



SPECIAL AND REGULAR MEETING MINUTES

Date: 2/13/2018
Time: 5:45 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

5:45 p.m. Closed Session (City Hall - “Downtown” Conference Room, 1st Floor)

Mayor Ohtaki called the closed session to order at 6:11 p.m. There were no comments from the public.

Councilmembers Carlton, Cline, Keith, Mueller and Ohtaki were present.

- CL1.** Closed session pursuant to Government Code Section §54957.6 to confer with labor negotiators regarding current labor negotiations with the unrepresented management

Attendees: City Manager Alex McIntyre, Administrative Services Director Nick Pegueros, Human Resources Manager Lenka Diaz, City Attorney Bill McClure, Labor Counsel Charles Sakai

7:00 p.m. Regular Session (City Council Chambers)

A. Call to Order

Mayor Ohtaki called the meeting to order at 7:17 p.m.

B. Roll Call

Present: Carlton, Cline, Keith, Ohtaki, Mueller
Absent: None
Staff: City Manager Alex McIntyre, City Attorney Bill McClure, Deputy City Clerk Jelena Harada

C. Pledge of Allegiance

Mayor Ohtaki led the Pledge of Allegiance.

D. Report from Closed Session

There was no report from Closed Session.

E. Study Session

- E1.** Review the Cost of Services Study and User Fee Cost Recovery Policy and provide direction on amendments to the Master Fee Schedule (Staff Report #18-042-CC)

Administrative Services Director Nick Pegueros made a presentation.

After discussion, the City Council directed staff to return with amendments to the Master Fee Schedule to update fees, in accordance with the City Council’s User Fee Cost Recovery Policy. The

City Council provided direction to clarify that childcare fee adjustments do not need to fully recover indirect costs allocated to the services as part of the Cost of Services Study.

The City Council directed staff to return with further analysis on planning fees for certain single-family residential planning services, as well as an analysis of moving the fee basis for these permits from time and materials to a flat fee.

The City Council also directed staff to return with an additional analysis of the consultant's recommendation to establish a community development reserve fund.

E2. Guild Theatre site (Staff Report #18-038-CC)

Assistant Community Development Director Mark Muenzer introduced the item (Attachment). The project applicant Drew Dunlevie, president at Peninsula Arts Guild, gave an overview of the project. Chris Wasney of CAW Architects made a presentation (Attachment).

- Owen Byrd spoke about Guild Theatre event programming.
- Skip Hilton spoke in support of the Guild Theatre project.
- Fran Dehn spoke in support of the Guild Theatre project and other cultural and art events in Menlo Park.
- Patrick Corman spoke in support of the Guild Theatre project.
- Judy Adams spoke in support of the Guild Theatre project.

Mayor Ohtaki summarized the Councilmembers' comments and general support of the proposed project, support of the proposed 2.46 floor-area-ratio and connecting the public benefit to the increase in floor-area-ratio. There was a consensus to support the community's use of the performance facility without a specific cap on the number of events, which could be determined by the applicant and staff at a later time. The City Council directed staff to report back on a potential increase in the floor-area-ratio limits throughout the Specific Plan area for entertainment uses.

F. Public Comment

Mayor Ohtaki announced a student cultural exchange with Bizen, Japan and encouraged Menlo Park residents between the ages of 12 and 15 to apply for the cultural program exchange. The applications are due on March 15, 2018, and may be submitted at menlopark.org/studentexchange.

- Judy Adams encouraged the City to apply for the Mayors for Peace Program.
- Jen Wolosin spoke about increased Menlo-Atherton High School bike-to-school rates and city staff vacancies.
- Angela Evans presented a video about the need of the affordable housing in the downtown area.

G. Consent Calendar

Mayor Ohtaki pulled item G6. Councilmember Keith pulled item G1.

Councilmember Carlton announced that she had a conflict of interest due to her consulting relationship with a company that does business with Facebook and recused herself from voting on items G4 and G6.

- G2. Adopt a resolution authorizing the Public Works Director to accept work performed on construction contracts (Staff Report #18-036-CC)
- G3. Authorize the use of Rectangular Rapid Flashing Beacons as a traffic control device to enhance pedestrian safety (Staff Report #18-034-CC)
- G4. Authorize the City Manager to enter into a contract with ICF International (ICF) to prepare an Environmental Impact Report (EIR) for a proposed 318,614 square foot office building at 164 Jefferson Drive for the amount of \$402,275 and future augments as may be necessary to complete the environmental review for the proposed project (Staff Report #18-039-CC)
- G5. Authorize the City Manager to enter into a contract with ICF International (ICF) to prepare an Environmental Impact Report (EIR) for the proposed approximately 260,000 square foot research and development (R&D) building at 1350 Adams Court for the amount of \$363,780 and future augments as may be necessary to complete the environmental review for the proposed project (Staff Report #18-040-CC)
- G7. Adopt a resolution initiating the Menlo Park Landscape Assessment District proceedings for Fiscal Year 2018-19 (Staff Report #18-037-CC)

ACTION: Motion and second (Cline/Carlton) to approve items G2, G3, G4, G5 and G7 passed unanimously (Item G4 passed 4-0-1; Carlton recused).

- G1. Approve the City Council meeting minutes of February 6, 2018

Councilmember Keith requested clarification on item G1.

The City Council directed the City Clerk to review the recording and return with this item at the next meeting.

- G6. Approve the design for the relocated connection of Marsh Road to Independence Drive (Staff Report #18-035-CC)

Councilmember Carlton announced that she had a conflict of interest due to her consulting relationship with a company that does business with Facebook and recused herself on item G6 and left the City Council Chambers at 10:21 p.m.

