

CITY OF MENLO PARK PLANNING COMMISSION

REPORTER'S TRANSCRIPT OF PROCEEDINGS

MONDAY, APRIL 19, 2010

CITY COUNCIL CHAMBERS

MENLO PARK, CALIFORNIA

Reported by: MARK I. BRICKMAN, CSR RPR
License No. 5527

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Menlo park planning commission meeting

1 ATTENDEES

2 THE PLANNING COMMISSION:

3 Jack O'Mally - Chairman
4 Vincent Bressler - Vice Chair
5 Henry Riggs
6 Katie Ferrick
7 John Kadvany
8 Melody Pagee
9 Kirsten Keith

10 CITY STAFF

11 Deanna Chow, Senior Planner
12 Justin Murphy, Development Services Manager
13 Megan Fisher, Associate Planner
14 Leigh Prince, Deputy City Attorney

15 ---o0o---

16 BE IT REMEMBERED that, pursuant to Notice of
17 the Meeting, and on April 19, 2010, at the City Council
18 Chambers, Menlo Park, California, before me, MARK I.
19 BRICKMAN, CSR No. 5527, State of California, there
20 commenced a Planning Commission meeting under the
21 provisions of the City of Menlo Park.

22 ---o0o---

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1 AGENDA

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1 CHAIRPERSON O'MALLEY: Good evening. I'm
2 Jack O'Malley, Chair of the Planning Commission and I
3 welcome you here tonight and declare this meeting in
4 session.

5 It's going to be a -- a long night, I
6 expect, because there's so many people that have
7 expressed so much interest in -- in this project and
8 everyone wants to make sure that we get all their input.

9 I'd like to start out by introducing the
10 commissioners, and Henry Riggs to my right all the way,
11 Kirsten Keith, Katie Ferrick, Vince Bressler, John
12 Kadvany and Melody Pagee, and staff tonight, we have
13 Justin Murphy, Megan Fisher and the young lady is --

14 MS. PRINCE: Leigh Prince.

15 CHAIRPERSON O'MALLEY: -- Leigh Prince,
16 and she's -- she'll be introduced a little later on I
17 think by -- by staff.

18 The first item on the agenda is Public
19 Comments. Under Public Comments, the public may address
20 the Commission on a consent calendar item or any subject
21 not listed on the agenda within the jurisdiction of the
22 Commission.

23 When you do so, please state your name and
24 city or political jurisdiction in which you live for the
25 record.

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1 The Commission cannot respond to non-
2 agendized items other than to receive testimony and/or
3 provide general information.

4 I would ask that you complete a speaker
5 request card if you have something to say at this stage,
6 and limit your conversation to three -- three minutes.

7 Is there anyone in the audience who wishes
8 to address the Commission at this time for that purpose?

9 Seeing none --

10 MR. CRITTENDEN: I turned in my card.

11 Do you want to use the card?

12 CHAIRPERSON O'MALLEY: I can't -- are you
13 speaking on something other than what's on the agenda?

14 MR. CRITTENDEN: Yes.

15 CHAIRPERSON O'MALLEY: Yes. Please come
16 on up.

17 MR. CRITTENDEN: Okay. I'm Howard
18 Crittenden. I live in Atherton. I'm the owner of the
19 Park Theater.

20 Since 1986 -- I've been the theater owner
21 since 1986. I thought it would be appropriate to update
22 you on the progress of my property on El Camino.

23 Since Landmark Theater filed for bankruptcy
24 in 1998, I have proposed numerous site uses for this
25 site. Unfortunately, none have been met with any

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1 support.

2 About a year ago, I hired a planner to help
3 me -- help in forming a proposal that hopefully would be
4 acceptable.

5 Neil Martin & Associates is a local planner
6 who's been around for many years. They worked almost
7 exclusively with cities and municipalities such as San
8 Carlos, Atherton, Half Moon Bay, Belmont and South San
9 Francisco.

10 They agreed to work with me as a private
11 client. We together agreed to hire an architectural
12 research group from -- resource group from San Francisco
13 to work on my project.

14 ARG was the original architect to do the
15 historic assessment for the Park back in 2002. They are
16 well-known by the City and highly respected.

17 ARG spent considerable time coming up with
18 three possible uses for the existing building that would
19 not cause significant historical impacts and could be
20 improved without any historical EIR.

21 Now, these plans were for office use,
22 retail use, any mixed office retail use.

23 I'm very excited to learn that this
24 property may have another use without significantly
25 changing the historic nature of the building.

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1 The next step was to get cost estimates for
2 the true to model scenario. Contractor BBI Construction,
3 who prepared the cost estimate, was very experienced in
4 rehabilitating historic buildings. They did the work on
5 the Orinda Theater.

6 Their estimate for cost represented a
7 stabilized pricing rather than today's pricing since the
8 approved project will be at least several years out and
9 at today's prices will be too low would be realistic.

10 While the ARG proposals of these three uses
11 in place and the prices from BBI Construction completed,
12 the next step was to see if these concepts made economic
13 sense.

14 I hired ECO Economic Consultants to conduct
15 an in-depth economic analysis to -- to assess the
16 viability of these three proposals to determine which one
17 was most feasible.

18 ECO is a highly pedigreed company who has
19 worked for numerous cities in the municipalities in the
20 Bay Area and California. They are highly respected and
21 trusted.

22 Bill Lee of ECOM concluded that the best
23 use of the building would be an all office use. His
24 calculations concluded that the highest and best use was
25 marginal. It was not up to the standards to be

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1 profitable to investor development.

2 With this information in hand, I have
3 decided to take this to the commercial real estate
4 brokerage community to see what they think.

5 I have several agents I know personally and
6 value their opinions. These people are in the trenches
7 and know what this market is like and what will and won't
8 work.

9 Of course today's market is in the tank,
10 but I know -- but I want to know how feasible this
11 project will be over the long-term.

12 At this moment, I don't have an answer.
13 Hopefully I will know soon.

14 I've been involved in the El Camino
15 visioning process and am excited to be -- excited that
16 the Council is making such great progress as well as the
17 Planning Commission.

18 I've attended most meetings and have
19 offered my thoughts. I want to help revitalize the
20 commercial district and improve business and the
21 appearance of our City.

