presentation*)

J. Quirion presented a brief review of the project background and various alternatives.

The following public comments were received:

Alyssa stated her preference to keep trees.

Jim stated his preference to remove center turn lane and put in landscaping, adding a barrier between vehicle travel and bicycle lane and putting utilities underground.

Scott stated his preference to slow traffic without widening. He stated that it is difficult to back out onto Santa Cruz Avenue at Cotton Street.

Jeffrey spoke in favor of keeping bike lanes.

John Fox, former Bike Commissioner, stated his preference for planting and landscaping for aesthetic purposes.

Mike, resident on north side, spoke in opposition of a 10.5 foot sidewalk and prefers to keep heritage trees and existing landscaping. He stated his preference to use the parking area for sidewalks.

Jim Harvey spoke in favor of 5.5 foot sidewalks and no changes to the existing pavement.

Betsy Nash spoke in favor of minimum width sidewalks on both sides of street and her preference to remove parking, reduce speed limit to 25 mph, maintain existing landscaping and putting utilities underground.

Jim Harvey's spouse stated her agreement with Jim's statements.

Horace Nash spoke in support of sidewalks, removing parking, adding additional trees and preserving heritage trees. He also stated his preference for existing sidewalks to be brought up to new standards.

Gerry spoke in favor of sidewalks and her preference for sidewalks that don't dip.

Dan Finlay stated his concerns about removing parking and where utility trucks will park. He suggested using temporary measures first and reducing the speed limit to 25 mph.

Ed spoke in favor of the sidewalks and removing some parking. He stated his preference for keeping a rural feel.

Greg Baker, a former Transportation Commissioner, spoke in favor of sidewalks and preference to extend the sidewalks to Orange Avenue or Alameda de las Pulgas.

Demitri spoke in support of 5-foot sidewalks on both sides and protected bike lanes on both sides with landscaping or planters.

Sara spoke in support of sidewalks on both sides and removing parking.

Brad spoke in favor of sidewalks and stated his preference for the center turn lane and the Middle Avenue configuration.

Herb spoke in favor of sidewalks and putting utilities underground. He stated his concern about cyclists getting struck by doors by parked vehicles.

Michele spoke in favor of minimum width sidewalks, preserving heritage trees and not providing a planter strip.

Santa Cruz resident spoke in favor of 5-foot sidewalks with some parking duck outs.

Janice Covolo spoke in favor of sidewalks and stated that she has landscaping in the City right-of-way.

Sache, resident on Bellair, stated his use of Santa Cruz for cycling and his concern about removing parking and drivers still continuing to park.

Steve spoke in favor of sidewalks.

Mary spoke in favor of sidewalks.

New neighbor stated his preference to keep Santa Cruz narrow and not using full City right-of-way.

Commission also discussed prioritization of funds to upgrade existing sidewalks and putting utilities underground.

ACTION: Motion and second (Berghout/Kirsch) to recommend to City Council Alternative 3, presented in the staff report, with design to back of City right-of-way, 6 to 8 foot sidewalks, first priority of consistent 2 to 3 foot buffered bike lanes using paint and consideration for protected bike lane options, second priority to preserve heritage trees, low priority for parking, consider enhanced pedestrian/bicycle crossings and painted bulb outs, and consider putting in a trial of protected bike lanes where feasible. Passes unanimously.

ADJOURNMENT – 8:50PM by B. Kirsch

Prepared by: C. Welton

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Preferred Alternative

Approx 5 ft City ROW

5 ft Sidewalk (+2 ft Curb)

5 ft Bike Lane

2 ft Buffer

10 ft

10 ft

10 ft

5 ft Bike Lane

5 ft Sidewalk (+2 ft Curb)

2 ft Buffer

5 ft Bike Lane

5 ft Sidewalk (+2 ft Curb)

Approx 5 ft City ROW

Southside

Preferred Alternative

Northside

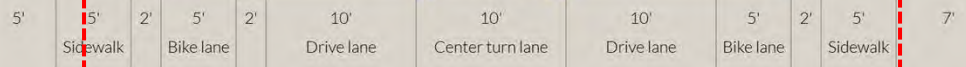
Approximate City Right-of-Way (68 ft)

Existing Asphalt (54 ft)

Install 5 foot sidewalk and 2 foot buffered bike lane on the Southside using existing parking strip. Would save some fences, trees and foliage.