- Philip Bourgeois spoke about the personal cost burden of the Independence Drive relocation.
- Patrick Coyne spoke about the negative financial impact the Independence Drive relocation would have on the building owners in the area.
- Sateez Kadivar spoke against the proposed design and requested the item not be approved.
- Gerry Secret spoke against the proposed design.

ACTION: Motion and second (Ohtaki/Keith) to agendize a study session for a future meeting to discuss the Independence Drive relocation, passed 3-0-1-1 (Mueller abstained, Carlton recused).

Councilmember Carlton returned to the City Council chambers at 10:58 p.m.

Mayor Ohtaki noted the time being 11:00 p.m. and called for discussion of items H1 and H3 under Regular Business and announced that item H2 may be deferred to the next meeting if it is not heard before midnight.

H. Regular Business

- H1. Appoint a City Council subcommittee to assist with the West Menlo Park Triangle Annexation project (Staff Report #18-044-CC)

ACTION: Motion and second (Keith/Cline) to appoint Councilmember Carlton and Mayor Pro Tem Mueller to the subcommittee to assist with the West Menlo Park Triangle Annexation project, passed unanimously.

- H3. Provide direction on placing an enabling charter on November 2018 ballot (Staff Report #18-032-CC)

City Attorney Bill McClure introduced the item.

ACTION: Motion and second (Cline/Carlton) to proceed with placing an enabling charter on November 2018 ballot and set specific guidelines for instances when the City Council is considering legislation that would vary from existing State statutes, passed unanimously.

- H2. Approve the 2017-18 midyear budget report and approve recommended 2017-18 budget amendments (Staff Report #18-043-CC)

Administrative Services Director Nick Pegueros made a presentation (Attachment).

ACTION: Motion and second (Cline/Keith) to approve the fiscal year 2017-18 midyear budget report and approve recommended budget amendments, passed unanimously.

I. Informational Items

- I1. Review of the City's investment portfolio as of December 31, 2017 (Staff Report #18-033-CC)
- I2. Update on the temporary traffic calming modifications to the Willows neighborhood due to construction impacts of the Willow Road/U.S. 101 interchange (Staff Report #18-041-CC)

J. City Manager's Report

K. Councilmember Reports

L. Adjournment

Mayor Ohtaki adjourned the meeting at 11:45 p.m.

Jelena Harada, Deputy City Clerk

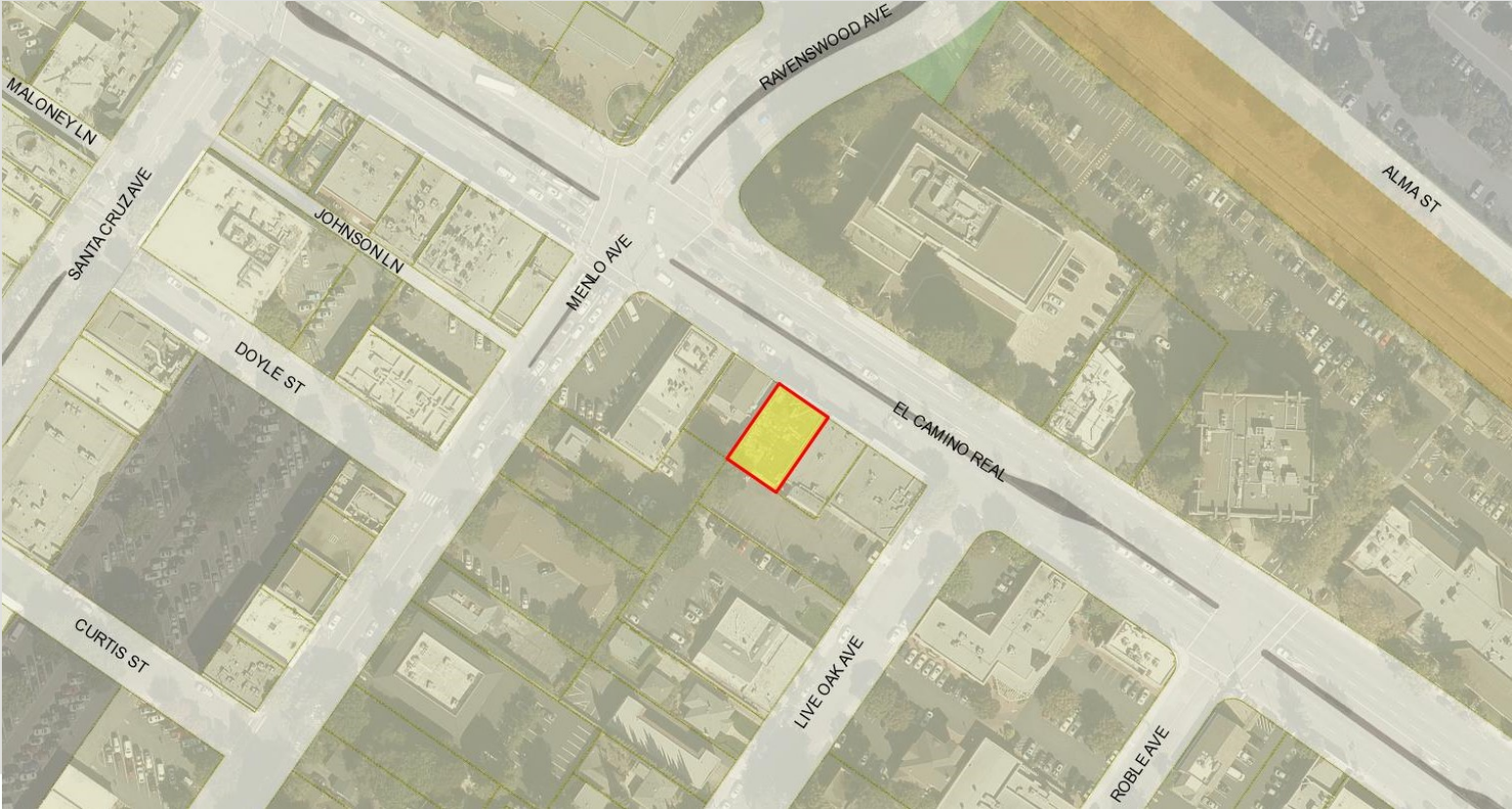
These minutes were approved at the City Council meeting of April 24, 2018.