22 Thank you for your time.

23 CHAIRPERSON O'MALLEY: Thank you, sir.

24 Any other public comments to be made at
25 this time? Seeing none, I'll move on to the Consent

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1 Calendar.

2 Items on the Consent Calendar are
3 considered routine in nature, require no further
4 discussion by the Planning Commission and may be acted on
5 in one motion unless a member of the Planning Commission
6 or staff requests a separate discussion on an item.

7 The only consent item that we have tonight
8 is approval of minutes from the March 8th, 2010 Planning
9 Commission meeting.

10 Does anyone have any comments on that?

11 COMMISSIONER RIGGS: Jack, I'll just
12 observe on the dais, I had one correction on page 9,
13 fourth paragraph, line 10, just a misspelled word.

14 CHAIRPERSON O'MALLEY: Yes.

15 COMMISSIONER KEITH: Just one change on
16 page 13, which is where it says right above D, "motion
17 carried." Just take out the word "potential."

18 CHAIRPERSON O'MALLEY: All right.

19 COMMISSIONER FERRICK: It's not a
20 grammatical thing, but on -- also on page 9, second
21 paragraph, the comments that Dennis Hatfield, Facilities
22 Manager of the School District made, I would disagree
23 with his characterization.

24 I'm not sure of what his actual words were,
25 but he said everyone seemed happy with the compromise,

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1 and I don't know that that's true, but that might be his
2 perception.

3 So how would we accurately reflect that in
4 the minutes?

5 CHAIRPERSON O'MALLEY: I think probably
6 it's there as his perception, is it not?

7 COMMISSIONER FERRICK: Would that be --
8 would you all agree that that's his perception that he
9 said everyone seemed happy with the compromise? It
10 doesn't make it true?

11 CHAIRPERSON O'MALLEY: It doesn't make it
12 true.

13 COMMISSIONER FERRICK: Okay. Good.

14 CHAIRPERSON O'MALLEY: Do I have consensus
15 here, acceptance of the minutes? Let it be noted.

16 Now the -- now we're coming to the meat of
17 the meeting, Public Hearing. Normally I would read all
18 the pages on the yellow form, but I have a short version
19 of that will accomplish the same thing.

20 The first agenda is a public hearing -- is
21 a public hearing on the Menlo Gateway project, which is
22 also known as the Bohannon Hotel and Office Project.

23 The Development proposal involves
24 application applications for a General Plan Amendment,
25 Zoning Ordinance Amendment, Rezoning, a Development

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1 Agreement, a Conditional Development Permit, Tentative
2 Partial Maps, Heritage Tree Removal Permits, Below Market
3 Rate Agreement and Environmental Review by Bohannon
4 Development Company for a property located at 101 to 155
5 Constitution Drive and 100 to 190 Independence Drive.

6 The individual applications are described
7 more particularly on the agenda. The Planning Commission
8 is scheduled to make a recommendation to the City Council
9 and all the items listed above on May 3rd, 2010, two
10 weeks from now.

11 The City Council will be the final
12 decision-making body on the proposed project.

13 I want to just read something else that I
14 have here, and basically I want to reiterate the purpose
15 of this public hearing is to give the Planning Commission
16 an opportunity to obtain comment and ask questions of
17 staff and the applicant related to the overall project
18 and various documents that have been prepared to date,
19 including the Final EIR and Fiscal Impact Analysis.

20 At the meeting on May 9th, we will
21 formulate our final recommendation for City Council.
22 With that in mind, I will run the meeting accordingly.

23 Now I am going to ask that -- for some
24 introductory remarks from staff.

25 MR. MURPHY: Good evening, Chair O'Malley,

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1 Planning Commission. I do have some brief introductory
2 remarks.

3 First I'd like to introduce Leigh Prince
4 from the City attorney's office. She is a partner at the
5 -- along with Bill McClure at the firm of Jorgenson,
6 Siegel, McClure & Flegel and she specializes in land use
7 and CEQA issues and has worked extensively on the Menlo
8 Gateway EIR, especially related to climate change.

9 So Bill is out of the country and intends
10 to be in attendance at the May 3rd meeting.

11 Now I would like to provide a little bit of
12 background for tonight.

13 The applicant submitted an initial proposal
14 in 2004 and submitted a revised proposal in 2007. The
15 comprehensive listing of all the previous meetings are
16 attached to the staff report.

17 The Planning Commission reviewed the
18 proposal of this meeting in September, October and
19 November of 2009.

20 Based off those meetings, the City then
21 entered into -- and at Council direction November of
22 2009, the City entered into negotiations for the Proposed
23 Development Agreement and prepared the Final
24 Environmental Impact Report, Final Fiscal Impact
25 Analysis.

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1 Those two documents, along with the Draft
2 Term Sheet were released on March 25th, 2010 with a 25-
3 day public review period for the Final EIR that ends
4 tonight.

5 On April 6th, 2010, the City Staff and
6 consultants provided presentations on the EIR, Fiscal
7 Impact Analysis. The presentations have been available
8 on the City web -- website in terms of the hard copies of
9 the presentations, plus video streaming of those
10 presentations, and additional copies have been
11 distributed for the benefit of the Planning Commission.

12 Those presentations are not being repeated
13 tonight as advertised previously.

14 On April 6th, the City Council also
15 reviewed a Proposed Development Agreement Term Sheet, and
16 there was a separate presentation for that, as well, and
17 again that presentation has been distributed tonight and
18 is not being repeated tonight since tonight's meeting is
19 focused on opportunity to get the public comment.

20 At the April 6th meeting, the City Council
21 also authorized continued review of the project based off
22 the specified schedule that includes tonight's Planning
23 Commission meeting and the meeting on May 3rd, plus four
24 additional Council meetings on May 11th, May 25th, June
25 15th and June 22nd.

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1 As Chair O'Malley stated previously, the
2 purpose of tonight's meeting is an opportunity to hear
3 presentation from the applicant, obtain public comment
4 and for the Commission to ask questions of staff and the
5 applicant to get all the questions on the table in order
6 to prepare for the May 3rd meeting where the Planning
7 Commission would be expected to formulate its
8 recommendation to the City Council on the -- on the
9 projects, the policy issue, the environmental review and
10 all the requested entitlements.