Sidewalk to be installed around Heritage trees .
Lose buffered bike lane where necessary to save tree

Install 5 foot sidewalk on the Northside by removing parking





FINANCE DEPARTMENT

Council Meeting Date: March 10, 2015
Staff Report #: 15-034

REGULAR BUSINESS: Accept the 2014-15 Mid-Year Financial Summary and Appropriate \$85,000 in Revenue from the Redevelopment Property Tax Trust Fund for Expenditures Related to the Dissolution of the Former Community Development Agency

RECOMMENDATION

Staff recommends that the City Council accept the 2014-15 Mid-Year Financial Summary and appropriate \$85,000 in revenue from the Redevelopment Property Tax Trust Fund for approved administrative expenditures related to the dissolution of the former Community Development Agency.

POLICY ISSUES

The acceptance of the mid-year report and authorization of the associated budget revisions is consistent with City policy.

BACKGROUND

This report summarizes the City's mid-year financial status by providing an analysis of revenues and expenditures through the first half of the fiscal year. The intent of this report is to provide Council with an update on how major revenue sources and operating expenditures are tracking in comparison to the adjusted budget. Emphasis will be placed on an analysis of the City's major General Fund revenues, as the overall health of those revenues is instrumental to the City's ability to maintain, and potentially enhance, services in the future.

Although the focus of the mid-year review is the City's General Fund, this report also provides an update for other funds where changes to the expenditure appropriation are being requested or there are material changes to the revenue projection. Mid-year revenue and expenditure results and projections discussed in this report serve as a good baseline position from which to begin developing the fiscal year 2015-16 operating budget. With that said, during the budget development process, revenue projections, expenditure outlays, and the long-term forecast will continue to be refined for inclusion into the City Manager's fiscal year 2015-16 recommended budget. That document will include a final update of the estimates for both revenues and expenditures for the

current fiscal year, in addition to the recommended fiscal year 2015-16 budget and 10-year forecast.

This report also includes a very preliminary update of the 10-year forecast. This update predominantly factors in material changes in assumptions for specific revenue and expenditure sources. As with the other elements of the recommended budget, the 10-year forecast will continue to be refined until the budget is delivered to Council in June. One of the most important elements of the 10-year forecast that has not yet been updated is the projection for the City's pension contribution rates. This particular element of the forecast, which is discussed in more detail later in this report, will be updated, along with all other compensation-related expenditures, for the City Manager's recommended fiscal year 2015-16 budget.

ANALYSIS

General Fund

Overall, the General Fund is in better position than was originally projected in the adopted fiscal year 2014-15 budget. This is predominantly the result of the aggregate revenue projection being increased by 3% at mid-year, as well as expected savings in operating expenditures. The mid-year status of revenues, expenditures, and the projected ending surplus are discussed in more detail in the following sections of this report.

General Fund - Revenues

The table on the following page shows the mid-year assessment of fiscal year 2014-15 General Fund revenues. Following the table is a discussion of the significant changes to the various revenue sources between the 2014-15 adopted budget and the 2014-15 updated amount. This portion of the report will focus exclusively on the current fiscal year, with modifications to the 10-year revenue forecast being discussed in that section of the report. For comparison purposes, the table also includes the City's actual General Fund revenues for fiscal years 2012-13 and 2013-14.

