



SPECIAL AND REGULAR MEETING

Date: 6/18/2019
Time: 6:00 p.m.
City Council Chambers
701 Laurel St., Menlo Park, CA 94025

6:00 p.m. Closed Session (City Hall - “Downtown” Conference Room, 1st Floor)

A. Call To Order

Mayor Mueller called the meeting to order at 6:01 p.m.

B. Roll Call

Present: Combs, Nash, Taylor, Mueller
Absent: Carlton
Staff: City Manager Starla Jerome-Robinson, Deputy City Manager/Public Work Director Justin Murphy, City Attorney Bill McClure, City Clerk Judi A. Herren (excused at 6:02 p.m.)

Public comment on these items will be taken before adjourning to Closed Session.

CL1. Closed session conference with real property negotiators pursuant to Government Code Section 54956.8.
Property: 1283 Willow Road, Menlo Park [APN: 062103640]
Agency Negotiating Parties: City Attorney Bill McClure, City Manager Starla Jerome-Robinson, Deputy City Manager/Public Work Director Justin Murphy
Under negotiation: Price and terms of potential purchase of the Property

Mayor Mueller adjourned the meeting at 6:41 p.m.

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

City Councilmember Catherine Carlton participated by phone from:
30 Rue des Merciers
Avallon, Bourgogne
Franche – Comte
89200, France

A. Call To Order

Mayor Mueller called the meeting to order at 7 p.m.

B. Roll Call

Present: Carlton, Combs, Nash, Taylor, Mueller
Absent: None

Staff: City Manager Starla Jerome-Robinson, City Attorney Bill McClure, City Clerk Judi A. Herren

C. Pledge of Allegiance

Mayor Mueller led the Pledge of Allegiance.

Report from Closed Session

None.

D. Presentations and Proclamations

D1. Proclamation: June as Immigrant Heritage Month

Mayor Mueller read the proclamation.

D2. Proclamation: Juneteenth

Mayor Mueller read the proclamation.

E. Commissioner Reports

E1. Library Commission update and announcements ([Staff Report #19-090-CC](#))

Library Commission Chair Katie Hadrovic made the presentation (Attachment).

F. Public Comment

- Jackie Comstock with donated time from Annika Lortensen spoke on the noise coming from the Tysons dog kennel and the inability for the City to address the issue.
- Judith B. Howson spoke on the noise from Tysons Kennel.
- Karin Sargis spoke about the noise from Tysons Kennels.
- Francois Michael spoke against SB 967.

G. Consent Calendar

Mayor Mueller pulled items G2, G4, and G5.

G1. Accept the City Council meeting minutes for May 13, 2019 (Attachment)

G2. Approve public engagement plan for a local minimum wage ordinance effective January 1, 2020 (Staff Report #19-125-CC)

The City Council requested the Chamber of Commerce be included in the list of stakeholders. City Council also discussed all Menlo Park employees be brought to the minimum wage proposed in the ordinance.

ACTION: Motion and second (Nash/ Taylor) to approve public engagement plan for a local minimum wage ordinance effective January 1, 2020, passed unanimously.

G3. Amend the fiscal year 2018-19 budget (Staff Report #19-136-CC)

G4. Authorize the city manager to enter into agreements with Chrisp Company and Tri-Valley Striping for citywide street signage and striping program and authorize the city manager the option to extend the agreements for up to three additional years (Staff Report #19-131-CC)

The City Council received clarification as to the selection of Chrisp Company and Tri-Valley Striping. City Council requested that future staff reports include the previous year's contract and to receive a non-agendized progress report in one and a half years.

ACTION: Motion and second (Taylor/ Nash) to authorize the city manager to enter into agreements with Chrisp Company and Tri-Valley Striping for citywide street signage and striping program, authorize the city manager the option to extend the agreements for up to three additional years, and non-agendized progress report at the one and half year mark, passed unanimously.

G5. Authorize the city manager to enter into an agreement with Universal Building Services and Supply Co. for janitorial services at Bedwell Bayfront Park up to the budgeted amount (Staff Report #19-133-CC)

ACTION: Motion and second (Taylor/ Nash) to authorize the city manager to enter into an agreement with Universal Building Services and Supply Co. for janitorial services at Bedwell Bayfront Park up to the budgeted amount, and non-agendized progress report at the one and half year mark, passed unanimously.

G6. Receive and file the Library Commission's work plan 2019-2020 (Staff Report #19-126-CC)

ACTION: Motion and second (Nash/ Combs) to approve the consent calendar excluding items G2, G4, and G5, passed unanimously.

H. Public Hearing

H1. Adopt Resolution No. 6483 overruling protests, ordering the improvements, confirming the diagram and ordering the levy and collection of assessments for landscaping assessment district for fiscal year 2019-20 (Staff Report #19-128-CC)

Senior Civil Engineer Theresa Avedian made the presentation (Attachment).

Mayor Mueller opened the public hearing.

- Steve Van Pelt spoke about concerns that the proposed work cannot be completed within the timeframe and requested a list of upcoming projects.

By acclamation, Mayor Mueller closed the public hearing.

The City Council requested that future staff reports include a list of pending projects and suggested putting the inventory online. City Council received clarification on how public outreach is accomplished.

ACTION: Motion and second (Taylor/ Combs) to adopt Resolution No. 6483 overruling protests, ordering the improvements, confirming the diagram and ordering the levy and collection of assessments for landscaping assessment district for fiscal year 2019-20, passed unanimously.

- H2. Adopt Resolution No. 6505 to collect the regulatory fee at the existing rates to implement the City's stormwater management program for fiscal year 2019-20 (Staff Report #19-129-CC)

Assistant Public Works Director Chris Lamm made the presentation.

Mayor Mueller opened the public hearing.

By acclamation, Mayor Mueller closed the public hearing.

ACTION: Motion and second (Combs / Taylor) to adopt Resolution No. 6505 to collect the regulatory fee at the existing rates to implement the City's stormwater management program for fiscal year 2019-20, passed unanimously.

I. Regular Business

- I1. Authorize the city manager to execute an agreement with Noll & Tam Architects for Belle Haven branch library conceptual design options, site analyses and preliminary cost estimates (Staff Report #19-130-CC)

Assistant Public Works Director Chris Lamm made the presentation (Attachment).

- Lynne Bramlett spoke about concerns on inadequate transparency and community involvement.
- Pamela Jones spoke about concerns on a lack of public feedback.

The City Council received clarification that a site has not been finalized and they directed staff to work with a subcommittee.

ACTION: Motion and second (Combs / Taylor) to authorize the city manager to execute an agreement with Noll & Tam Architects for Belle Haven branch library conceptual design options, site analyses, preliminary cost estimates, and appointed Mayor Pro Tem Taylor and City Councilmember Nash to the subcommittee, passed unanimously.

- I2. Approve resolutions: adopting the fiscal year 2019–20 budget and capital improvement plan and appropriating funds; establishing the appropriations limit for fiscal year 2019–20; establishing a consecutive temporary tax percentage reduction in the utility users' tax rates through September 30, 2020; and establishing citywide salary schedule effective July 7, 2019 (Staff Report #19-135-CC)

Administrative Services Director Lenka Diaz made the presentation (Attachment).

The City Council received clarification on body cameras for the police department. They also discussed the excess education revenue augmentation fund (ERAF) regarding pension reserve and CalPERS payments.

ACTION: Motion and second (Carlton/ Combs) approve Resolution No. 6507 adopting the fiscal year 2019–20 budget and capital improvement plan and appropriating funds, passed unanimously.

ACTION: Motion and second (Combs/ Carlton) approve Resolution No. 6508 establishing the appropriations limit for fiscal year 2019–20, passed unanimously.

ACTION: Motion and second (Combs/ Taylor) approve Resolution No. 6509 establishing a consecutive temporary tax percentage reduction in the utility users' tax rates through September 30, 2020, passed

ACTION: Motion and second (Nash/ Taylor) approve Resolution No. 6506 establishing citywide salary schedule effective July 7, 2019, passed unanimously.

13. Direct staff to draft a permanent ordinance prohibiting commercial cannabis land uses and outdoor personal cannabis cultivation (Staff Report #19-124-CC)

Management Analyst II John Passmann made the presentation (Attachment).

- Anthony Duhon spoke in support of commercial cannabis land uses.

The City Council received confirmation that a permanent moratorium could not occur as it has expired. City Council also received clarification on recreational and commercial use and cultivation, testing in the life-science area, and taxable revenues for Menlo Park.

ACTION: Motion and second (Combs/ Carlton) to direct staff to draft a permanent ordinance prohibiting commercial cannabis land uses and outdoor personal cannabis cultivation, passed unanimously.

J. Informational Items

- J1. City Council agenda topics: July to September 2019 (Staff Report #19-132-CC)
- J2. Summary of City Council's direction to pursue alternatives to citywide temporary development moratorium for purposes of reassessing current community values (Staff Report #19-134-CC)

The subcommittee was updated from Mueller/ Nash to Combs/ Nash.

- Lynne Bramlett spoke on the concept of environmental justice and commented that the staff report does not include SB 1000.

Mayor Mueller continued this item.

K. City Manager's Report

None.

L. City Councilmember Reports

None.

M. Adjournment

Mayor Mueller adjourned the meeting at 9:30 p.m.

Judi A. Herren, City Clerk

These minutes were approved at the City Council meeting of August 20, 2019.

Proclamation

Immigrant Heritage Month June 2019

WHEREAS, California has long been home to the largest number of immigrants in the United States, having accepted early settlers along their seaports as far back as the seventeenth century; and

WHEREAS, generations of immigrants from every corner of the globe have built our country's economy and created the unique character of our nation; and

WHEREAS, immigrants continue to grow businesses, innovate, strengthen our economy, and create American jobs in Menlo Park, California; and

WHEREAS, immigrants have provided the United States with unique social and cultural influence, fundamentally enriching the extraordinary character of our nation; and

WHEREAS, immigrants have been tireless leaders not only in securing their own rights and access to equal opportunity, but have also campaigned to create a fairer and more just society for all Americans; and

WHEREAS, despite these countless contributions, the role of immigrants in building and enriching our nation has frequently been overlooked and undervalued throughout our history and continuing to the present day.