11 Now I'd like to cover some correspondence
12 that's been submitted tonight and -- so these are
13 correspondence that came in since the printing of the
14 staff report last week and were received by 5:30 this
15 evening, and there's eleven pieces of correspondence.

16 Those are all available on the -- the back
17 table. They've been distributed to the Planning
18 Commission, and there's a cover sheet that itemizes
19 the -- who -- who is writing the correspondence when it
20 came in and a very abbreviated subject of the
21 correspondence.

22 Again, it's not intended that staff or the
23 consultants would respond to these in detail tonight
24 given the short time. We may be able to field some
25 initial questions, but the intent would be to respond to

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1 these for the May 3rd Planning Commission meeting.

2 So the last thing I'd like to cover is just
3 a clarification about the recommended meeting procedure,
4 and again that's been distributed to the Planning
5 Commission tonight.

6 It reflects work of staff and the chair to
7 try to come up with an effective structure for tonight's
8 meeting, and again, copies are on the back table.

9 So right now I'm covering the introductory
10 remarks from staff. We would then go directly into
11 the -- unless there's any questions about this procedure
12 that I'm talking about right now, we would then go into
13 the applicant's presentation, which is scheduled for a
14 target of about twenty minutes.

15 Then there -- we would open up the public
16 comment period, and at the end of that public comment
17 period, the Planning Commission would need to decide
18 whether to close public comment period, public hearing
19 for this, and then we would move to Commission questions,
20 trying to focus on City Staff and City Consultants.

21 So in addition to the people seated at the
22 table tonight, we also have Chip Taylor, the
23 Transportation Manager in attendance, along with City
24 Consultants from the firm of PBS&J -- firms PBS&J, DKS
25 and BAE.

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1 So after questions of City Staff and
2 consultants, then trying to focus on questions of the
3 applicant.

4 We know at sometime it's difficult to
5 differentiate if you have a question, you're not sure
6 exactly who will field that, and we'll be able to -- to
7 work on that. We're just trying to group the questions
8 for a little bit more efficiency.

9 After wrapping up questions, then it would
10 be time for the Commission to move into discussion or
11 comments as time permits, because that is something that
12 could occur on the May 3rd meeting, and being sensitive
13 to time, we want to have a check-in about 10:30 at the
14 latest in terms of how things are going.

15 And then finally at the end of tonight it
16 will be for -- recommended for the continue this agenda
17 item to the May 3rd meeting.

18 So that concludes a brief summary of the
19 meeting procedure.

20 At this point, I just want to confirm with
21 the chair and then the Commission that there's acceptance
22 to this meeting procedure and then we can continue on
23 with the presentation by the applicant.

24 CHAIRPERSON O'MALLEY: Consensus?

25 COMMISSIONER BRESSLER: I have some

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1 concerns.

2 CHAIRPERSON O'MALLEY: Voice them, please.

3 COMMISSIONER BRESSLER: Does this mean
4 that on May 3rd, there would be no public comment?

5 MR. MURPHY: Let's see. So this -- it
6 depends on whether or not the Planning Commission would
7 continue the public hearing or not.

8 So if the Planning Commission were to not
9 continue the public hearing, the May 3rd meeting would be
10 a regular business item.

11 It would be listed on the agenda. It would
12 then be an opportunity for public comment on that agenda
13 item, and then it's going to be at the discretion of the
14 Commission in terms of how it would like to accept public
15 comment on May 3rd.

16 In general, it should be focused on new
17 information that's provided after tonight's meeting. It
18 should not necessarily be a rehashing information that's
19 already been provided or -- or addressed tonight.

20 So part of that is at the discretion of
21 the -- of the Planning Commission.

22 CHAIRPERSON O'MALLEY: And at the
23 appropriate time, we'll discuss it.

24 COMMISSIONER BRESSLER: I have some
25 concerns if I can express them.

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1 We have thousands of pages of documentation
2 here. The timeline for this project stretches out twenty
3 years, and we're going to wrap it up in two meetings
4 here.

5 I'm generally concerned about that and I
6 want to express that.

7 CHAIRPERSON O'MALLEY: Katie.

8 COMMISSIONER FERRICK: Through the chair,
9 may I weigh in on that?

10 CHAIRPERSON O'MALLEY: Sure.

11 COMMISSIONER FERRICK: I guess I view it
12 as more than two meetings. We've met on this numerous
13 times and they've been proposing different options for I
14 believe six years.

15 COMMISSIONER BRESSLER: May I respond to
16 that?

17 CHAIRPERSON O'MALLEY: Yes. Go ahead.

18 COMMISSIONER BRESSLER: Okay. The thing
19 that's new here is the term sheet, and there are very
20 significant implications of that, and I think the sooner
21 we get some of that out in the open, the better, and then
22 we can decide I think whether this merits more attention
23 or not.

24 CHAIRPERSON O'MALLEY: Okay. Justin, have
25 you finished?

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1 MR. MURPHY: Yes. So if the Commission's
2 ready, we can then open it up to the applicant to make
3 its presentation.

4 CHAIRPERSON O'MALLEY: Before I do that,
5 I -- it was brought to my attention that I said our next
6 meeting was May 9th. You had said May 3rd. The correct
7 date is May 3rd, not May 9th.

8 MR. MURPHY: Correct. It is May 3rd.

9 CHAIRPERSON O'MALLEY: Yes. Now I'd like
10 to have the applicant make his presentation.

11 MR. BOHANNON: Is that on?

12 Good evening. I'm David Bohannon and on
13 behalf of Bohannon Development Company, I'm very pleased
14 to be back before the Planning Commission tonight to
15 discuss the Menlo Gateway proposal.

16 Since we were before you last fall, our
17 team has spent literally hundreds of hours responding to
18 the broad range of issues raised by you, the Council and
19 the public.

20 We have improved the project's energy
21 efficiency. We have augmented the climate change
22 analysis in the EIR. We have further reduced vehicle
23 trips and greenhouse gas emissions, and we have
24 redesigned the parking structures to respond to the
25 Commission's concerns.