**City of Menlo Park
General Fund Revenues**

	2012-13 Actual	2013-14 Actual	2014-15 Adopted Budget	2014-15 Adjusted Budget	Percent Change
Property Taxes	\$15,731,889	\$15,156,065	\$14,698,775	\$15,986,324	8.8%
Sales Tax	6,043,870	6,444,292	6,618,595	6,348,146	-4.1%
Transient Occupancy Tax	3,468,256	4,158,809	4,390,000	4,549,694	3.6%
Utility Users Tax	1,095,256	1,157,653	1,129,632	1,129,632	0.0%
Franchise Fees	1,765,216	1,841,851	1,863,110	1,863,110	0.0%
Licenses & Permits	4,447,630	5,782,225	4,880,128	4,880,128	0.0%
Intergovernmental	866,287	888,131	716,268	791,268	10.5%
Fines	998,259	1,253,261	1,319,980	1,319,980	0.0%
Interest and Rent Income	568,051	684,562	715,004	715,004	0.0%
Charges for Services	7,088,405	7,681,433	8,212,908	8,012,908	-2.4%
Transfers & Other	1,178,628	1,237,838	440,155	440,155	0.0%
Use of Assigned Fund Balance	0	0	1,500,000	1,865,713	24.4%
Total Revenue	\$43,251,747	\$46,286,120	\$46,484,555	\$47,902,062	3.0%

Property Taxes – The updated projection for fiscal year 2014-15 is up by nearly \$1,300,000, or 8.8%, over the adopted budget amount. This increase is predominantly the result of Excess ERAF coming in much higher than budgeted. Because Excess ERAF is applicable to only a handful of counties in the State and is considered to be an “at risk” revenue, the City has been very conservative in its projections for this revenue source. The fiscal year 2014-15 adopted budget projected Excess ERAF at half of the prior year’s amount, or about \$800,000. The City learned early in 2015 that it would get a full share of Excess ERAF this year, plus the release of Excess ERAF reserve balances from 2011 and 2012. In total, the City received just over \$1,750,000 in Excess ERAF in fiscal year 2014-15. Additionally, the amount of property tax revenue distributed to the General Fund from the former Community Development Agency was higher than expected, which has also contributed to the increase in the projection for this revenue source.

Sales Tax – The mid-year updated projection for sales tax is being reduced by over \$270,000, to \$6,348,146. The primary reason sales tax is not expected to meet initial expectations is due to the loss of a major sales tax generator. While sales tax information for specific businesses is confidential, this particular firm was a consistent top 25 sales tax generator and its loss has a material impact on the General Fund. Partially offsetting this loss in 2014-15 is a payment from the State for the fiscal year 2012-13 Triple Flip shortfall. The Triple Flip is a State-mandated mechanism that takes 25% of our sales tax and replaces it with property tax paid for with Education Revenue Augmentation Funds (ERAF). Because of a reduction in ERAF in 2012-13, there were not enough funds to cover the entire Triple Flip obligation, which negatively impacted the City’s 2013-14 sales tax revenue. The State appropriated funding in the current year to repay cities that were impacted by the shortfall. Otherwise, actual sales tax

revenues are tracking pretty close to expectations for the year, including the sales tax generated by the construction activity at Facebook.

Transient Occupancy Tax – Based on revenue received through the first half of the fiscal year, the projection for Transient Occupancy Tax (TOT) has been revised upward nearly \$160,000, or 3.6%. This continues the strong trend for this revenue source, as fiscal year 2014-15 is expected to be the sixth consecutive year of growth for TOT. One of the significant factors in this growth has been the increase in the tax rate from 10% to 12%, which was implemented in January 2013. With that said, room and occupancy rates remain strong and are driving the revenue growth in the current fiscal year.

Utility Users Tax – Based on remittances through December, UUT is tracking as expected for the current fiscal year. As such, no mid-year adjustment has been made for this revenue source.

Franchise Fees – The majority of franchise fees are collected later in the fiscal year, and as such, it is difficult to determine from the amount collected so far this fiscal year if projections for this revenue source are on track. For the purpose of this report, the current projection will be held flat. An updated projection will be made later in the fiscal year once the revenues start being remitted, and an updated projection will be included with the recommended fiscal year 2015-16 budget.

Licenses and Permits – Building permitting activity remains at a very high level, although the fiscal year 2014-15 adopted budget reflected a drop in permitting revenue year-over-year, as fiscal year 2013-14 revenues were at an unsustainably high level due to a number of large-scale development projects. Through December 2014, revenues in this category, which were projected to be nearly \$4.9 million in the current fiscal year, are on track to meet projections and will not be adjusted at this time.

Intergovernmental Revenues – The mid-year projection for intergovernmental revenues reflects an increase of \$75,000, or 10%, over the original budget. This increase is primarily due to the City receiving reimbursement for costs resulting from State mandates from 1994-2004, which are expected to be one-time in nature.