GUILD THEATRE SITE

City Council February 13, 2018

Mark Muenzer, Assistant Community Development Director

GUILD THEATRE LOCATION



SPECIFIC PLAN MAP



CURRENT GUILD THEATRE



CURRENT GUILD THEATRE



BACKGROUND

- Site located in El Camino/DSP Mixed-Use Residential District (South-West)
- Several similar permitted and conditional commercial uses allowed
- Permitted FAR is 1.50 (Public Benefit Bonus) – Proposed FAR is 2.46
- Permitted height is 38' (30' façade height)
- Building setback and other DSP design standards to be reviewed
- Current theatre has no on-site parking – Applicant to prepare parking and traffic study for further analysis
- Additional Transportation items to be reviewed: pick-up and drop-off procedures, loading and unloading from ECR, crosswalk and bike lane improvements and bus storage
- Specific Plan Amendments likely to include: FAR revision for entertainment uses in Plan Area, use definition and potential setback changes

PROJECT TIMELINE

- February 13, 2018 – City Council Study Session
- February 2018 – Applicant files development application
- February 2018 – Staff retains consultant and develops project scope, budget and timeline
- March-May 2018 – Staff completes project deliverables with consultant and applicant finalizes site plan, building elevations and traffic/parking study
- June 2018 – Planning Commission review
- July 2018 – City Council review

QUESTIONS

- Supportive of the proposed facility renovation into a live entertainment venue?
- Support for an increased FAR at this project site and throughout Specific Plan Area for entertainment uses?
- Is the retention of the existing façade and signage important?
- Off-site parking requirements for the facility? If yes, general location of parking areas?
- Proposed theatre operations or other transportation elements for further review?
- Regarding community use of facility, what is the estimated number of weekly, monthly or annual events that could be permitted with a public benefit bonus? Restrictions on days of week and day vs night events? City process to review community use requests?