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1 We are here tonight to present these
2 changes and to respond to your questions about the
3 project, but first, I'd like to emphasize our vision for
4 the Menlo Gateway project.

5 We have set out to prepare Bohannon East
6 for the next generation of business by designing a
7 destination characterized by high quality architecture
8 and landscaping, interactive outdoor spaces and a
9 synergistic set of uses, office, hotel, health club and
10 restaurants, all of which create a special sense of
11 place.

12 At the same time, we sought to create a
13 project that is truly sustainable, balancing competing
14 economic, environmental and social demands.

15 With respect to the economic sustain-
16 ability, my family is uniquely situated to deliver
17 unprecedented commitments because of our long-term
18 investment in the Menlo Park community.

19 The City will benefit from roughly 1.4
20 million dollars in new TOT and sales tax revenue
21 annually. The City will benefit from our funding of one
22 million in capital improvement projects for Belle Haven
23 neighborhood and Bayfront Park.

24 The City will benefit from our voluntary
25 one percent increase in the TOT tax rate, and the City

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1 will benefit from our commitment to guarantee a portion
2 of the downside risk of the City's anticipated hotel and
3 sales tax revenue stream.

4 With respect to environmental sustain-
5 ability, Menlo Gateway delivers a robust and state of the
6 art project that commits to significant vehicle trip
7 reduction, greenhouse gas emission offsets and gold and
8 silver lead certification, all of which set new
9 benchmarks for development in Menlo Park.

10 Lastly, with respect to social sustain-
11 ability, the Menlo Gateway project meaningfully
12 contributes to the City's social fabric by entering into
13 a program with Job Train that will give Menlo Park
14 residents priority for Menlo Gateway jobs.

15 In addition to this preference program, the
16 project will bring approximately 2,300 jobs to the area,
17 while also creating 1,900 shorter term construction jobs.

18 Tonight we have Tom Gilman of DES
19 Architects, Eric Liu of Environ, Mike Mowry of Kimley-
20 Horn, Andrea Traber of KEMA who will present more details
21 about the changes to the project.

22 Recognizing the order of magnitude of
23 information for you tonight, we will keep our
24 presentation brief so as to leave ample time for your
25 questions.

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1 Thank you, and with that, I'll ask Tom
2 Gilman to come up and make his part of the presentation.

3 CHAIRPERSON O'MALLEY: Thank you.

4 MR. GILMAN: Thank you, Dave.

5 I'm Tom Gilman with DES Architects in
6 Redwood City. We're the architects for this project.

7 You know, I think one of the things about
8 this project that is so uniquely different is that this
9 is really about place-making.

10 This project is really about creating a
11 sense of place. It's a place to work. It's a place to
12 stay overnight. It's a place to dine. It's a place to
13 be fit, but all in all, it's a place to be, and I think
14 that as we have designed this project, we've looked very
15 hard at designing someplace that is not just a collection
16 of buildings, but is a series of spaces, both exterior
17 and interior so that when you're in this park, when
18 you're in this place, you feel like you are something
19 special -- in someplace special.

20 You know, given this -- given this
21 location, this project is absolutely a gateway, but I
22 think more than that, given the design and the effort and
23 the approach that we've taken in this project, it
24 ultimately will become a landmark for Menlo Park.

25 I wanted to just take you through kind of a

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1 recap of some of the basic facts and figures that have
2 not changed significantly since we last met, but as you
3 can see, our sixteen acre project here, both on
4 Constitution and on Independence, the project is
5 comprised of three eight-story office buildings totaling
6 about 700,000 square feet.

7 In addition, we have the hotel, the eleven-
8 story hotel, which is about 175,000 feet, a sports
9 facility from about 70,000 feet and a restaurant of a
10 little under 5,000 feet all together.

11 Three parking structures, two on
12 Constitution and one on Independence then provide the
13 parking for the projects.

14 A considerable amount of -- considerable
15 amount of open space, both on the Constitution portion as
16 well as different areas on the Independence Drive site.
17 We have overall about forty percent of the project is
18 useable open space.

19 I wanted to talk a little bit about the
20 architecture of this project.

21 We have attempted to be very responsive to
22 our context, very responsive to our solar orientation.
23 We've aligned these buildings in an east/west orientation
24 trying to be extremely energy efficient from a passive
25 perspective so that we are actually having to deal with

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1 less energy consumption as we look at the HVAC and the
2 artificial lighting, and that manifests itself in a
3 building that looks very different as one walks around
4 it.

5 North sides of the building are very
6 glassy, smooth, slick, very transparent, insulated
7 glazing that goes really from floor to floor with a
8 maximum amount of daylight harvesting so that we're -- we
9 have less dependence on artificial daylighting --
10 artificial light.

11 The east and west elevations much more
12 vertical so that both in terms of the striations of the
13 massing as well as exterior elements are shading devices
14 that provide a better way of keeping -- keeping down the
15 solar heat gain.

16 Another view of one of the -- this is the
17 Independence building north faced, as well.

18 Here's another view. This will be the
19 Independence building looking at the west elevation and
20 pointing out the striations in the building as well as
21 the vertical sense then provides solar shading on that
22 east and west facing surfaces.

23 As we look at this next picture, this is
24 Constitution. We're seeing the south sides of these
25 buildings. You can see much less glassy, a lot more

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1 solid kind of areas, a lot of horizontal sun shades in
 2 this area, sort of closing up these sides of the
 3 buildings, again so that we're taking on less heat gain,
 4 as well as each one of these horizontal kind of elements
 5 are acting as light shelves so that we're bouncing
 6 daylight further back into the building so that we have a
 7 much better approach in terms of energy consumption.

8 At the ground plane, again, these buildings
 9 are very rich materials. Natural stone, as I mentioned,
 10 insulated glazing, metal panels and things of that
 11 nature, but very humanly scaled materials as we come to
 12 the ground plane, very transparent and inviting lobbies
 13 and ground plane so that we have a strong indoor/outdoor
 14 connection on these buildings.

15 I just want to take you kind of around the
 16 park looking at a few views as we walk through the park
 17 itself.

18 As many of the office workers in these
 19 buildings -- these knowledge worker companies don't
 20 always work just in cubicles, don't always work in
 21 private offices.