NOW THEREFORE, BE IT PROCLAIMED that I, Ray Mueller, Mayor of the City of Menlo Park, do hereby proclaim June 2019 as the month of the Immigrant Heritage Month in Menlo Park, California and encourage all citizens to learn more about the social and economic impact of immigrants in all 50 states.



Ray Mueller, Mayor
June 2019



Proclamation

Juneteenth Day June 19, 2019

WHEREAS, Juneteenth is the oldest known celebration commemorating the ending of slavery in the United States; and

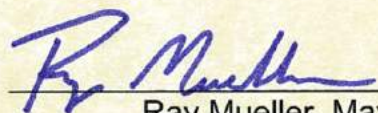
WHEREAS, President Abraham Lincoln signed the Emancipation proclamation on January 1, 1863, declaring the slaves in confederate territory free, paving the way for the passing of the thirteenth amendment which formally abolished slavery in the United States of America; and

WHEREAS, word about the signing of the Emancipation proclamation was delayed some two and one half years to June 19, 1865, in reaching authorities and African-Americans in the South and Southwestern United States; and

WHEREAS, Emancipation Day observations are held on different days in different states in the South and Southwest, and in other parts of the nation; and

WHEREAS, June 19 has a special meaning to African-Americans, and is called Juneteenth combining the words June and nineteenth, and has been celebrated by the African-American community for over 150 years.

NOW THEREFORE, BE IT PROCLAIMED that I, Ray Mueller, Mayor of the City of Menlo Park, do hereby proclaim June 9, 2019 as the Week of the Juneteenth Day in Menlo Park, California and urge all citizens to become more aware of the significance of this celebration in African-American history and in the heritage of our nation.


Ray Mueller, Mayor
June 2019





LIBRARY COMMISSION UPDATE TO COUNCIL

Katie Hadrovic, Chair



NEW BELLE HAVEN BRANCH LIBRARY

- Neighborhood Library Needs Assessment (2018)
- Space Needs Study (2019)
 - Focus group participation
 - Study session
 - Review of both studies
- Reviewed and recommended RFP for branch conceptual design



LIBRARY INITIATIVES

- Review of Library policies
- Expanded hours at Belle Haven branch
- Collection improvements at branch library
- Public engagement and outreach
- Reviewed Library FY 19/20 budget
- Library strategic plan review



PROGRESS ON PREVIOUS WORK PLAN

- Little Free Libraries
- Film discussion meet-up
- STEM and STEAM programming
- Affiliate group information sharing



LOOKING AHEAD

- Belle Haven branch library work
- Continue meetings at branch
- Library policy updates
- Work plan update
- Continue public engagement and outreach



THANK YOU



LANDSCAPE ASSESSMENT DISTRICT

Public Hearing

ARRIENGA FAMILY
GYMNASIUM



LANDSCAPE ASSESSMENT DISTRICT

- Funds collected are used for maintenance of
 - City street trees
 - sidewalks damaged due to City street trees
 - street sweeping
- District established in 1983 and updated in 1990
- Engineer's Report proposes
 - 10% increase for Tree maintenance (\$7.38 per Single Family Equivalent)
 - 20% increase for Sidewalk maintenance (\$7.22 per Single Family Equivalent)
- Annual action required by City to continue collection of assessments



PROCESS

3 Steps	Date
City Council initiates the LAD proceedings and adopts a resolution describing the improvements and directing preparation of the engineer's report	January 29, 2019
City Council adopts 1) a resolution giving preliminary approval of the engineer's report and 2) a resolution of intent to order the levy and collection of assessments	May 21, 2019
City Council holds a public hearing to consider resolution overruling protests and ordering the levy and collection of assessments	June 18, 2019



THANK YOU



**BELLE HAVEN BRANCH LIBRARY
SITE ANALYSIS, CONCEPTUAL DESIGN, COST ESTIMATING**

June 18, 2019



PROJECT HISTORY

Date	Project Milestone
March 12, 2019	City Council identified as one of top 5 priority projects in 2019 work plan
April 16, 2019	City Council reviewed and accepted the Belle Haven Library Needs Assessment study and directed staff to issue an RFP for architectural services: <ul style="list-style-type: none">• Initiated in 2018, the City conducted a Needs Assessment study The study recommended a new library of 12,000 sf.
May 9, 2019	Request for Proposals (RFP) was issued for the Belle Haven New Branch Library conceptual design, site analysis, and cost estimation
June 4, 2019	Five proposals from qualified architectural firms was received in response to the issued RPF <ul style="list-style-type: none">• Staff with technical expertise reviewed and evaluated each proposal based on selection criteria.• The panel identified the team of Noll & Tam Architects (N&T) as the most qualified consultant based on their expertise and their familiarity with Menlo Park's emphasis on a strong public engagement process.• N&T's fee proposal is similar to other consultants and appropriate for the proposed scope of work.



PROJECT GOALS

- The project will be one of three pilot projects implementing the Institute for Local Government's public engagement framework
 - A robust public outreach program will be key to the success of this phase of the project
 - The successful result would include:
 - significant input from the community,
 - a site selection process that evaluates pros and cons of each site including a comprehensive matrix for comparison
 - a conceptual design that has received community input, and the associated cost estimation



PROJECT TIMELINE

Tasks	Outreach
<p>Task 1: Site Analysis (2 months)</p> <ul style="list-style-type: none"> Analyze and evaluate multiple possible site options Analyses will include: Potential cost impacts, feasibility, timeline considerations, traffic, parking, bicycle and pedestrian access, integration with the surrounding neighborhoods and the City as a whole This will narrow down to 2 to 3 most viable preliminary site options 	<ul style="list-style-type: none"> 2 stakeholder/focus group meetings 3 community meetings
<p>Task 2: Conceptual Design Alternatives (2 months)</p> <ul style="list-style-type: none"> Develop conceptual design alternatives for each of the identified preliminary site options Conceptual design alternatives will include visual renderings 	<ul style="list-style-type: none"> 2 stakeholder/focus group meetings 4 community meetings
<p>Task 3: Cost Estimating (1 month)</p> <ul style="list-style-type: none"> Provide preliminary cost estimates for each proposed conceptual design alternative and recommendation to City Council 	<ul style="list-style-type: none"> 1 community meeting 1 City Council meeting



RECOMMENDATION

- Staff recommends City Council to authorize City Manager to negotiate and execute an agreement with N&T for the New Belle Haven Branch Library conceptual design options, site analysis, and preliminary cost estimation



THANK YOU





FISCAL YEAR 2019-20 BUDGET ADOPTION

City Council Presentation– June 18, 2019



FISCAL YEAR 2019-20 PROPOSED BUDGET KEY TAKEAWAYS



- Financial stability
- Contingency for new initiatives and services
- Dedicated to continuous improvement





FISCAL YEAR 2019-20 BUDGET PROCESS / TIMELINE



- Goal setting – February 2
- Budget principle adoption – March 5
- Executive summary info item – May 14
- Proposed budget released – May 17
- Study session – May 21
- Public hearing – June 4
- Updated direction requested – June 11
- Baseline budget to continue operations and services – June 18

FISCAL YEAR 2019-20 BUDGET OVERVIEW



2019-20 All Funds

- \$167.35 million in resources
- \$169.66 million in requirements
- **Total \$2.30 million use of fund balance**

2019-20 General Fund

- \$68.76 million revenues
- \$68.66 million expenditures
- **Total \$98,000 net surplus**





FISCAL YEAR 2019-20 BASELINE BUDGET INCLUSIONS



Status quo budget with enhancements:

- General Fund
 - 0.5 FTE Senior Civil Engineer
 - Regional or regulatory initiatives
 - \$1.5 million contingency funds for new initiatives
- Other funds:
 - Contracted Park Ranger services
 - Emergency operations mobile command center



FISCAL YEAR 2019-20 BASELINE BUDGET EXCLUSIONS



Removed:

- 50% of excess ERAF
- Accelerated unfunded pension liability payment
- Additional staff enhancements
- Police equipment replacement
- Programming enhancement pilot project



INTERACTIVE BUDGET WORKSHEET



- Revenue assumptions
- Expenditures
 - Accelerated unfunded pension liabilities payment
 - Expansion of the herbicide-free program
 - Planning policies and codes initiative (tbd)
 - Library service level enhancement
 - Equipment mechanic
 - Programming enhancement pilot project
 - Tasers and body cameras
 - Budget and financial transparency initiative
 - Communication plan implementation (contingency)



RESOLUTIONS FOR ACTION

- Adopting the fiscal year 2019–20 budget and capital improvement plan and appropriating funds;



RESOLUTIONS FOR ACTION

- Adopting the fiscal year 2019–20 budget and capital improvement plan and appropriating funds;
- Establishing the appropriations limit for fiscal year 2019–20;





RESOLUTIONS FOR ACTION

- Adopting the fiscal year 2019–20 budget and capital improvement plan and appropriating funds;
- Establishing the appropriations limit for fiscal year 2019–20;
- Establishing a consecutive temporary tax percentage reduction in the utility users' tax rates through September 30, 2020; and





RESOLUTIONS FOR ACTION

- Adopting the fiscal year 2019–20 budget and capital improvement plan and appropriating funds;
- Establishing the appropriations limit for fiscal year 2019–20;
- Establishing a consecutive temporary tax percentage reduction in the utility users' tax rates through September 30, 2020; and
- Establishing citywide salary schedule effective July 7, 2019





NEXT STEPS

- Budget team here to answer questions
- City Council adopts budget
 - Budget book preparation
- Amend budget as City Council considers resource options, service enhancements and initiatives



DISCUSSION



COMMUNITY ENGAGEMENT AND TRANSPARENCY



- Goal setting – February 2
- Budget principle adoption – March 5
- Executive summary info item – May 14
- Proposed budget released – May 17
- Study session – May 21
- Public hearing – June 4
- Budget adoption – June 18