Fines – This revenue category consists of traffic-related fines, and initial projections for fiscal year 2014-15 reflected expected revenues based on a fully operational traffic enforcement program, which is currently in effect. As such, revenues through December are on track to meet projections and require no mid-year adjustment.

Interest and Rent Income – Yields on the City's investment portfolio are currently 0.56% and reflect the continued minimal return on safe and liquid investments. Based on actual interest income received through December, the original projection for interest is expected to be met and does not require an adjustment at this time.

Charges for Services – This category covers a broad array of City services, including recreation programs, planning activities, and library charges, among other things. Strong growth in this revenue category was projected for 2014-15 to account for the

continued high utilization of the new recreation facilities and expanded service offerings, as well as the current level of planning activity. Through the end of December, total revenue projections for this category are tracking slightly below expectations, predominantly due to actual planning fees received lagging projections. As such, the updated mid-year projection has been reduced by \$200,000, or 2.4%, to account for potentially lower revenues than originally estimated. It is important to note, however, that planning fees lagging projections is a timing issue and is not indicative of a slowdown in activity. Further, this revised estimate still reflects growth of more than 4% over fiscal year 2013-14 actuals.

Transfers and Other – This category represents operating transfers into the General Fund from other funds to offset some of the cost of General Fund overhead, such as the Finance and Human Resources functions, which benefit all funds, as well as any other revenues that are not categorized elsewhere. The projection for this revenue category at mid-year remains unchanged from the original projection.

Use of Assigned Fund Balance – This category represents funds that have either been assigned for development-related expenditures or were assigned for encumbrances from fiscal year 2013-14 that have been carried over into the current fiscal year. The updated year-end projection assumes all of this assigned fund balance will be utilized. To the extent any of it is not utilized, such as if an expenditure that has been encumbered is not fully spent, the excess will be included in the operating surplus.

General Fund - Expenditures

The following table shows the mid-year assessment of 2014-15 General Fund expenditures by department. There are two columns for fiscal year 2014-15, one for the original adopted budget and one for the current budget. The current budget column reflects the original budget plus the encumbrance carryover from 2013-14, as well as the \$85,000 appropriation being requested for continued redevelopment dissolution activities. This appropriation is entirely offset by revenues distributed from the Redevelopment Property Tax Trust Fund, which is administered by the County of San Mateo. In total, all revisions to date bring the total General Fund budget to over \$47.6 million, which is a nearly \$1.2 million, or 2.5%, increase over the adopted budget.

Based on operating expenditures through December 31, 2014, the General Fund in aggregate is tracking below its total current expenditure appropriation, including the amendments that have been made so far this fiscal year. Therefore, some operational savings is expected this year. However, because departmental operating expenditures, as well as the different expenditure categories, such as personnel and contract services, will fluctuate over the course of the year, an aggregate estimated savings amount is being presented in this report, and that amount is estimated at \$1,250,000. It is important to note that this savings amount is the estimate for the net operating savings once encumbered funds are taken into consideration. So while actual expenditures for 2014-15 may be less than the estimate presented in this report, some of those funds may be encumbered for existing spending commitments, and thus don't represent true expenditure savings. Departmental operating expenditures will continue to be monitored and analyzed as we get deeper into the fiscal year, and the General

Fund expenditures table included in the recommended budget will include a projection on how each department will finish the fiscal year and if there will be any change to the projected operating savings for the year.