THANK YOU



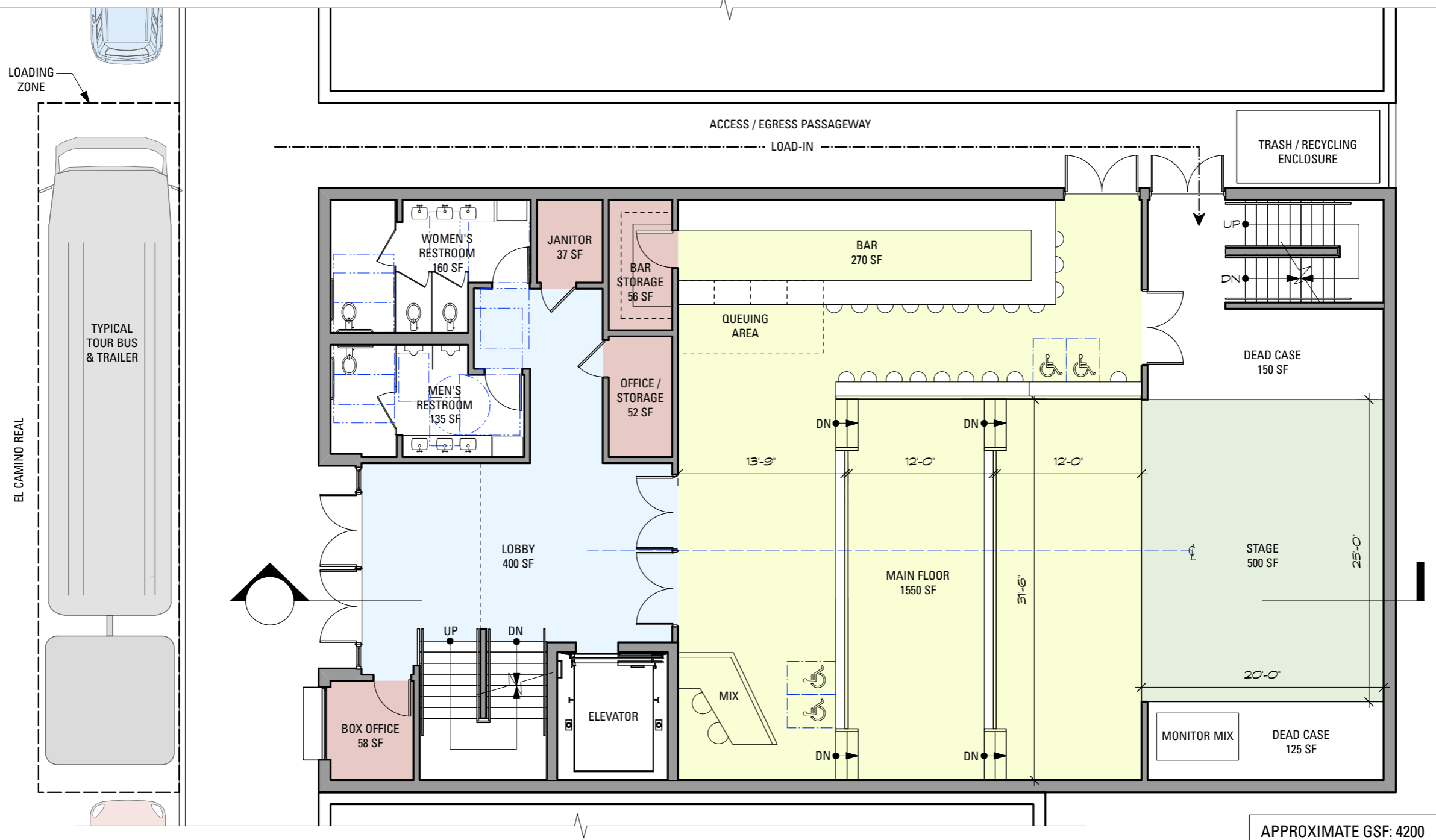
THE GUILD THEATER

949 EL CAMINO REAL, MENLO PARK

FEBRUARY 12, 2018

CAW
ARCHITECTS

FIRST FLOOR PLAN