BUDGET MESSAGE



DEDICATED TO CONTINUOUS IMPROVEMENT



Budget Assumptions

- City Council adopted work plan
- Development activity life cycle
- Healthy growth in property taxes; full funding of excess ERAF
- Stability in transient occupancy taxes as economy stays strong
- Service level enhancements





BUDGET OVERVIEW



BUDGET OVERVIEW

2019-20 All Funds

- \$168.55 million in resources
- \$171.28 million in requirements



BUDGET OVERVIEW

2019-20 All Funds

- \$168.55 million in resources
- \$171.28 million in requirements

- **Total \$2.73 million use of fund balance**



BUDGET OVERVIEW

2019-20 All Funds

- \$168.55 million in resources
- \$171.28 million in requirements
- **Total \$2.73 million use of fund balance**

2019-20 General Fund

- \$70.04 million revenues
- \$69.94 million expenditures



NEW BUDGET REQUESTS

Community enhancements

- Library staffing phase II, 3.25 FTE
- CIP staffing, 0.50 FTE provisional
- Community Services pilot project
- Contracted Bedwell Bayfront Park ranger
- Mobile Command Center



NEW BUDGET REQUESTS

Good governance initiatives

- Accelerated unfunded pension payments
- Financial transparency initiative, 1.0 FTE provisional
- Police Tasers and body cameras

Regional or regulatory initiatives

- Flood and sea level rise resiliency agency
- Peninsula bikeway
- Zero waste implementation
- Fire panel and sprinkler testing





CAPITAL IMPROVEMENT PLAN

CAPITAL IMPROVEMENT PLAN

CIP \$72.32 million (84 projects)

- \$48.07 million carryover appropriations
- \$24.25 million new funding (34 projects)





CAPITAL IMPROVEMENT PLAN

Major Capital Projects

- Water Main replacement project
- Middle Avenue Caltrain Crossing study design and construction
- Street resurfacing
- Chrysler Pump Station improvement

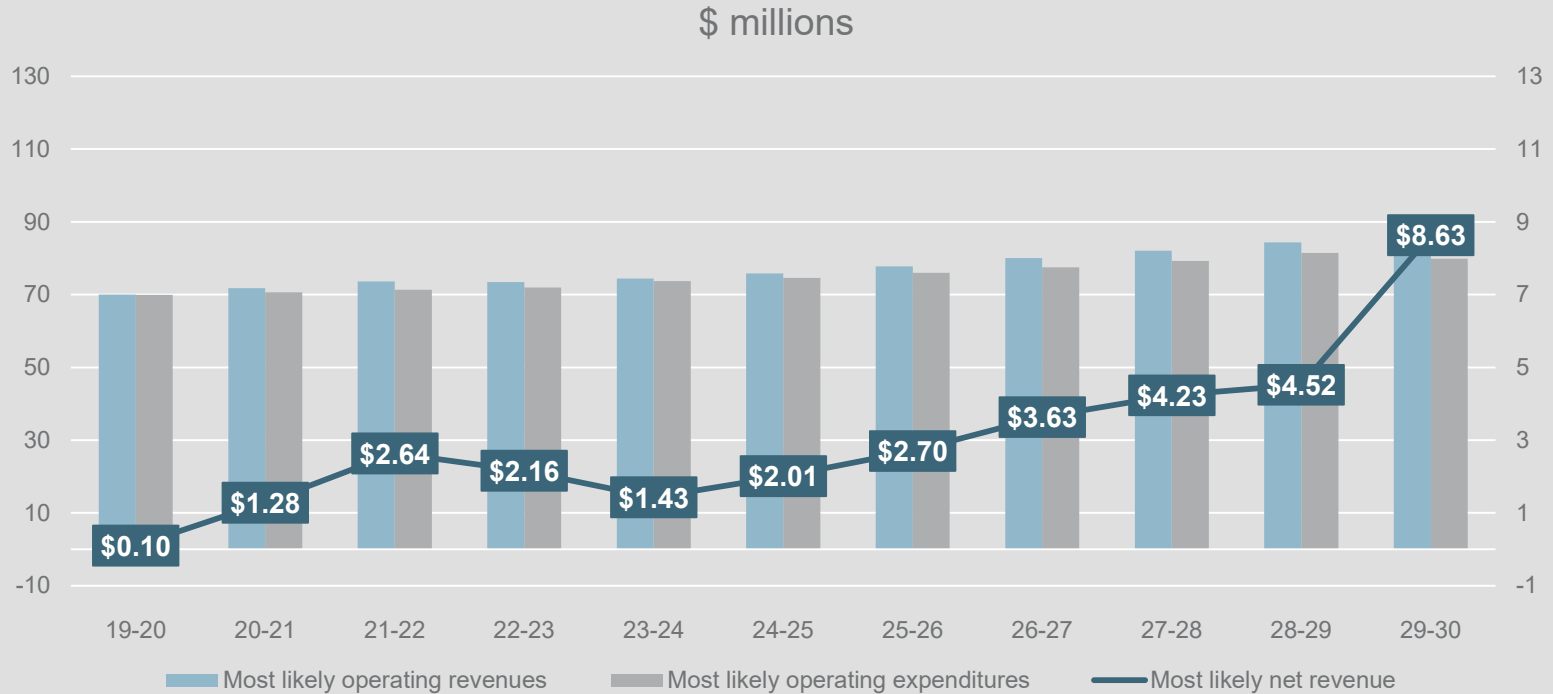




LONG-TERM PLANNING



GENERAL FUND 10-YEAR FORECAST



FISCAL YEAR 2019-20 PROPOSED BUDGET



Key takeaways

- Financial continuity and stability
- Plan to reduce pension liability
- Focus on maintaining progress

Next Steps

- June 18, 2019 – Budget adoption

Requests from Council

- Areas for additional explanation



Nick Pegueros
Lenka Diaz
Dan Jacobson
Brandon Cortez
Justin Murphy
Nikki Nagaya
Chris Lamm
Eren Romero
Clay Curtin
Rebecca Lucky
Judi Herren
Peter Ibrahim

Kristen Middleton
Edith Weaver
Ying Chen
Mark Muenzer
Deanna Chow
Bana Divshali
John Passmann
Derek Schweigart
Adriane Lee Bird
Natalie Bonham
Todd Zeo
Natalya Jones

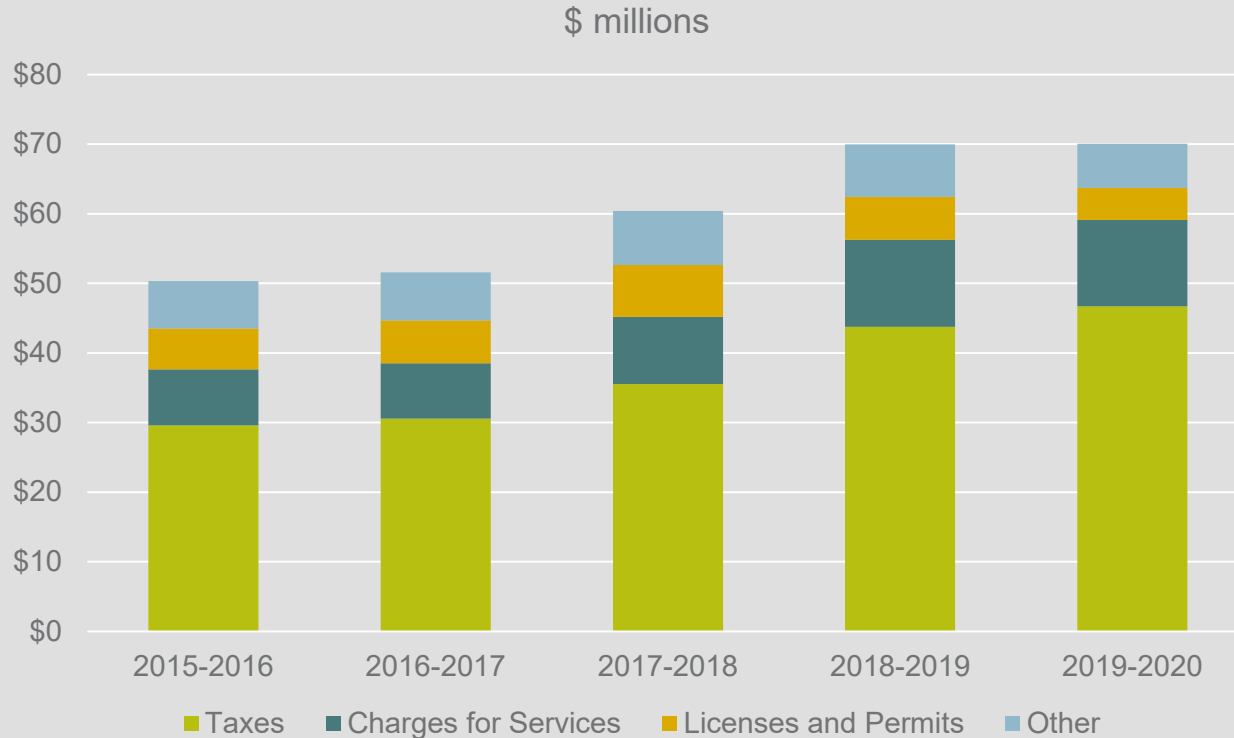
Sean Reinhart
Nick Szegda
Rani Singh
Dave Bertini
Tony Dixon
Rich Struckman
Dani O'Connor
Brian Henry