22 Many times that work is done with hooking
 23 up with other colleagues in an outdoor spaces, whether
 24 they're catching a little coffee break or whether they're
 25 having lunch or just going outside into a very passive

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1 kind of area and just taking a break.

2 Ideas come from all different places, and I
 3 think that we've seen this in the tech industry in
 4 Silicon Valley that it takes more than simply cubicles
 5 and office spaces to create good solutions.

6 We also have a good deal of active areas in
 7 the landscaped areas, so that we have volleyball courts,
 8 basketball, bocce ball, badminton, that kind of things.

9 In addition, also areas for outdoor
 10 amphitheaters so that whether community or all hands
 11 meetings, musical entertainment, opportunities for people
 12 to actually use the outdoor spaces of this park.

13 This is looking out from some of the
 14 Constitution buildings out through that land -- those
 15 landscape elements. There are useable buffers out past
 16 the Bayfront Expressway to the East Bay and beyond.

17 A lot of transparency in terms of these
 18 buildings. Part of the idea of this approach is that
 19 these are buildings that you can see in to.

20 You can see that there's life going on,
 21 that there is activity, but there's a strong connection
 22 between the inside and the outside of this environment.

23 One of the other aspects of these buildings
 24 are that you set them back at the top floor to that we've
 25 created this opportunity for rooftop terraces so that we

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1 can have some green roof and outdoor spaces for users to
 2 be able to go out and whether we have snack bars and
 3 cafeterias on those top floors, with the idea being able
 4 to open out, and areas where there is wind shelter, where
 5 there's sun protection and great views to the north out
 6 to the bay.

7 Now talking a little bit about some of the
 8 architectural details, again, I wanted to point out that
 9 we're seeing views from left to right of a north face.
 10 This is a west face and this is a south face.

11 So you can see the difference in language
 12 and how in trying to be responsive to how the sun and
 13 wind act on these buildings, trying to recharacterize
 14 the -- the materials themselves.

15 So we have the natural stone, we have the
 16 prefinished metal panels, the light shelves that also act
 17 as sun shading devices, the striations and vertical
 18 elements that occur on the west sides, the floor to floor
 19 glazing on the north faces.

20 One of the things that we've also done
 21 is -- is tried to use a lot of horizontality as well as
 22 trying to characterize planes of material so that I think
 23 if we go to the next view, this is a little bit more
 24 apparent.

25 As you can see, these glass planes actually

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1 kind of fly past the surfaces -- surfaces that they meet.
 2 So that in -- in expressing each of the planes as a very
 3 thin and transparent kind of element, it helps -- it
 4 helps to scale down the building. It helps to lighten
 5 the forms so that they're not solid masses. And that
 6 occurs in -- in many cases as we have these walls that
 7 extend beyond each other.

8 Trellises that occur in various areas,
 9 again, we can see some of the trellises that would occur
 10 over those rooftop terrace areas.

11 And again, here's another element of the
 12 stone wall surfaces on this particular building extending
 13 beyond as it turns the corner. So it has a thinness, and
 14 so we're trying to express the idea that these are light
 15 and delicate kind of buildings.

16 You can see that again in the curtain wall
 17 that extends past this portion of the massing, as well.

18 A view then of the north face of the
 19 buildings at dusk, and again showing the transparency and
 20 the sense that someone is home even in the evening.

21 Another significant component of the
 22 project obviously is the hotel, and we've worked hard
 23 to -- on the design of the hotel so that this feels like
 24 a family of architecture.

25 Clearly we want the hotel to express itself

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1 as not an office building, but as a hotel, but we want it
2 to carry through some of the detailing, how balconies are
3 handled, how glazing and solid forms and the natural
4 stone are handled so that this building also has a
5 similar kind of compatibility and part of the same family
6 overall on the project.

7 Here is some of the -- about one acre open
8 space on the hotel site with the outdoor pool and terrace
9 areas that come out from the -- from the -- the lobby of
10 the restaurant beyond.

11 Just in terms overall as Dave referenced
12 this project having -- is definitely a sustainable project,
13 and that's really been our watchword from day one as
14 we've looked at this project.

15 This project will be LEED certified gold
16 for office buildings, LEED solar for the hotel. The
17 sustainable approach in terms of design is covered not
18 only the architecture, but the buildings themselves, but
19 also the site design in terms of how we've selected
20 materials, the -- the approach we've taken in terms of
21 irrigation systems, the kinds of -- the kinds of approach
22 we've taken in terms of energy efficiency; not only in
23 terms of water consumption, but also in terms of -- of
24 electricity and gas consumption overall in the project.

25 We've tried to be environmentally conscious

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1 in terms of the selection of the materials, both in terms
2 of the kinds of materials, the energy it takes to
3 manufacture those and also trying to work with local
4 materials where possible.

5 Also in addition, we'll have green tenant
6 programs so that the interiors themselves will also be
7 designed to a high level of sustainability.

8 We're going to take you just through a few
9 images of the interior of the Club Sports as well as the
10 hotel.

11 You can see the same level of quality that
12 is going into the office buildings will be carried
13 through with the hotel, as well, whether it be in some of
14 the public common spaces, the dining areas or in the
15 gymnasiums, locker rooms, some of the rooms within the
16 building -- within the hotel itself.

17 I wanted to speak briefly about the garage.
18 Dave had mentioned that we've taken a hard look at the
19 garage design, and after our last meeting, Dave called me
20 up and said, "Hey, we really want to take another look at
21 what can we do with these garages," and we -- it was
22 really kind of a two-pronged approach.

23 One was what can we do in terms of the
24 actual massing and how the garage is set on the site as
25 well as the architecture of the garages, and looking at

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1 the site initially, what we first looked at was is it
2 possible to compact the footprints of a some of these
3 garages and try to open up a little bit more of the site.

4 And so, for instance, in the case of the
5 Independence garage, we've actually removed one bay of
6 this garage and sort of added it on top.

7 And so this garage increased by a floor,
8 one level, but we were able to pull the garage back about
9 75 feet from the Independence Drive.