City of Menlo Park General Fund Expenditures				
	2012-13	2013-14	2014-15	2014-15
<u>By Department</u>	<u>Actual</u>	<u>Actual</u>	<u>Adopted Budget</u>	<u>Adjusted Budget</u>
City Council	\$981,619	\$1,032,139	\$392,849	\$440,318
City Attorney's Office	375,294	380,496	346,353	362,990
City Manager's Office	1,463,566	1,590,798	3,215,844	3,237,815
Community Development	2,774,032	3,765,303	4,774,695	5,572,309
Community Services	7,104,441	7,480,372	7,808,232	7,809,696
Finance	1,422,105	1,478,364	1,540,456	1,656,825
Human Resources	778,589	876,422	1,063,179	1,159,282
Library	2,011,144	2,046,773	2,268,285	2,268,284
Police	13,808,138	14,284,054	15,394,959	15,423,288
Public Works	5,100,295	5,183,204	7,004,095	7,062,343
Transfers Out	6,404,637	2,554,600	2,648,200	2,648,200
Estimated Savings	0	0	0	(1,250,000)
Total Expenditures	\$42,223,860	\$40,672,525	\$46,457,147	\$46,391,350
 <u>By Expenditure Category</u>				
Personnel	\$27,078,787	\$27,201,502	\$30,571,174	\$30,610,149
Operating	5,185,862	5,889,194	6,818,084	6,883,752
Services	3,554,142	5,027,229	6,419,689	7,499,249
Transfers Out	6,404,637	2,554,600	2,648,200	2,648,200
Estimated Savings	0	0	0	(1,250,000)
Total Expenditures	\$42,223,428	\$40,672,525	\$46,457,147	\$46,391,350

General Fund - Operations Summary

The General Fund operations summary reflected on the following page summarizes the revenue and expenditure updates previously discussed and presents a revised estimate for the current year's operating surplus. As demonstrated in the table, the estimated operating surplus based on mid-year projections is just over \$1.5 million. This is primarily due to revenues projections being increased based on year-to-date results. As previously noted, the estimated expenditure savings in the amount of \$1,250,000 reflect what is expected to be the true operating savings, taking into consideration the fact that while expenditures may close the fiscal year even lower than is being estimated in this report, any existing spending commitments that are encumbered will require funding. That funding will come in the form of the portion of the operating surplus that will be assigned to those encumbrances and not available for other purposes.

**City of Menlo Park
General Fund Summary**

	2012-13 Actual	2013-14 Actual	2013-14 Adopted Budget	2013-14 Mid-Year Adjustment
Property Taxes	\$15,731,889	\$15,156,065	\$14,698,775	\$15,986,324
Sales Tax	6,043,870	6,444,292	6,618,595	6,348,146
Transient Occupancy Tax	3,468,256	4,158,809	4,390,000	4,549,694
Utility Users Tax	1,095,256	1,157,653	1,129,632	1,129,632
Franchise Fees	1,765,216	1,841,851	1,863,110	1,863,110
Licenses & Permits	4,447,630	5,782,225	4,880,128	4,880,128
Intergovernmental	866,287	888,131	716,268	791,268
Fines	998,259	1,253,261	1,319,980	1,319,980
Interest and Rent Income	568,051	684,562	715,004	715,004
Charges for Services	7,088,405	7,681,433	8,212,908	8,012,908
Transfers & Other	1,178,628	1,237,838	440,155	440,155
Use of Assigned Fund Balance	0	0	1,500,000	1,865,713
Total Revenue	\$43,251,747	\$46,286,120	\$46,484,555	\$47,902,062
Personnel	\$27,078,787	\$27,201,502	\$30,571,174	\$30,610,149
Operating	5,185,862	5,889,194	6,818,084	6,883,752
Services	3,554,142	5,027,229	6,419,689	7,499,249
Transfers Out	6,404,637	2,554,600	2,648,200	2,648,200
Estimated Savings	0	0	0	(1,250,000)
Total Expenditures	\$42,223,428	\$40,672,525	\$46,457,147	\$46,391,350
Net Operating Surplus	\$1,028,319	\$5,613,595	\$27,408	\$1,510,712

Long-Term General Fund Forecast

The 10-year forecast included in this report as Attachment A was developed based on the adopted 2014-15 budget, with adjustments made for known changes in revenue and expenditure assumptions. As noted earlier in this report, the long-term forecast will continue to be refined as more information on key assumptions is available as the fiscal year progresses.