THANK YOU

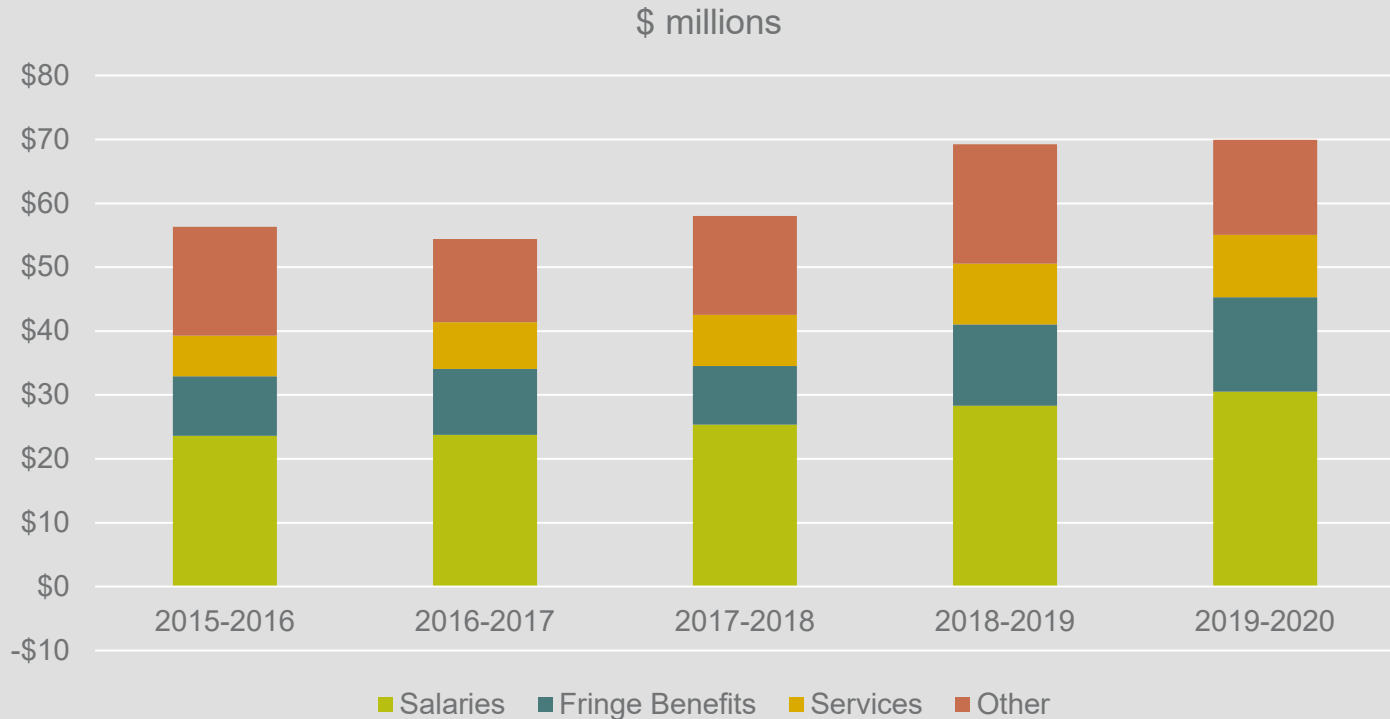


TOP GENERAL FUND REVENUES





TOP GENERAL FUND EXPENDITURES





CAPITAL IMPROVEMENT PLAN

Unfunded CIP Needs

- Caltrain crossings at Ravenswood Avenue & Middle Avenue
- Belle Haven branch library
- Bedwell Bayfront Park master plan implementation
- Information technology master plan implementation
- Parks and Recreation master plan implementation
- Emergency operations center

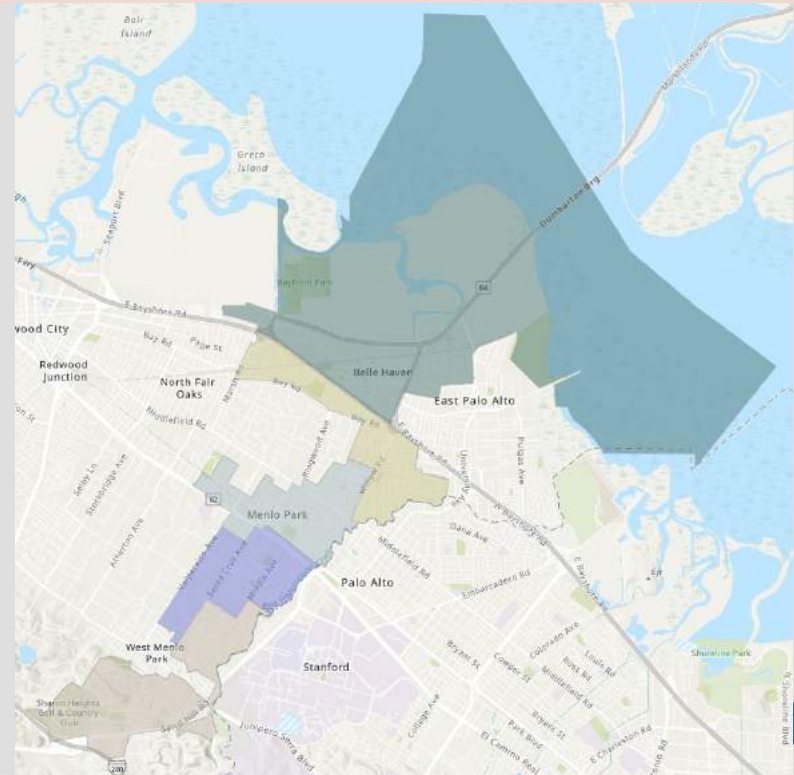


DEDICATED TO CONTINUOUS IMPROVEMENT



Improvements to the budget

- Prioritization of CIP projects
- General tax revenues collected by district
- Enhanced communication