10 So along Independence, we now have a 75
11 foot deep landscape buffer which now allows the whole
12 site to open up and sort of creates a variation in the
13 massing as you drive down Independence, but also more
14 importantly creates this strong pedestrian connection
15 between the office building and the Club -- and the hotel
16 with the garage setback as a secondary element.

17 If we look at the Constitution site, we've
18 done a couple of things. In the case of garage B near
19 Chrysler, we also pulled back by one bay and put that on
20 top of the building.

21 So this garage increased by a level and a
22 half, but it allowed us to maintain about 160 feet of
23 setback between Bayfront Expressway and the garage.

24 So it allowed us to add additional
25 planting, additional sports kinds of activities within

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1 that area, as well as providing a significant landscape
2 buffer to that building.

3 In addition, along the Marsh Road end,
4 garage A, we also took out one bay of parking and added
5 another sixty feet of landscape and sports kind of
6 something.

7 This garage was already 160 feet back from
8 Bayfront, but we've also shortened the building and
9 pulled it back from Marsh Road. So we now have 120 foot
10 setback between Marsh Road and the parking garage itself.

11 So again, creating a significant amount of
12 landscaping on the west side of this building to try to
13 open up, as you can see, a significant amount of planting
14 in terms of trees and that kind of thing, really giving a
15 new front door and buffer all along the exterior side of
16 the project.

17 One of the things that we -- Dave also
18 asked us to do was take a look at -- from an
19 architectural perspective how we might we liven the
20 character of the garage a little bit more, make them look
21 a little bit more inviting, more exciting, but with this
22 caveat, and something that I -- I think that we've
23 always -- that we've always designed by, and that idea
24 that the garage shouldn't necessarily look like an office
25 building.

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1 It is a parking garage. It can have its
2 own identity; doesn't mean that it can't be designed to a
3 high quality standard and have its materials and so on
4 that gets used.

5 And so this -- these are just a few
6 different garages that we've studied, some in San Jose.
7 Some in -- I think Back East, but just looking at how
8 some materials and garages -- I think this one is in
9 Santa Monica -- were used in different -- in different
10 approaches and massing, studies and so on that were done.

11 And so we kind of came back to the drawing
12 board and started taking a look at what might we take a
13 look at.

14 And so these were some early studies where
15 we looked at well, what if we added some glazing
16 elements, what if we added some landscape kind of
17 elements, what if we added some stone base kind of
18 elements, sort of just looking at different kind of
19 studies.

20 Then I think looking a little more closely
21 here, this idea of maybe incorporating glazing as
22 elements, glass elements that might connote where
23 vertical circulation occurs within these garages. So
24 when you look at this garage, you know here's the stairs,
25 here's the elevators.

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1 Maybe if -- if we go back, maybe the
2 inclusion also of maybe some perforated metal panels,
3 some screen kind of elements that might float away from
4 the building so that they would help tend to lighten up
5 the structure that is a secondary plane beyond so that
6 you would start to develop some layering in terms of the
7 architecture itself.

8 We pulled back out the -- the elevations
9 that we had originally done, so these were the original
10 elevations for the parking structures, and then sort of
11 took another look at those and came up with this.

12 And so this is -- again, these are designs
13 that are in process, but in looking at it, this idea
14 of -- of having glazed elements that would connote where
15 vertical circulation occurs, maybe having this perforated
16 metal light screen panels that might occur at the
17 corners.

18 It would also kind of have a ratcheted kind
19 of relationship as they turn the corner, so it recalls
20 some of the character of the office buildings themselves,
21 but done with a different kind of materials.

22 So you can see that kind of layering that
23 might occur. Again, sort of glass expressed in a certain
24 way, maybe other metal panels that might have a different
25 kind of character as well as incorporating landscape

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1 elements within the building facade itself, so that
2 again, as we -- if we go to that overall elevation, the
3 idea of really scaling down the buildings so that we have
4 a variety of components.

5 There's still a significant base, a body
6 and a top to the building, but bringing in some other
7 kind of verticality and some other elements to help
8 lighten up the character and the architecture.

9 I think -- oh, yes. And so I just wanted
10 to show a couple of -- again, back to that idea of -- of
11 trying to compress the footprints on the garage and open
12 up the open space on the site.

13 This is the kind of impact it has
14 vertically. So in the case of Constitution, looking from
15 Bayfront Park, the upper view is the design as presented
16 last time, and we have a parking garage on the right side
17 and then one on the left.

18 The one below -- the view below is the
19 compressed footprints. The garage on the right side has
20 increased by a half level, and the garage on the left has
21 increased by a level and a half, and we've got a couple
22 of vignettes that show this in more detail.

23 So at the Chrysler/Bayfront intersection,
24 the view of the below would be where we were previously.
25 The view above is the building having been moved back so

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1 it starts to open up the office buildings a bit more.

2 Now these are the old designs. This hasn't
3 incorporated those design changes in terms of the
4 character that I just mentioned, but again this idea that
5 the building is pushed back. We now have 160 feet of
6 setback and allows that building to be opened up much
7 more.

8 Then at the other end, looking at -- this
9 again is sort of the basic block massing and so on, but
10 now we can see that we've got 160 feet of landscaping
11 from Bayfront and 120 feet of landscaping coming in from
12 Marsh Road.

13 So again, significantly changing the whole
14 character and frontage and exposure that the project has
15 to the outside world.

16 So that was basically the things that I
17 wanted to cover this evening, and -- I'm not sure.
18 Andrea, Dave, are you -- again, we'll be here for
19 discussion and comments, questions whenever you have
20 them.

21 MR. BOHANNON: Thank you very much, Tom.

22 So I -- I mentioned that we have some
23 consultants here that we'd like to make some specific
24 presentations to you regarding efforts that -- that we
25 made to address both the carbon and greenhouse gas

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1 emissions of this project as well as the trip reduction,
2 and in addition some energy modeling and building energy
3 efficiencies that were all studied and models were
4 created.

5 A very significant amount of work was done,
6 and I just will not belabor that and start by asking Eric
7 Liu of Environ to come up and sort of give the overall,
8 and then he'll invite I believe Mike Mowry to come up
9 from Kimley-Horn, and he'll talk a little bit about the
10 trip reduction, and then Andrea Traber of KEMA will talk
11 about the building energy.