On the revenue side, the updated version of the 10-year forecast starts with a revised projection for the current fiscal year. In some cases, for example transient occupancy tax, the revised fiscal year 2014-15 value sets the new revenue baseline, with future growth assumptions then remaining at the same level as the existing forecast. In other cases, especially in relation to revenues affected by development activity, the forecast over the next two to three years was adjusted to reflect more specific information prior to returning to a more modest growth factor going forward. Specifically, secured property tax growth is projected to be 7% in 2015-16 and 5% in 2016-17 to reflect increased valuations from current development activity being added to the assessment roll, with the 7% projection for next fiscal year based on the most recent information

from the County. Excess ERAF is forecast to be approximately 50% of the historical amount in fiscal years 2015-16 and 2016-17, and no Excess ERAF is forecast past 2016-17. With the seemingly constant threat of elimination, the forecast for Excess ERAF continues to reduce the General Fund's reliance on an uncertain revenue source while also recognizing that despite the threat of elimination, it has been a consistent source of revenue. Staff will continue to monitor the Excess ERAF situation and update the forecast as necessary. Additionally, for 2015-16 and 2016-17, revenues for permitting and planning activity remain set at the elevated levels established for the 2014-15 adopted 10-year forecast. These revenue estimates reflect the high level of activity that is expected to continue in the near term.

As preparation of the City Manager's recommended fiscal year 2015-16 budget continues, the revenue projections for the 10-year forecast will continue to be analyzed and refined. Four main areas of focus will be sales tax, property tax, transient occupancy tax and development-related revenues. With respect to sales tax, the short- and long-term impact of the loss of a significant sales tax generator will continue to be refined and incorporated into the forecast. Additionally, the State's Triple Flip mechanism is expected to end in 2015-16, with the final true up causing 2015-16 revenues to be artificially low before the standard baseline for the 1% local sales tax is re-established in 2016-17. For property tax, growth rates will continue to be analyzed in relation to the large projects that are in various stages of the development process. These projects have the potential to increase the assessed valuation of property in the City beyond the 7% (2015-16) and 5% (2016-17) growth rates in the updated forecast utilized for this report. Transient occupancy tax will be evaluated with respect to the potential for additional revenue from new hotel developments and the timing of that revenue. The current forecast considers nominal revenue in the current fiscal year for the new Marriott hotel but does not include any assumed revenues for other projects currently in various stages of the development process. Should those revenue assumptions be added into the next iteration of the 10-year forecast, there will be a significant increase to the General Fund's revenue baseline. For development-related revenues, the level of activity and the projects in the development pipeline will be re-evaluated to determine the impact in the short- and long-term on both revenues and expenditures.

On the expenditure side, salaries and benefits are the focus areas of any forecast, since they make up such a large portion of overall General Fund operations, at approximately 70% of the total. For the purposes of this mid-year update, the short- and long-term assumptions for salary and benefits growth as a whole have been maintained from what was established in the original 10-year forecast. This includes the estimated employer contribution rate increases from the California Public Employees Retirement System (CalPERS). For the fiscal year 2014-15 budget and 10-year forecast, the City's consulting actuary developed employer contribution rate projections that took into consideration changes in actuarial assumptions that had been approved by the CalPERS Board and were slated for implementation in 2015-16 and 2016-17. Specifically, these changes impacted smoothing and amortization policies related to investment gains and losses, as well as assumptions related to mortality. Both of these changes will increase employer contribution rates in the future. The consulting actuary

has updated his analysis of the City's long-term rates based on the most recent actuarial valuation, and the results indicate that employer contribution rates will be lower than what had been projected last fiscal year. This is almost entirely the result of the CalPERS investment portfolio earning 18% for the year ended June 30, 2014 (as opposed to the assumed 7.5% return). These results have not, however, been incorporated into updated 10-year forecast presented in this report, as employer contribution rates for pension expenses have to be considered within the context of all compensation expenses. As the 2015-16 recommended budget and 10-year forecast are developed, the updated contribution rates will be utilized, along with updated assumptions for future salary and benefit increases. These assumptions will be driven by the availability of resources to provide compensation increases.

In 2015-16 and beyond, spending for both contract services and operating expenses remains at the level established in the original forecast, which is down from the current year. The current year's budget, especially for contract services, is well above its sustainable baseline due to encumbrances from 2013-14 spending commitments, as well as additional funds added to the 2014-15 budget to provide services related to the high level of development activity. Just as was noted for development-related revenues, activity will be re-evaluated as the recommended 2015-16 budget and 10-year forecast are being developed, and expenditure levels will be adjusted appropriately in the short- and long-term to reflect the resources required to meet the service demand.