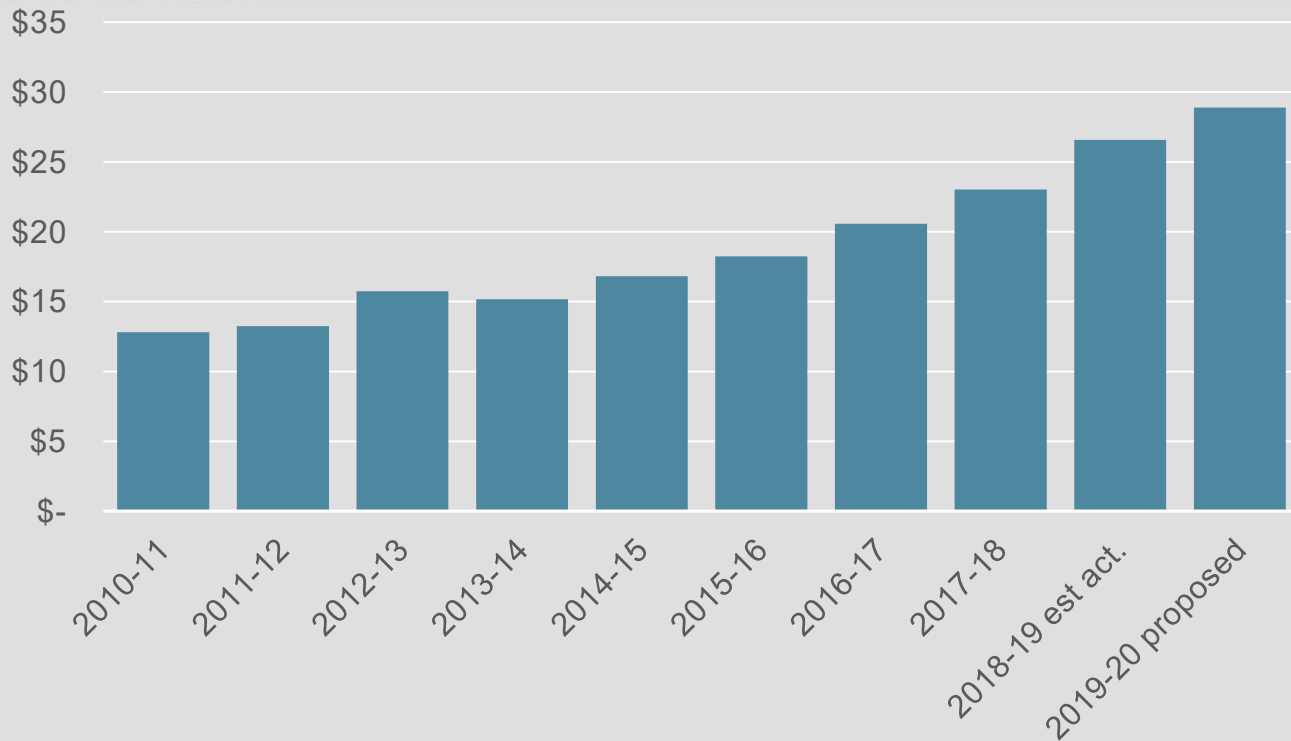


GENERAL TAX REVENUES BY DISTRICT

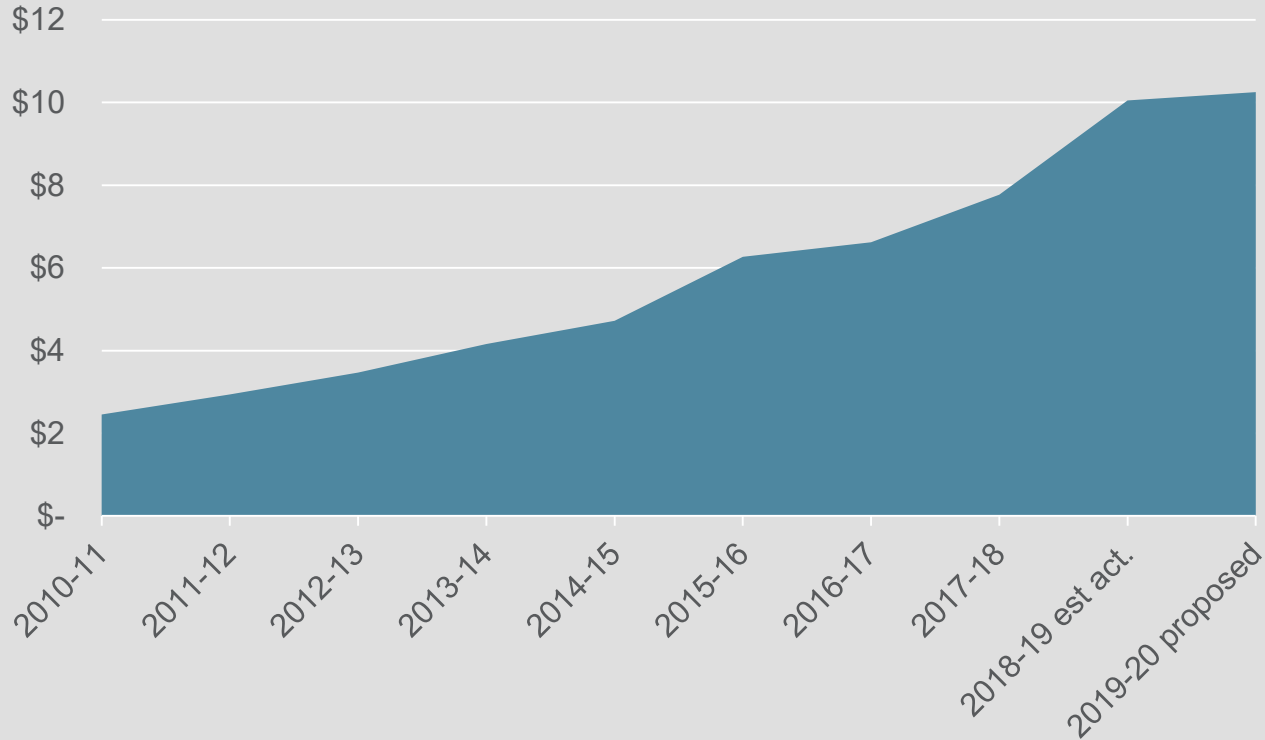
	District 1	District 2	District 3	District 4	District 5	Total
Property taxes	\$ 3.76	\$ 2.48	\$ 3.79	\$ 4.39	\$ 5.74	\$ 20.16
Sales and use taxes	1.08	0.49	0.85	1.42	0.79	4.63
Hotel and business taxes	3.28	0.09	2.02	3.08	3.17	11.64
DISTRICT TOTAL	\$ 8.12	\$ 3.06	\$ 6.66	\$ 8.89	\$ 9.7	\$ 36.43
Share of total	22.3%	8.4%	18.3%	24.4%	26.6%	100.0%