12 MR. LIU: Thank you, David, and thank you
13 to the Planning Commission for giving us this opportunity
14 to present the work that we've been doing.

15 My name is Eric Liu. I work at Environ
16 International Corporation. We are an environmental
17 consulting firm, international consultancy. We have
18 approximately 1,200 staff members around the world in
19 Europe, Asia, Australia and North America, of course.

20 We have practice areas across the board. I
21 myself have been working in the air quality and carbon
22 management group for about -- more than ten years now.

23 We've been doing quite a bit of work now as
24 it relates to GHG issues, and most notably as it relates
25 to CEQA and how climate change should be evaluated in

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1 CEQA.

2 We've worked on a variety of projects, as
3 small as small little commercial developments to large
4 master plans for entire towns that are mixed use
5 developments that include residential, commercial and
6 even industrial facilities and renewable energy type
7 developments.

8 We at Environ have also been involved with
9 a number of air quality management districts as well as
10 city agencies in helping them to identify and evaluate
11 how to evaluate greenhouse gas and climate change and
12 develop mitigation measures and the -- the tools in terms
13 of how we are to evaluate these issues going forward.

14 One of the big challenges in terms of
15 global climate change, especially as it relates to CEQA,
16 is that it's -- it's a new field.

17 People are striving to figure out how best
18 to evaluate it and how to ensure that there isn't going
19 to be a -- a meaningful impact in terms of climate change
20 as we do different developments of this sort.

21 At Environ, we've been working on a lot of
22 these projects since inception of the issue within CEQA
23 and we've helped mold and drive a lot of the processes to
24 determine what those aspects are.

25 Now, when David asked us to -- to help him

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1 with the Menlo Gateway project, we had a couple different
2 goals, first of which was to help him evaluate and look
3 at the -- the DEIR that was completed sometime ago, to
4 help him understand, hey, is this evaluation accurately
5 reflecting the project; how else can we look at it; what
6 is the current state of the science to be able to
7 accurately represent the project and its GHG emissions.

8 The other challenge that -- or goal that
9 was presented to us was what I referred to before, which
10 was how do we evaluate this project in terms of the
11 significance in CEQA as it's been developing; what is the
12 current option of which we could look at this project and
13 say whether or not it's going to have a significant
14 impact in terms of global climate change, and with that,
15 we -- we began our evaluations by looking at the DEIR.

16 The -- the City Consultants, they use a
17 program called Urbanist, which is a emissions -- urban
18 emissions modeling tool created by the South Coast Air
19 Quality Management District.

20 Many cities and agencies around the State
21 of California have adopted that tool to be able to
22 evaluate air quality emissions.

23 A few years ago, as local climate change
24 became an issue, the South Coast Air Quality Management
25 District modified that program to also include GHG

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1 emissions.

2 In that process, they gave everybody a tool
3 to sort of begin the half -- the process of evaluating
4 GHG emissions.

5 The challenge with that, though, is that
6 the tool is somewhat of a black box with only specific
7 knobs that can be adjusted perhaps by just toggling on
8 and off.

9 It is difficult to take that tool and to
10 really mold it specific to a project, and it became a
11 challenge for a lot of folks with global climate change
12 because there was so many new options in terms of how to
13 evaluate a project, that it was difficult to really get
14 an accurate representation of what the GHG emissions may
15 be.

16 What most people tended to do was to try to
17 take conservative assumptions. You may overstate the GHG
18 emissions and then they would move on.

19 However, as more people have become aware
20 of the issue, as more people have become more concerned
21 with the issue, there's been a greater need to find a way
22 to fine tune those assumptions and choices within that
23 Urbanist model.

24 That is where our full team, which includes
25 Kimley-Horn and KEMA, comes into the picture.

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1 Within this model, we have our two primary
2 sources of emissions which include building energy
3 related emissions as well as emissions from mobile --
4 mobile sources.

5 As you're going to hear from Mike Mowry at
6 Kimley-Horn, they are a transportation traffic consultant
7 and -- and you're going to hear from Andrea Traber from
8 KEMA. They're a building energy sustainability expert.

9 With the two of them, we can get some very
10 project specific analyses and information on mobile
11 emissions and shear production as well as the building
12 energy usage, and we can tie that into the analysis to
13 help evaluate what the project's greenhouse gas emissions
14 would be.

15 I had also referred to the challenge of
16 trying to establish a thresh -- significant threshold.

17 The Bay Area Air Quality Management
18 District has recently released a Draft CEQA Threshold
19 Guidance document.

20 Within that document, they have laid out a
21 draft option on how people can evaluate what the GHG
22 emissions impact for a project is going to be.

23 That became one of our driving guidance
24 documents in terms of how we determine the entire Menlo
25 Gateway project.

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1 So a lot of the -- the updates that we made
2 were to -- to look towards the document to so if we can
3 make our analysis consistent with how the BHMD was
4 suggesting to evaluate GHG emissions.

5 With that, I think I'd like to turn it to
6 Mike Mowry from Kimley-Horn, and he will give you some
7 project specific details about the mobile emissions
8 analysis that was done to contribute to the -- to the
9 analysis.

10 MR. MOWRY: Good evening. Good evening.
11 My name is Michael Mowry. I'm can Kimley-Horn &
12 Associates. We are transportation engineering
13 consultants here in the Bay Area and actually nationally.

14 We have about 1,800 people nationally, and
15 have been around about 43. The majority of our staff is
16 transportation focused. It's how we started with three
17 engineers in North Carolina 43 years ago it's where we
18 are today really still focused on transportation.

19 We were brought into this project to look
20 at all the transportation elements about three years ago
21 by the Bohannon organization, and as part of that, to
22 develop a Transportation Demand Management program for
23 the project for TDM, as already everybody will discuss
24 this evening. Also referred perhaps the trip reduction.

25 We've developed that throughout that time

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1 period and intentionally put in many different aspects
2 into the TDM program, which I'll cover here in a minute.