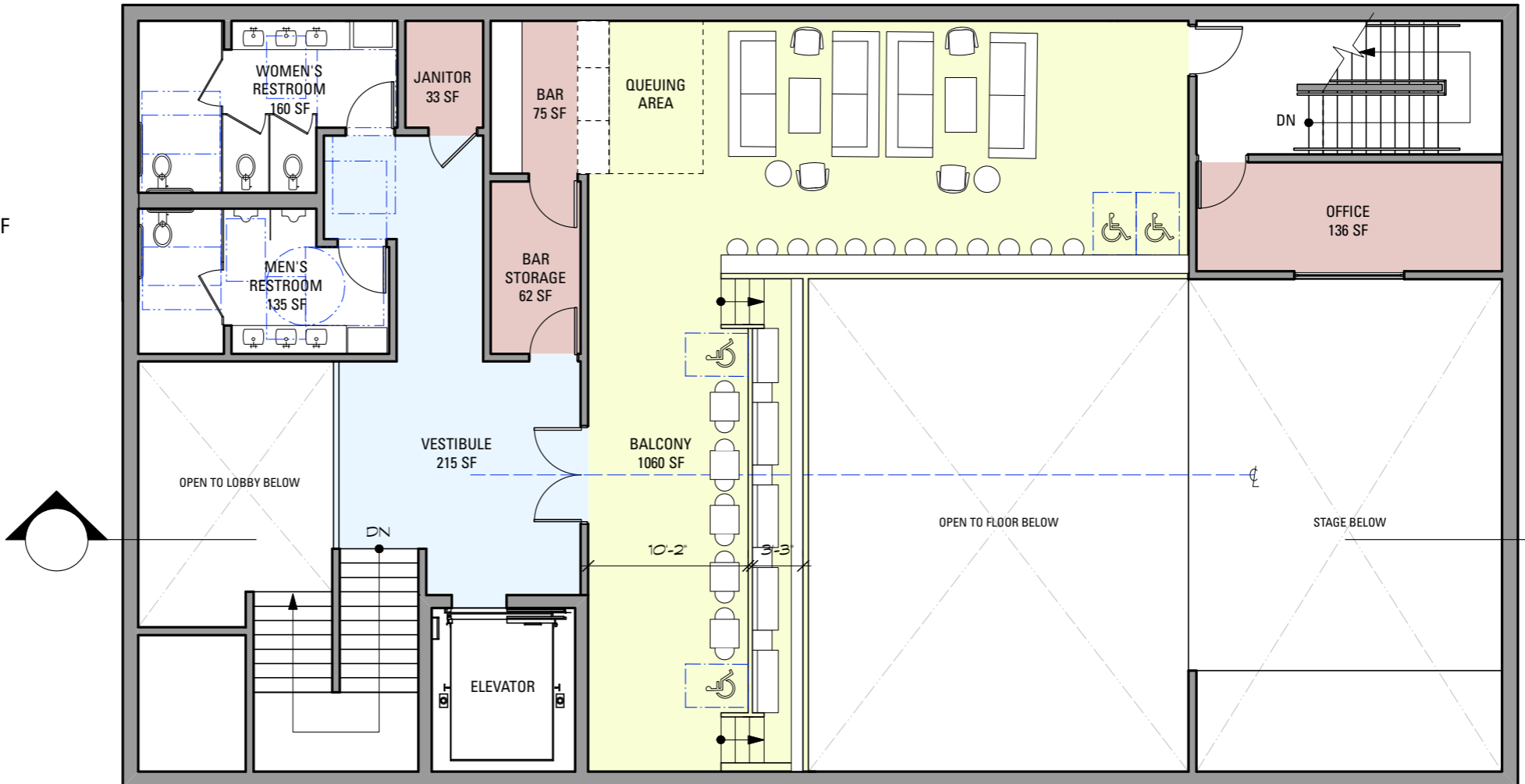


APPROXIMATE GSF: 4200

SECOND FLOOR PLAN

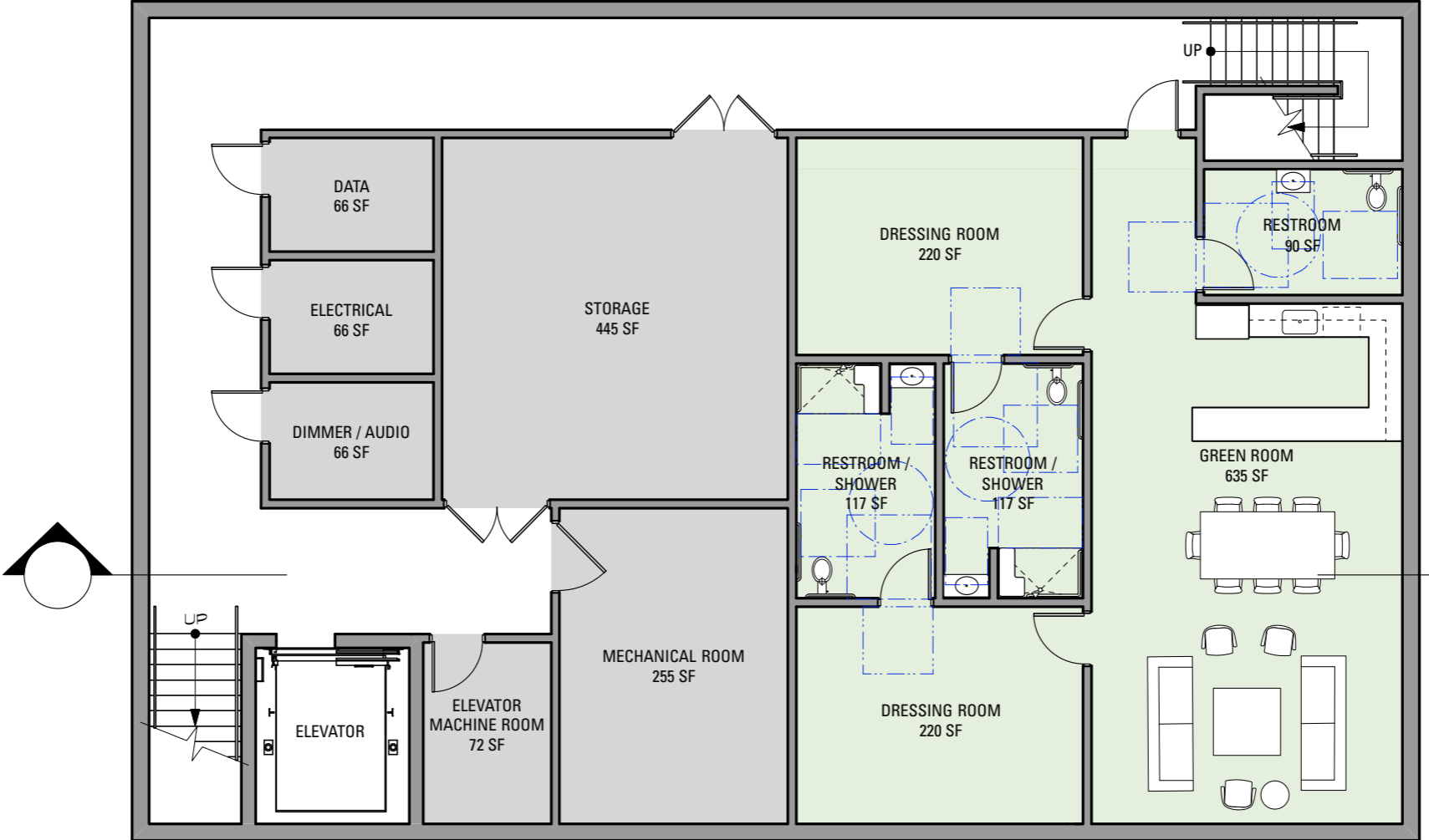
APPROXIMATE SITE AREA: 4845 SF
(E) BUILDING AREA: 4200 SF