\$ in millions

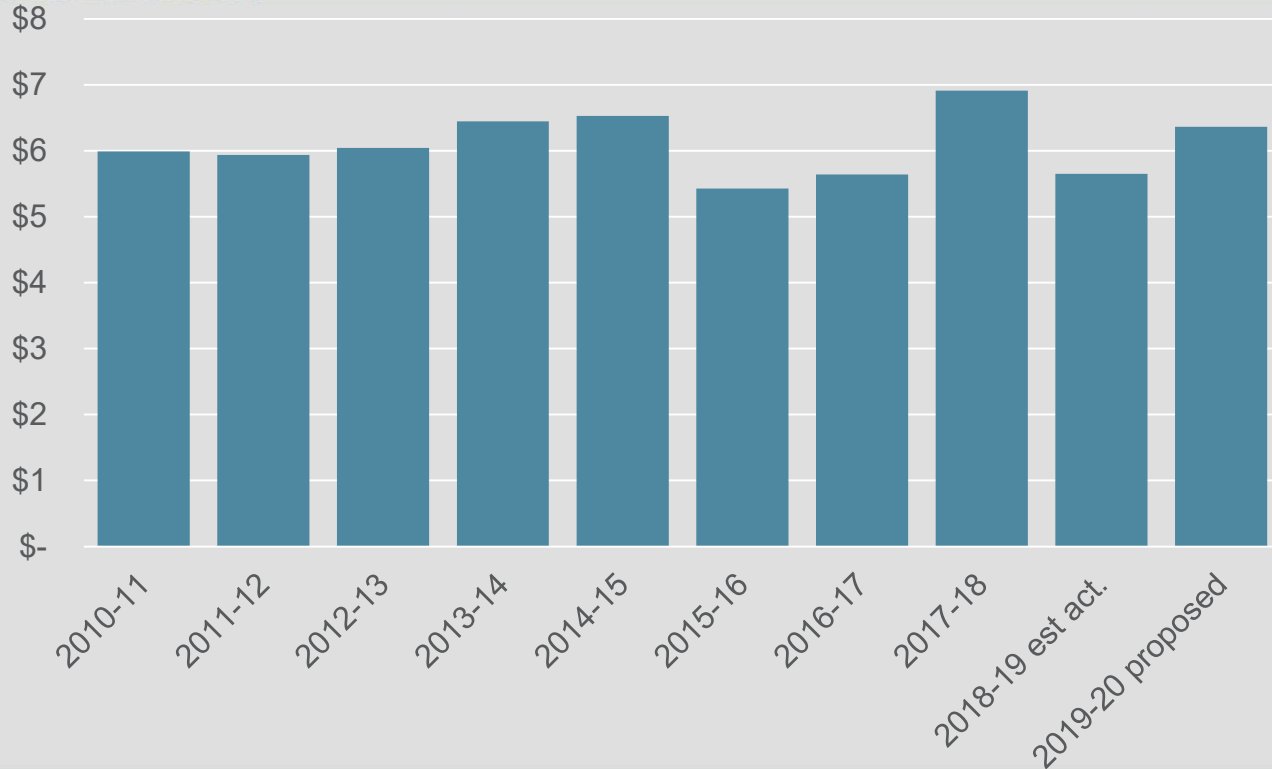
GENERAL FUND PROPERTY TAXES



GENERAL FUND HOTEL TAXES

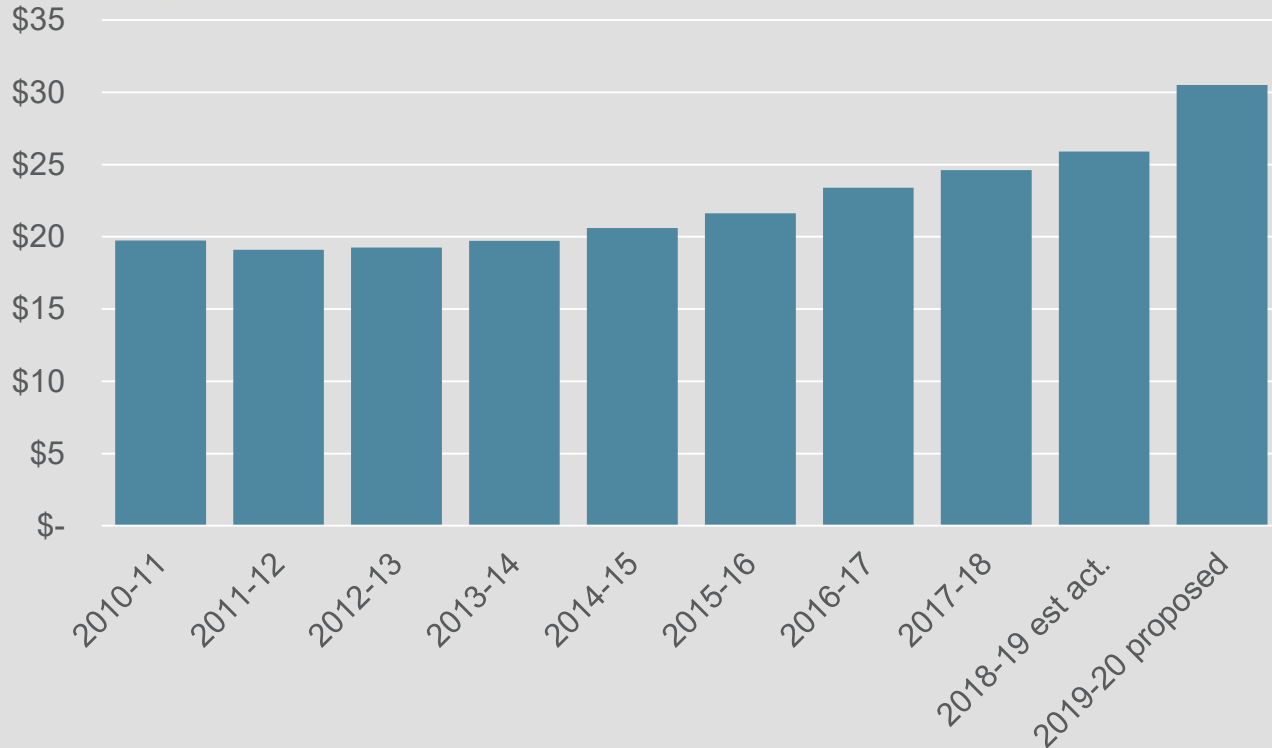


GENERAL FUND SALES TAX

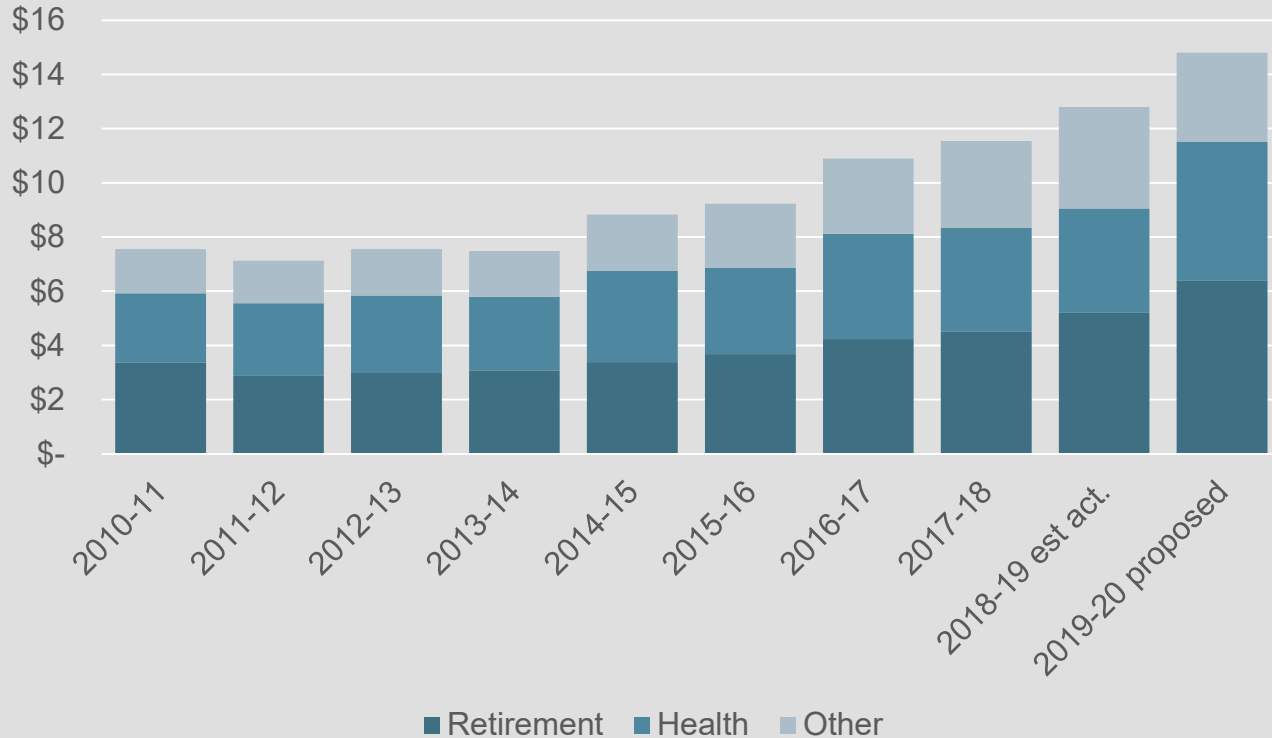




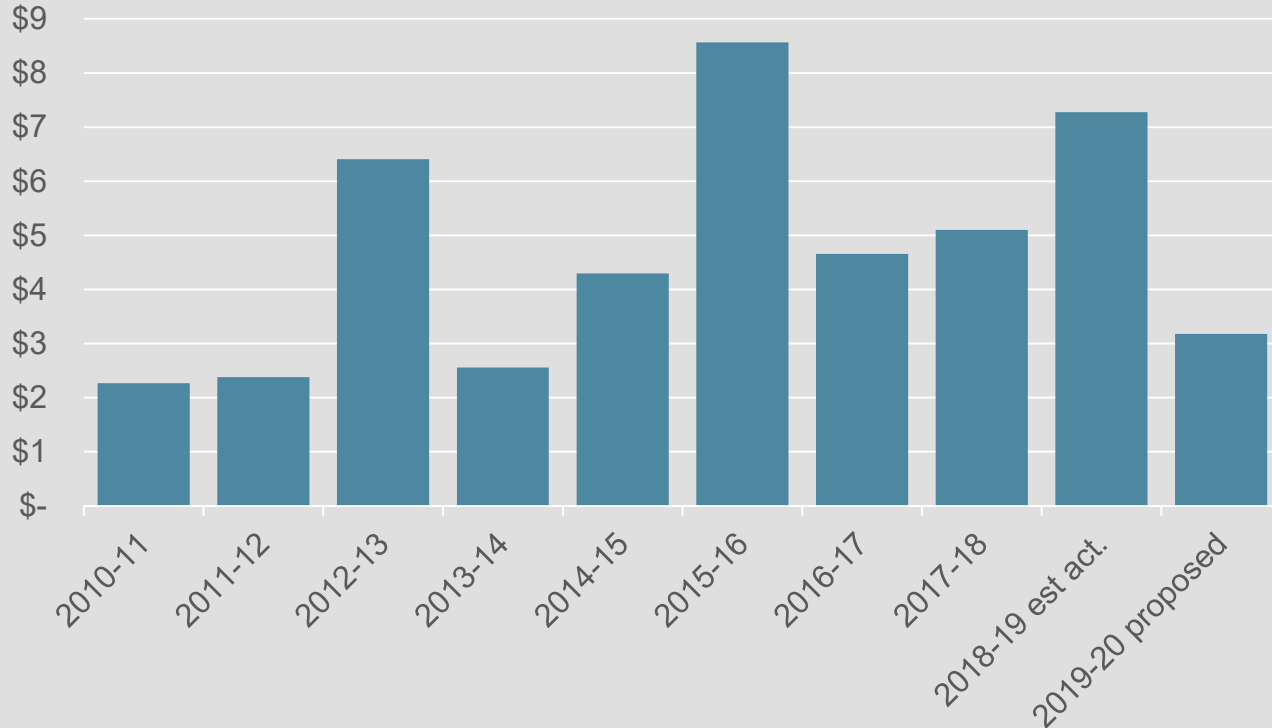
GENERAL FUND SALARIES AND WAGES



GENERAL FUND FRINGE BENEFITS



GENERAL FUND TRANSFERS



DEDICATED TO CONTINUOUS IMPROVEMENT



2019 Work Plan - 5 Priority Projects

- Transportation Master Plan
- Chilco Street Improvement Project
- Middle Avenue Pedestrian and Bicycle Rail Crossing
- Heritage Tree Ordinance Update
- Belle Haven Branch Library

City Council Work Plan

Priority projects	Description
Transportation Master Plan Lead department: Public Works Appendix 1	The Transportation Master Plan (TMP) and Transportation Impact Fee (TIF) Program is the highest priority program following the adoption of the ConnectMenlo General Plan Land Use and Circulation Elements in November 2016. The Circulation Element has seven goals and 66 policies and programs that establish the framework for the City's priorities related to multi-modal transportation. The Transportation Master Plan will build from the policy context of the Circulation Element to identify infrastructure projects and strategic programs, then prioritize them for implementation. The Transportation Impact Fee Program will assess the responsibility of new development to help fund the infrastructure projects identified in the Transportation Master Plan, and allow the City to update the Fee Program, which was last updated in 2009.
Chilco Street Improvement Project Lead department: Public Works Appendix 2	Public Works is coordinating multimodal transportation and utility improvements along Chilco Street pursuant to the conditions of Facebook's Campus Expansion development. The project will span from Bayfront Esplanade to Hamilton Avenue (just south of the rail crossing) and includes critical enhancements for public safety by implementing new infrastructure in the City right of way. Specifically, the project provides measures to significantly improve pedestrian / bicycle connectivity, traffic calming, stormwater treatment, and streetscape.
Middle Avenue Pedestrian and Bicycle Crossing Lead department: Public Works Appendix 3	The Middle Avenue Pedestrian and Bicycle Crossing Project will provide a grade separated crossing through the Caltrain Railway, from El Camino Road to Alma Street at Middle Avenue to create a pedestrian and bicycle connection between east and west Menlo Park. The Project is critical to provide greater east-west connectivity, as S Camino Road, in addition to the Caltrain railroad tracks, are both a real and perceived barrier. Long crossing distances make traversing the street on foot inconvenient and this undercrossing would improve connectivity for neighborhoods on both sides of the Caltrain tracks with City amenities, and access to public transit and Downtown Menlo Park.
Heritage Tree Ordinance Update Lead department: City Manager's Office - Sustainability Appendix 4	The City of Menlo Park is in the process of updating the Heritage Tree Ordinance. The ordinance regulates removal of trees on private and public property. Over the past several years, concerns arose with development-related appeals, unpermitted removals, and enforcement of tree replacements. As a result, the City Council included reviewing and updating the Heritage Tree Ordinance as part of their 2017 and 2018 work plans. The project is being led by the Sustainability Division of the City Manager's Office, and includes collaboration across various city departments and community stakeholders.
Belle Haven Branch Library Lead department: Library Appendix 5	Description: The Belle Haven Branch Library project is the first and highest-priority component of the overall Library System Improvements Project which contains two major components: <ul style="list-style-type: none"> - Priority 1: New Belle Haven Branch Library - Develop and implement a comprehensive plan to design, finance, construct and operate a new public library facility to replace the Belle Haven Branch Library currently located on the Belle Haven School campus. - Priority 2: Overall library system improvements. Identify and overall improvements to current library systems, facilities, services and operations to ensure the continuous provision of high-quality, modern and safe library facilities for Menlo Park residents pending the development of new facilities.

DEDICATED TO CONTINUOUS IMPROVEMENT



2019-20 City Council Priorities and Work Plan

- City Manager's Transmittal Letter; pg XVIII

Work Plan Projects

- 13 projects

Study Session Topics

- 6 topics

Referred to Advisory Board

- 3 referrals

Ref #	Work Plan Projects	Lead Department
1	2019 Top Priority: Transportation Master Plan	Public Works
2	2019 Top Priority: Chilco Street Improvement Project	Public Works
3	2019 Top Priority: Middle Avenue Pedestrian and Bicycle Rail Crossing	Public Works
4	2019 Top Priority: Heritage Tree Ordinance Update	City Manager's Office
5	2019 Top Priority: Belle Haven Branch Library	Library
6	Formation of a Transportation Management Association	Public Works
7	ECR/ Downtown Specific Plan Update	Community Development
8	Market Affordable Housing Preservation	Community Development
9	Short-term Rental Ordinance	Community Development
10	Single-Family Residential Design Review	Community Development
11	Develop and implement near-term downtown parking and access strategies	Public Works
12	Zero Waste Implementation	City Manager's Office
13	Implement IT Master Plan (Year 2; Land Management)	Administrative Services



DEPARTMENT BUDGETS



2019–20 OPERATING BUDGET: EXPENDITURES BY DEPARTMENT (\$ MILLIONS)

Department	FTEs	General Fund	Non-General Fund	Total
Public Works	70.5	\$13.47	\$92.04	\$105.51
Police	76.5	21.15	0.36	21.51
Community Services	52.75	10.25	-	10.25
Community Development	31	8.54	0.37	8.90
Library	21.25	4.11	-	4.11
Administration & Support Departments	40	12.42	8.62	21.05
TOTAL	292	\$69.94	\$101.39	\$171.33

NEW BUDGET REQUESTS

Community enhancements

- Library staffing phase II 3.25 FTE
- CIP staffing, 0.50 FTE provisional
- Community Services pilot project
- Contracted Bedwell Bayfront Park ranger
- Mobile Command Center