The General Fund transfer out for infrastructure maintenance remains set at its established level and is subject to the same inflationary growth as other General Fund operating expenditures in the 10-year forecast. The regular transfer amount reflects the annual cost of maintaining the City's current infrastructure in its current condition. As such, the transfer is considered an essential part of a sustainable budget.

As noted previously, this version of the 10-year forecast is a very preliminary version based on current year performance and new information that has become available as the fiscal year has progressed. This forecast will continue to be revised and refined up until the point it is presented to Council in the recommended budget in June. As such, the projections for future surpluses and deficits are very preliminary and should not be utilized to make decisions regarding the City's resources, especially given that the budgetary process to recommend an allocation of the City's resources amongst service areas based on Council's priorities is just getting underway. The 10-year forecast presented in the recommended budget will incorporate that recommended resource allocation within the context of available revenues and the impact of expenditure allocations on the overall fund balance. Material changes in service levels, both increases and decreases, will be discussed in detail in the recommended budget.

Other Funds

Although the mid-year report is largely focused on the City's regular operations, which predominantly reside in the General Fund, an update on some of the City's other funds is included when there are material changes from original revenue projections and/or expenditure appropriations. While there are no requested changes to the expenditure

appropriation for any of the City's other funds, there are two funds with significant changes to original revenue projections, the Construction Impact Fees Fund and the Transportation Impact Fees Fund.

Construction Impact Fees – This fund is supported through developer fees assessed to mitigate pavement damage due to heavy construction activity. Recently, revenues have approximated \$500,000 per year, and the fund currently contributes \$1 million to the bi-annual street resurfacing project. Due to increased development activity, the fund's revenue projection for 2014-15 is being increased by \$700,000, to \$1,700,000. These revenues will be needed going forward to fund the additional work required to mitigate construction-related damage to the City's streets.

Transportation Impact Fees – Like the Construction Impact Fee Fund, the Transportation Impact Fees Fund is supported through developer fees assessed to mitigate City traffic problems that result either directly or indirectly from development. The revenue projection for this fund is being reduced by a net of nearly \$1 million. This considers a reduction in the projection for grant revenues in the amount of \$1,495,000 for the Sand Hill Road Signal Interconnect project. These revenues are actually expected to be received in fiscal year 2015-16. Partially offsetting this is an increase to the revenue projection for traffic impact fees in the amount of \$500,000, which is the result of the heavy development activity currently underway.

IMPACT ON CITY RESOURCES

The fiscal impact of the requested change to the expenditure appropriation of the General Fund is discussed in the body of this report. Council's approval is requested to amend the current fiscal year 2014-15 expenditure budget to:

- Appropriate \$85,000 in revenue from the Redevelopment Property Tax Trust Fund for approved administrative expenditures related to the dissolution of the former Community Development Agency.

All revenue projections made for the adopted fiscal year 2014-15 budget have been reviewed as a part of the mid-year update. If applicable, projections have been modified to reflect changes in economic conditions or new revenue sources.

ENVIRONMENTAL REVIEW

Environmental review is not required.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

A. Revised 10-year forecast

Report prepared by:

Drew Corbett

Finance Director

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ATTACHMENT A

	Adopted Budget 2015	Adjusted Budget 2015	Forecast 2016	Forecast 2017	Forecast 2018	Forecast 2019	Forecast 2020	Forecast 2021	Forecast 2022	Forecast 2023	Forecast 2024	Forecast 2025
Revenues												
Property Tax	14,698,775	15,986,324	15,877,492	16,820,189	16,981,002	17,744,789	18,434,319	19,151,010	19,895,938	20,670,223	21,475,026	22,311,557
Sales Tax	6,618,595	6,348,146	5,257,064	5,743,316	5,781,682	5,897,316	6,015,262	6,135,568	6,258,279	6,383,445	6,511,114	6,641,336
Transient Occupancy Tax	4,390,000	4,549,694	4,781,314	4,911,328	5,080,091	5,254,423	5,434,500	5,583,949	5,737,508	5,895,289	6,057,410	6,223,988
Utility Users Tax	1,129,632	1,129,632	1,130,952	1,132,439	1,135,402	1,149,197	1,163,796	1,179,222	1,195,501	1,212,659	1,230,722	1,249,720
Franchise Fees	1,863,110	1,863,110	1,903,553	1,938,506	1,975,047	2,013,226	2,053,094	2,094,707	2,138,120	2,183,394	2,230,590	2,279,773
License and Permit	4,880,128	4,880,128	5,388,560	5,068,303	4,903,542	4,999,217	5,084,655	5,172,497	5,272,196	5,374,314	5,579,354	5,690,812
Intergovernmental	716,268	791,268	729,993	743,993	758,273	772,839	787,695	802,849	818,306	834,072	850,154	866,557
Fines and Forfeitures	1,319,980	1,319,980	1,346,380	1,373,307	1,400,773	1,428,789	1,457,365	1,486,512	1,516,242	1,546,567	1,577,498	1,609,048
Interest and Rent Income	715,004	715,004	748,104	781,366	889,793	998,389	1,019,157	1,040,340	1,061,947	1,083,986	1,106,466	1,129,395
Charges for Services	8,212,908	8,012,908	8,451,605	8,118,419	7,953,726	8,170,654	8,133,722	8,315,472	8,532,999	8,757,681	8,989,683	9,240,018
Donations/Miscellaneous	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Transfer/Other	405,155	405,155	408,601	418,102	428,636	441,268	451,526	462,118	475,128	488,489	502,308	517,337
Use of Assigned Fund Balance	1,500,000	1,865,713	0	0	0	0	0	0	0	0	0	0
TOTAL REVENUES	46,484,555	47,902,061	46,058,618	47,084,269	47,322,969	48,905,107	50,070,092	51,459,244	52,937,164	54,465,119	56,145,323	57,794,541
Expenditures												
Salaries and Wages	21,895,069	21,880,069	22,019,263	22,270,099	22,617,464	23,063,440	23,381,393	23,842,439	24,547,839	25,274,401	26,022,760	26,804,550
Benefits	8,676,104	8,730,080	8,811,916	9,277,959	9,725,447	10,232,653	10,688,733	11,026,911	11,303,147	11,584,789	11,879,149	12,231,368
Operating	3,494,024	3,527,297	3,563,904	3,635,183	3,707,886	3,782,044	3,857,685	3,934,839	4,013,535	4,093,806	4,175,682	4,259,196
Utilities	1,282,671	1,282,671	1,321,151	1,347,574	1,374,526	1,402,016	1,430,056	1,458,658	1,487,831	1,517,587	1,547,939	1,578,898
Services	6,419,689	7,499,249	5,891,043	5,658,864	5,447,041	5,555,982	5,667,101	5,780,443	5,896,052	6,013,973	6,134,253	6,256,938
Fixed Assets and Capital Outlay	371,311	396,575	378,737	386,312	394,038	401,919	409,957	418,156	426,520	435,050	443,751	452,626
Travel and Training	259,205	259,205	264,389	269,677	275,070	280,572	286,183	291,907	297,745	303,700	309,774	315,969
Repairs and Maintenance	938,174	942,674	966,319	995,309	1,025,168	1,055,923	1,087,601	1,120,229	1,153,836	1,188,451	1,224,104	1,260,827
Special Projects	472,700	475,330	482,154	491,797	501,633	511,666	521,899	532,337	542,984	553,843	564,920	576,219
Transfers Out	2,648,200	2,648,200	2,754,128	2,864,293	2,978,865	3,098,019	3,221,940	3,350,818	3,484,851	3,624,245	3,769,214	3,919,983
Anticipated Operating Savings	0	(1,250,000)	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENDITURES	46,457,147	46,391,350	46,453,004	47,197,066	48,047,138	49,384,234	50,552,550	51,756,737	53,154,339	54,589,845	56,071,546	57,656,573
SURPLUS/(DEFICIT)	27,408	1,510,711	(394,386)	(112,797)	(724,169)	(479,127)	(482,458)	(297,492)	(217,175)	(124,727)	73,777	137,968

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