PROPOSED AREA:
FIRST FLOOR: 4200 SF
SECOND FLOOR: 2710 SF
BASEMENT: 3830 SF
TOTAL: 10,997 SF



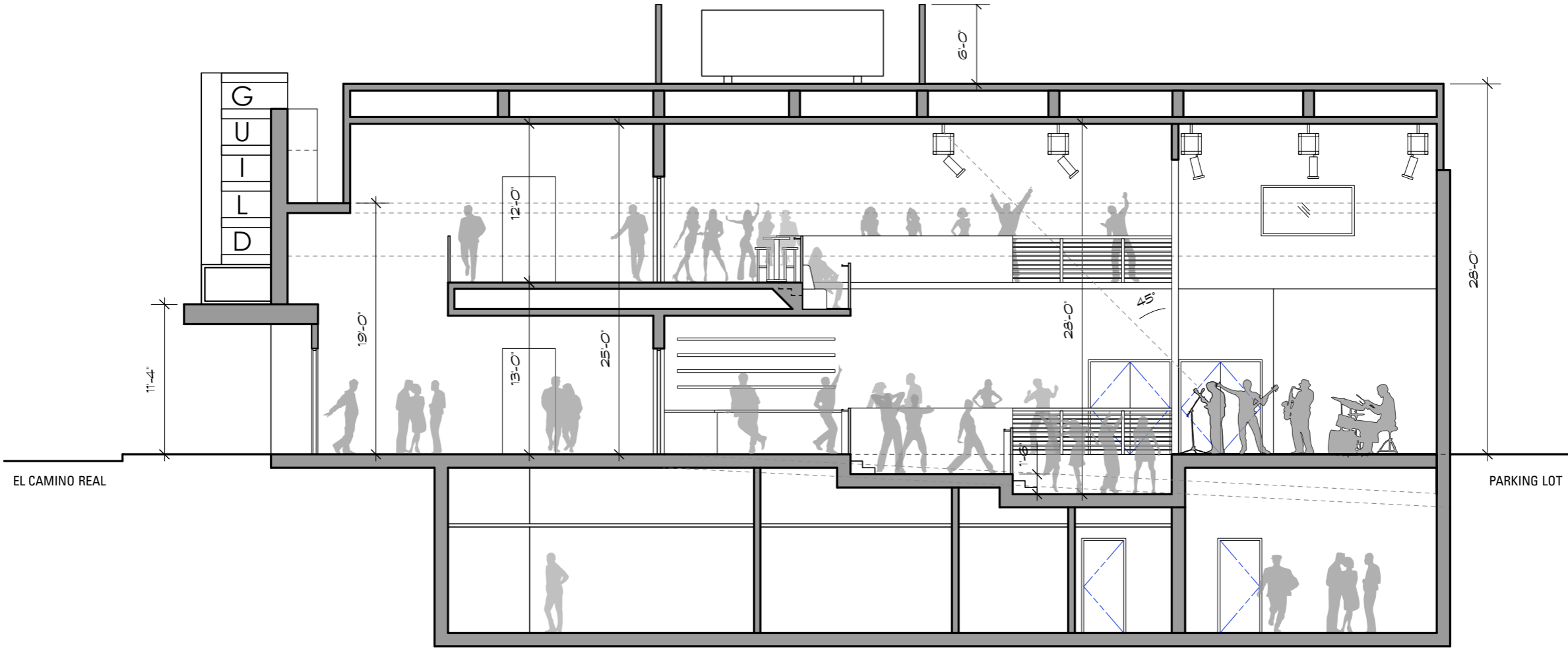
APPROXIMATE GSF: 2710

BASEMENT PLAN

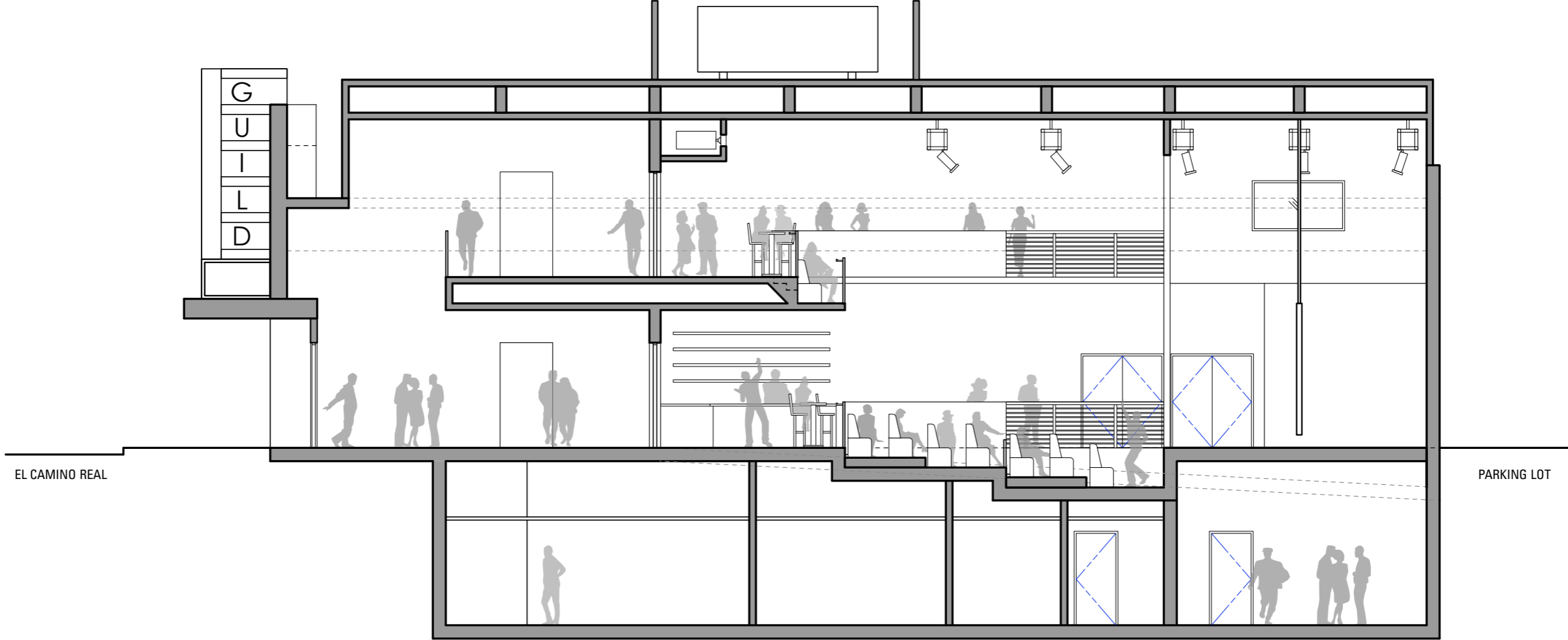


APPROXIMATE GSF: 3830

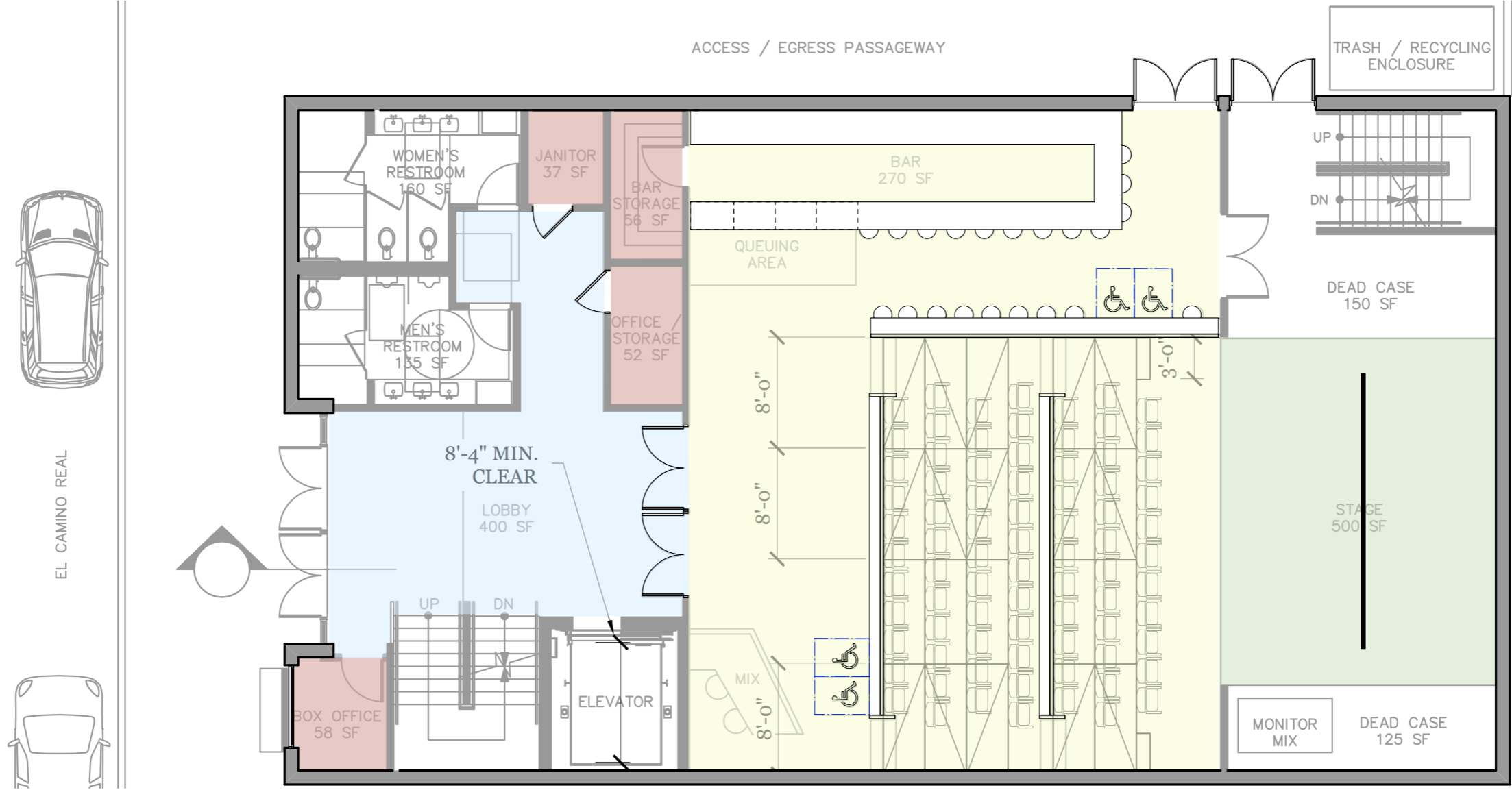
SECTION: MUSIC VENUE



SECTION: MOVIE THEATER

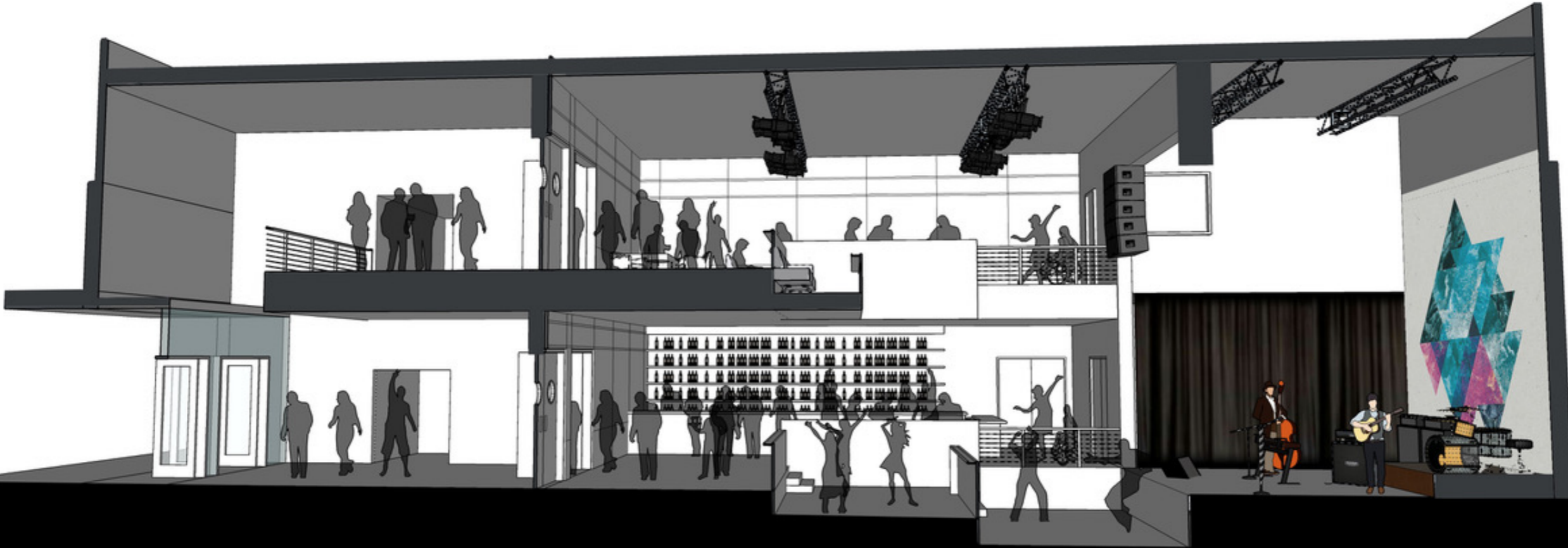


FIRST FLOOR PLAN: SEATING LAYOUT



SEAT COUNT: 80

INTERIOR VIEW: MUSIC VENUE



INTERIOR VIEW: MUSIC VENUE



INTERIOR VIEW: MUSIC VENUE



INTERIOR VIEW: LECTURE HALL



INTERIOR VIEW: MOVIE THEATER





2017-18 MID-YEAR BUDGET UPDATE

Nick Pegueros,
Administrative Services Director

AGENDA

- General Fund
 - Revenues
 - Expenditures
- Summary of Expenditure Adjustments
- Recommended Budget Adjustment
- General Fund – Designated Fund Balance



GENERAL FUND REVENUES

**Table 1:
General Fund Revenue
Amendments Summary**

	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected Actual	Required Mid-year Amendments	Percent Change
Taxes	\$ 34,114,906	\$ 33,348,000	\$ 35,531,605	\$ 2,183,605	6.5%
Franchise Fees	2,001,106	2,047,000	2,047,000	-	0.0%
Licenses & Permits	5,844,570	6,435,500	7,428,541	993,041	15.4%
Intergovernmental	946,784	1,149,284	1,149,284	-	0.0%
Fines	1,110,892	1,262,400	1,262,400	-	0.0%
Interest and Rent Income	914,090	898,200	898,200	-	0.0%