Good governance initiatives

- Accelerated unfunded pension payments
- Financial transparency initiative 1.0 FTE provisional
- Police Tasers and body cameras



DEDICATED TO CONTINUOUS IMPROVEMENT



Regional or regulatory initiatives

- Flood and sea level rise resiliency agency
- Peninsula bikeway
- Zero waste implementation
- Fire panel and sprinkler testing





2019–20 CAPITAL IMPROVEMENT PLAN

2019–20 PROJECTS

- 33 projects totaling \$23.50 million
- 56 carry-over projects
- City Council Work Plan

- Project types
 - Master plans
 - Planning/design/outreach
 - Ongoing improvements/repairs
 - Water
 - Other





2018-19 ACHIEVEMENTS

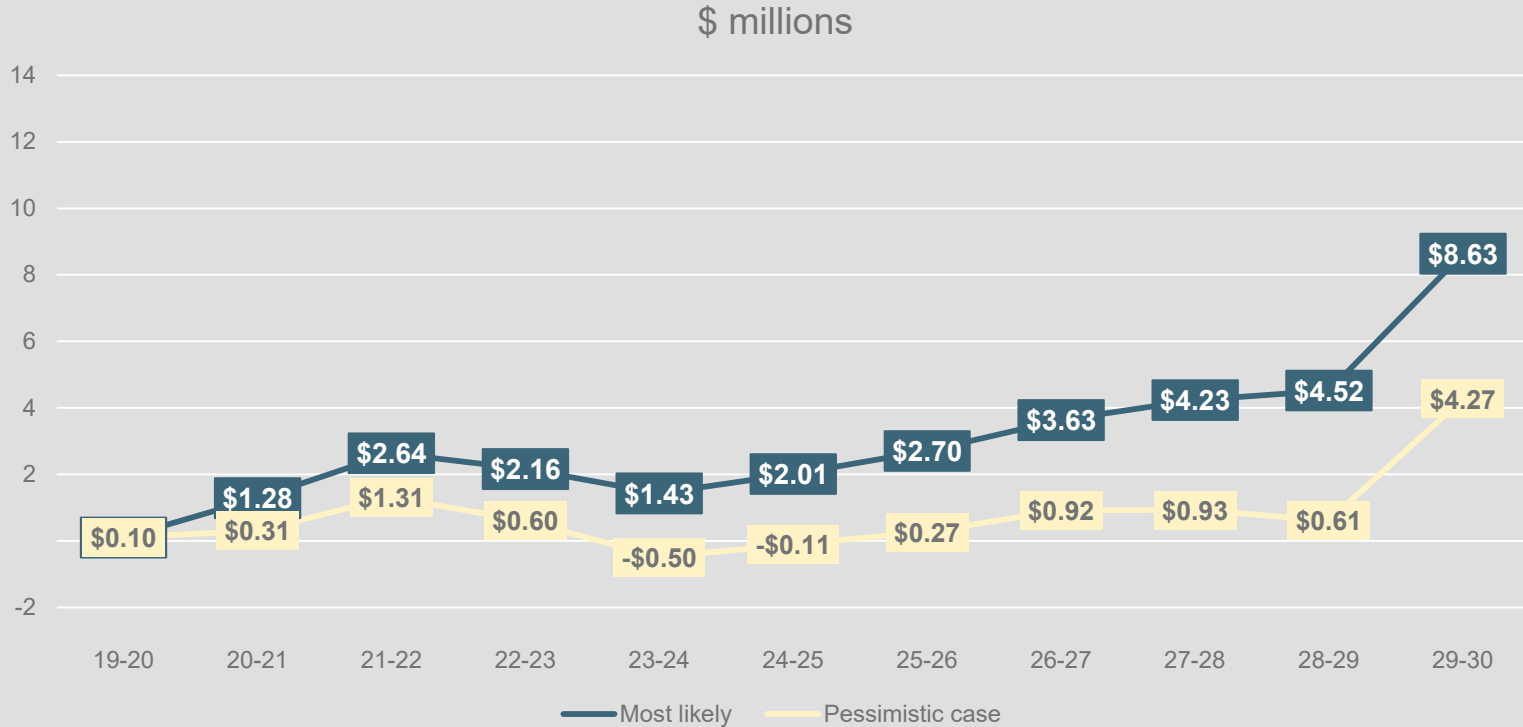
- District Elections
- New City Manager
- Willow Road/Highway 101 interchange
- Belle Haven Branch Library space needs study
- Community Response Team
- Caltrain grade separation
- Tenant relocation assistance
- Affordable housing development funding
- Joint meeting with Fire District

DEDICATED TO CONTINUOUS IMPROVEMENT

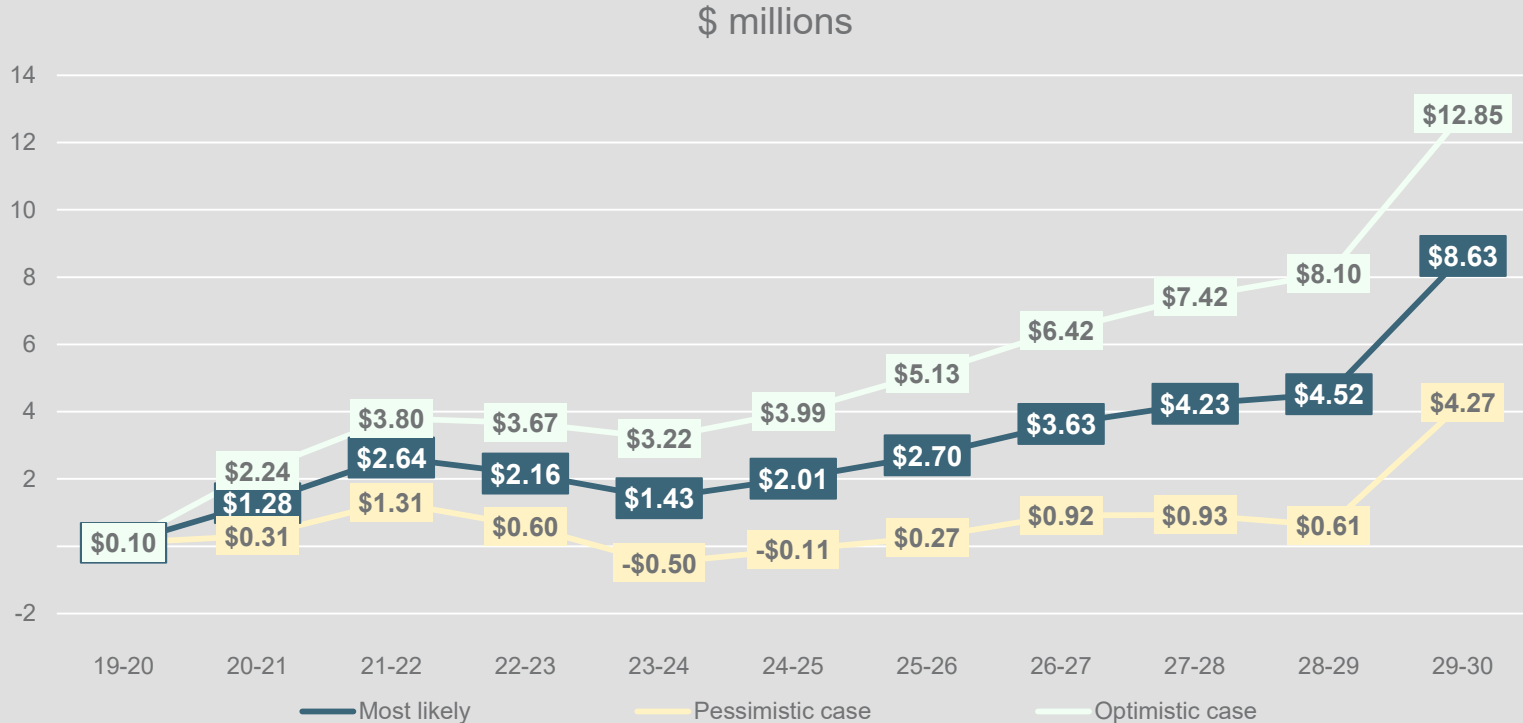




GENERAL FUND FORECAST SURPLUS/(DEFICIT)



GENERAL FUND FORECAST SURPLUS/(DEFICIT)



FISCAL YEAR 2019-20 PROPOSED BUDGET



Next Steps

- June 18, 2019 – Budget adoption

Requests from Council

- Areas for additional explanation



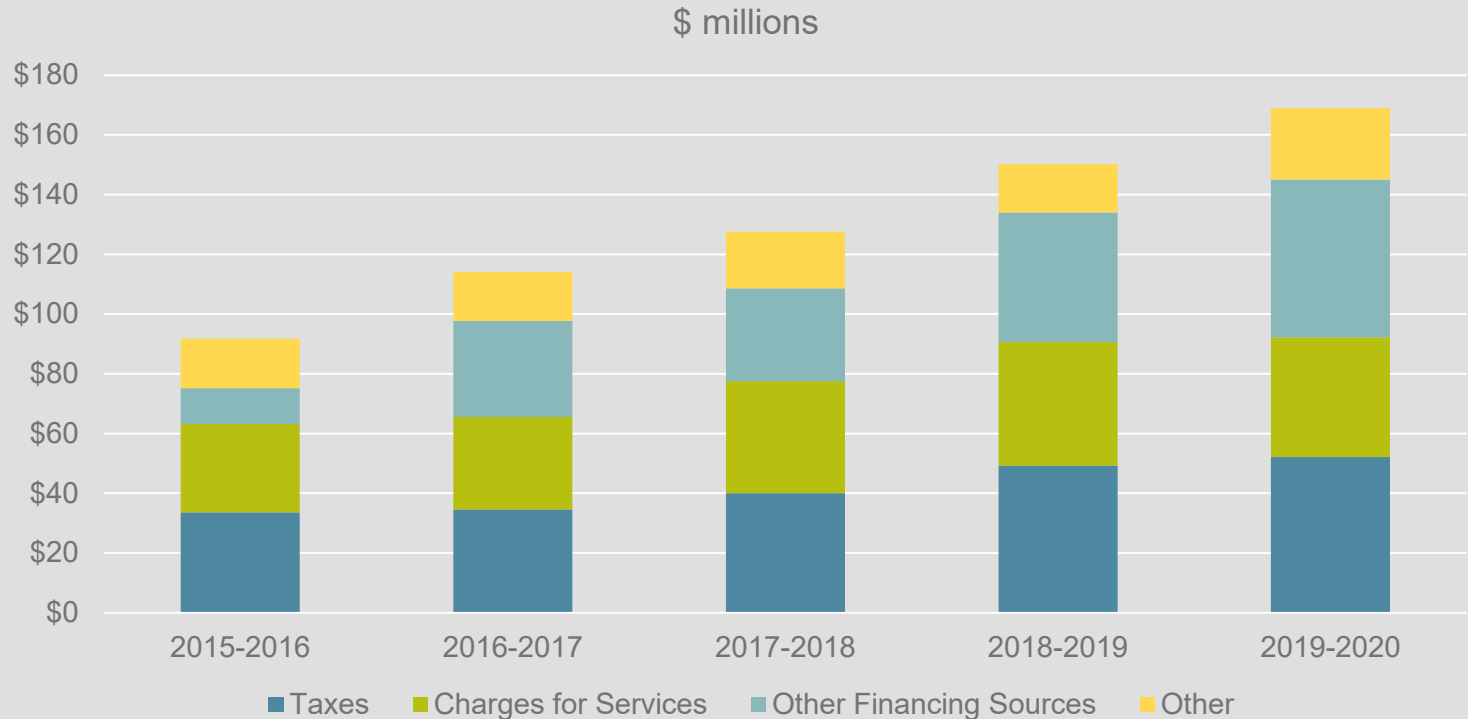


HISTORICAL COMPARISONS



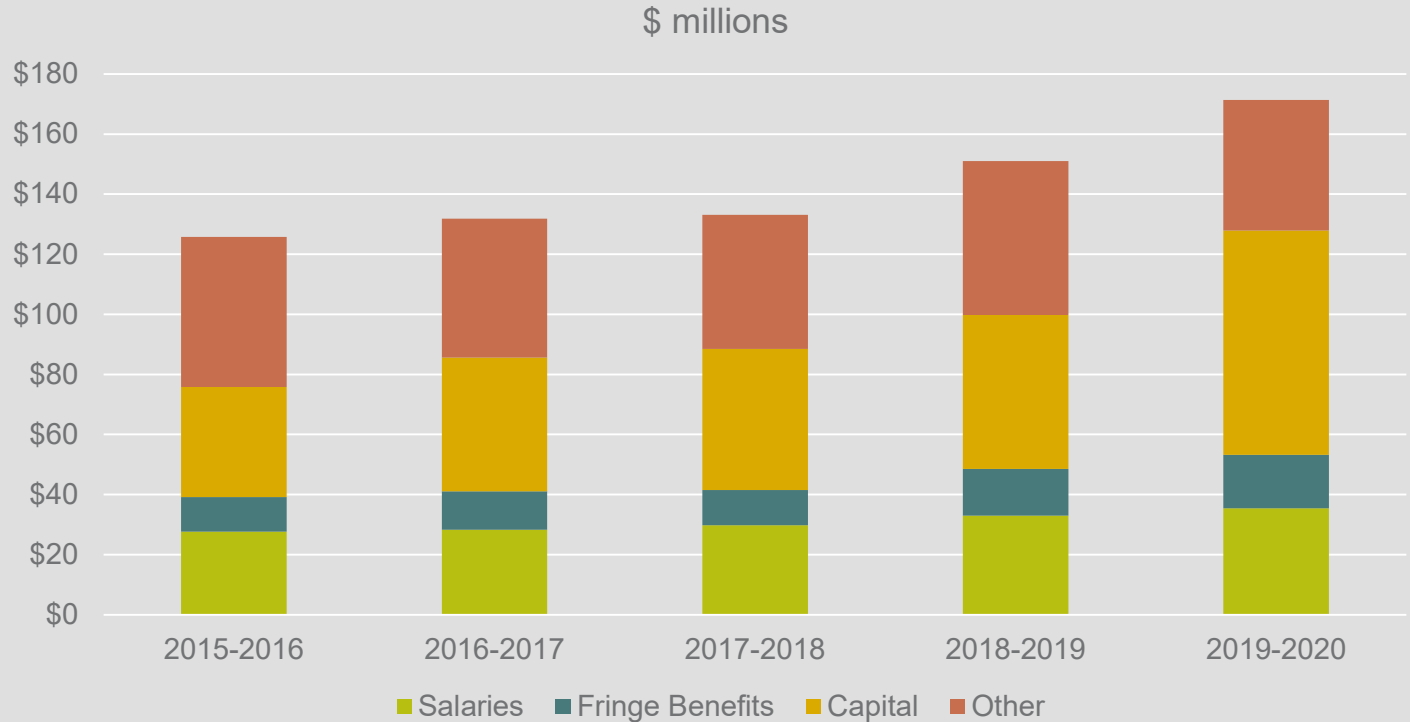


TOP ALL FUNDS REVENUES





TOP ALL FUNDS EXPENDITURES





CANNABIS REGULATIONS

City Council Meeting – June 18, 2019





PROPOSED ACTIONS

- Prepare permanent ordinance prohibiting cannabis land uses similar to the current moratorium
- Consider the permitting of specific types of cannabis land uses





BACKGROUND





STATE REGULATIONS

- Adult Use of Marijuana Act (AUMA)
- State voters approved Proposition 64 in November 2016
 - Menlo Park 67%
 - San Mateo County 63%
 - California 57%
- AUMA made it legal for those 21 and over to:
 - Smoke or ingest cannabis
 - Possess, process, purchase, transport, obtain or give away to persons 21 and over 28.5 grams (1 oz.) of cannabis or 8 grams of concentrated cannabis
 - Possess, plant, cultivate, or harvest up to 6 indoor cannabis plants
- Medical cannabis - 18 and older



STATE REGULATIONS

- Medical and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA)
- Passed June 2017
- Divided state licensing and enforcement responsibilities:
 - Bureau of Cannabis Control - retailers, distributors, microbusinesses, testing laboratories and temporary cannabis events
 - The Department of Food and Agriculture - cultivation
 - The Department of Public Health - manufacturers
- State licenses must be renewed annually



OVERVIEW OF CANNABIS USES

PERSONAL (RESIDENTIAL) CULTIVATION



- Indoor cultivation
 - May not ban but may regulate location
 - Area must be fully enclosed, secure and not visible
- Outdoor cultivation
 - May ban or regulate
 - Odor and criminal activity concerns
 - Banned by most cities in San Mateo County



COMMERCIAL CULTIVATION

- Types - Indoor and Outdoor
- Mature Cultivation and Nursery
- 600' (or 1000') buffer from schools and child-serving entities required
- M-2 zoning district on Haven Ave.
- Limited indoor cultivation has been permitted regionally
- Most communities have banned commercial outdoor cultivation



TESTING, MANUFACTURING AND DISTRIBUTION



- Testing - confirms no bacteria, pesticides or other solvents
- Manufacture - involves plant processing into plant or food/beverages/oils
- Distribution facilities - contain finished cannabis products and coordinate deliveries
- Testing, distribution and manufacturing could be considered for certain zoning districts (M-2, Life Sciences District)

RETAIL/DELIVERY

■ Retail

- Must be 600' from schools – many increased to 1000'
- Stores cannot sell alcohol or tobacco
- May permit smoking on-site

■ Delivery

- Cannabis delivery is permitted under state law
- Currently being challenged in court by 24 cities
- Industry trend is share of delivery services will increase (50-75%)



SMOKING

- Prohibited:
 - In any public place (except on-site at dispensaries if permitted)
 - Where smoking tobacco is prohibited
 - Within 1000' of a school, daycare or youth center
 - While driving or riding in the passenger seat of car



TAXATION/REVENUE

- 15% state tax rate – Restrictions on funds
- Local taxes
 - San Carlos – 10% on gross receipts
 - Pacifica – 6% excise tax (estimates revenues of \$400,000 to \$450,000)
 - Redwood City – 2.5% of gross receipts for nurseries and 4% on retail
- Tax subject to 2/3 voter approval
- Full cost recovery for municipal expenses

PERMITTED USES IN NEARBY CITIES



Table 1: Commercial cannabis land uses in nearby communities

City	Retail	Testing/manufacturing/ distribution	Outdoor cultivation	Indoor cultivation
Redwood City	Administrative	Not permitted	Not permitted	Conditional
Palo Alto	Not permitted	Not permitted	Not permitted	Not permitted
Mountain View	Conditional	Not permitted	Not permitted	Not permitted
South San Francisco	Not permitted	Conditional	Not permitted	Conditional
San Bruno	Not permitted	Not permitted	Not permitted	Not permitted
San Carlos	Not permitted	Administrative	Not permitted	Administrative
Los Altos	Not permitted	Not permitted	Not permitted	Not permitted
Burlingame	Not permitted	Not permitted	Not permitted	Not permitted
San Mateo	Not permitted	Not permitted	Not permitted	Not permitted
Pacifica	Conditional	Conditional	Not permitted	Not permitted

A photograph of a street scene. In the foreground, there are green plants with red flowers. In the background, a building has a brown oval sign that says "harvest" and a red circular sign that says "TABAC". Further down the street, there are blue signs and outdoor seating consisting of wicker chairs with red cushions. The scene is brightly lit, suggesting a sunny day.

COUNCIL DIRECTION



POTENTIAL ACTIONS

- Moratorium on commercial cannabis activity expires on Sept. 29, 2019
- Options to prevent a lapse in local cannabis control:
 1. Prepare permanent ordinance prohibiting cannabis land uses similar to the current moratorium
 2. Consider the permitting of specific types of cannabis land uses



THANK YOU