Charges for Services	7,871,770	9,328,410	9,676,744	348,334	3.7%
Other	71,799	0	0	-	0.0%
Transfers & Assigned Fund Bal.	482,029	2,332,795	2,725,592	392,797	16.8%
Total	\$ 53,357,946	\$56,801,589	\$ 60,719,365	\$ 3,917,776	6.9%

GENERAL FUND EXPENDITURES

**Table 2:
General Fund Expenditure
Amendments Summary**

	2016-17 Actual	2017-18 Adopted Budget	2017-18 Projected Actual	Required Mid-year Amendments	Percent Change
Personnel					
Salaries & Wages	\$ 23,393,664	\$ 25,348,251	\$ 23,663,328	(1,684,924)	-6.6%
Fringe Benefits	10,895,526	10,876,257	10,876,257	0	0.0%
Subtotal	<u>\$ 34,289,190</u>	<u>\$ 36,224,508</u>	<u>\$ 34,539,585</u>	<u>\$ (1,684,924)</u>	-4.7%
Operating					
Operating Expense	\$ 4,969,724	\$ 6,289,033	\$ 6,484,868	\$ 195,835	3.1%
Utilities	1,434,787	1,486,486	1,490,286	3,800	0.3%
Services	4,821,951	7,408,157	7,802,825	394,668	5.3%
Fixed Assets & Capital Outlay	135,601	254,100	378,394	124,294	48.9%
Travel	136,162	171,570	171,570	-	0.0%
Repairs & Maintenance	759,415	882,298	882,298	-	0.0%
Special Projects & Transfers	5,310,490	3,898,768	4,928,768	1,030,000	26.4%
Subtotal	<u>\$ 17,568,130</u>	<u>\$ 20,390,412</u>	<u>\$ 22,139,009</u>	<u>\$ 1,748,597</u>	8.6%
Total	<u>\$ 51,857,320</u>	<u>\$ 56,614,920</u>	<u>\$ 56,678,594</u>	<u>\$ 63,673</u>	0.1%

SUMMARY OF EXPENDITURE ADJUSTMENTS

- No new appropriations requested
- Previously approved appropriations:
 - \$37,167 – Addition of Management Analyst II
 - \$392,797 – Carryover encumbrances
 - \$91,000 – Community Funding Allocation
 - \$120,000 – Redistricting support
 - \$114,800 – Burgess Pool Operations
 - \$1,030,000 – Transfers to other funds

RECOMMENDED BUDGET ADJUSTMENTS

GENERAL FUND:	Increase / (Decrease)
Revenues	\$3,917,776
Expenditures	(966,327)
Transfers Out	1,030,000
Net Change in Budget	\$3,854,103

OTHER FUNDS:	Increase / (Decrease)
Revenues	\$250,000
Expenditures	2,275,000
Transfers In	(1,030,000)
Net Change in Budget	\$1,495,000



GENERAL FUND- DESIGNATED FUND BALANCE



**Table 4:
General Fund - Designated Fund Balance**

	2016-17 Actual	2017-18 Adopted Budget	2017-18 Mid-Year Adjusted Budget	2017-18 Mid-Year Variance
FUND BALANCES				
Beginning of the year	\$31,716,256	\$33,218,415	\$33,218,415	\$0
Non Spendable:				
Deposits and prepaid items	1,395,679	1,395,679	1,395,679	0
Committed to:				
Strategic pension funding	3,300,000	3,300,000	3,300,000	0
Emergency contingency	9,300,000	9,300,000	9,300,000	0
Economic stabilization	12,000,000	12,000,000	12,000,000	0
Assigned to:				
Infrastructure maintenance	2,696,000	2,696,000	2,696,000	0
Community development	1,850,000	1,850,000	1,850,000	0
Other purposes	394,127	394,127	394,127	0
Unassigned	2,282,609	2,282,609	6,136,712	3,854,103
End of the year	\$33,218,415	\$33,218,415	\$37,072,518	\$3,854,103



THANK YOU