3 For this exercise -- just to be brief
4 tonight, and I can obviously answer questions going
5 forward -- we were really looking at the specifics that
6 needed to go into this greenhouse gas emissions model
7 Urbanist, and to do so, the first item that we wanted to
8 look at was responding to a question that the Planning
9 Commission had raised to the Council, which is that we
10 had developed this TDM program and you're able to see as
11 part of the EIR process, but what did it mean? What kind
12 of trip reduction could be expected?

13 And those were the inputs that needed to go
14 into the Urbanist model.

15 The first item that we looked at in what we
16 would say is a slight overstatement in the DEIR's look at
17 traffic, and that comes down to what we would call
18 internal capture.

19 The easy way to explain that is this site
20 is designed to intentionally work together. We have an
21 office, we have a hotel, we have a health club and
22 restaurant that by their very design are meant to capture
23 some of those trips from each of the individual
24 management.

25 So I go from the office hopefully to the

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1 health club, pick up some dinner at the restaurant and so
2 on, and that -- to be conservative and looking at the
3 intersection impact in the DEIR, that was not taken into
4 account.

5 And so to be reflected correctly in the GHG
6 calculation, we wanted to calculate that, and I believe
7 that is in the FEIR now, that number about ten percent.

8 We would suggest of trips just slightly
9 less than ten percent. Of the trips coming -- that were
10 originally forecasted for the site will be internally
11 captured in the site because of complementing land use.

12 And that is based on the same traffic
13 information, the same institutional traffic information
14 that all of the DEIR traffic data -- data is generated
15 by.

16 The second item really was -- with the
17 program what the effectiveness. We've created a program
18 that has many elements, and what can we expect users to
19 use as part of that program.

20 What we did is we use used a software model
21 that was developed by the US-EPA. It's called Commuter,
22 and it allows you to program in the different elements
23 that occur in the site and see how those tradeoffs of
24 elements will allow you to create the most effective TDM
25 program.

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1 So for our program, we have enhanced
2 shuttle service which -- when we say that, right now,
3 there is a shuttle out to the existing area, but it
4 actually waits for one or two trains before -- before it
5 travels to the area.

6 So by enhancing that, we will have a
7 shuttle there when Caltrain arrives at the station.

8 We also have preferential parking for both
9 carpool and van pool, so we will be operating van pool.
10 We have bike lockers and racks. We've actually -- that's
11 one of the major -- one of the changes since the DEIR
12 meeting is we've increased the number of bike lockers,
13 racks and shower facilities, changing rooms for the
14 employees and patrons of the site.

15 We have a community assistance center, and
16 certainly with technology, they will have a presence
17 online to allow for ride matching of carpool patrons or
18 just information, too, how this transit service and this
19 shuttle service will work.

20 We also are proposing to provide transit
21 subsidies for those that use transit, as well as bike and
22 walk.

23 We looked at the Commuter model. What it
24 allows you to do is rather than necessarily just look at
25 each of these elements separately and see how they

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1 interact.

2 So, for example, with the shuttle, we can
3 look at the fact that we're going to reduce the amount of
4 time one has to wait at Caltrain, and therefore they'll
5 be more likely to use the shuttle.

6 The shuttle stop, how close is it to the
7 office buildings, we can input that kind of information
8 to really enhance the program to be as effective as
9 possible.

10 What that resulted in with all these
11 refinements is -- is approximately a twenty percent
12 employee reduction.

13 Now I don't want to confuse anybody because
14 you'll hear the seventeen percent number talked a lot
15 about tonight.

16 That's really for a program. When you hear
17 most people talk about an employee base, that's a base
18 that we can effect by proceedings.

19 However, all these elements will be
20 available to patrons of visitors at the site. So they
21 can certainly ride their bike and lock it up. They can
22 certainly use the shuttle.

23 It's just when we're looking at subsidies
24 and so on, those will just be available to the employees.

25 So that seventeen percent number that

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1 you've heard about and probably read about is really an
2 aggregate trip reduction for the overall site for both
3 visitors and employees in that number.

4 The last thing I would cover is really the
5 things that have changed since the -- the last meeting,
6 and this -- this is based on questions that have come up
7 a number of times throughout that process, and we've
8 given this presentation in longer form at other meetings.

9 One is car share, the Zip Car. They'd be
10 happy to have a site. They said absolutely that they
11 could open it in two weeks. We told them that they're
12 going to have to wait a little longer.

13 They -- they would love to have a site in
14 the parking garages for the employee base here as well as
15 the other local businesses to use.

16 So there's -- there will be electric
17 vehicle charging stations as part of the site. As I
18 said, we have increased the bike racks and lockers.

19 We've looked into mechanisms for how this
20 will all work with the subsidies, and if there's some
21 existing programs out there, Wage Works or Commuter
22 Check, we haven't determined necessarily which program we
23 would use, but we want to know -- we want to guarantee
24 that there's a mechanism to use it, as well as a TDM
25 coordinator.

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1 We've got all these different elements
2 happening and we've got employee base of about 2,500 or
3 so employees.

4 We want to put someone in place that can
5 answer questions for the employees in order to determine
6 what alternate mode they can take in order to -- to
7 reduce the amount of single occupancy trips.

8 With that, I feel like we've created a
9 robust TDM program that includes many different elements
10 intentionally because of the location of the site and the
11 mix of the uses, and we were able to assist in giving
12 this model, projecting the accuracy of this program and
13 the model.

14 With that, I turn it over to Andrea Traber
15 of KEMA to talk about the building condition.

16 MS. TRABER: Good evening, Planning
17 Commission. Great to see you again. My name is Andrea
18 Traber. I'm the director of Sustainable buildings and
19 operations at a company called KEMA. We are located in
20 Oakland, but We are an international company, and we do
21 all kinds of energy consulting from the supply side down
22 to the demand side working with buildings.

23 We have sustainable buildings in operation.
24 We have about 26 professionals that do focus on energy
25 design, high performance design, building commissioning

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1 and all things around building -- building energy use,
2 including LEED certification and so on.

3 We have over 125 projects that we have
4 worked on in California and elsewhere. 43 of those have
5 gone through the LEED certification process, and I would
6 say actually about half of them have met gold
7 certification.

8 But I wanted to get into essentially what
9 we've been doing since November, since you gave us a
10 little bit of a challenge.

11 We have been looking very carefully at how
12 these buildings are going to perform in the future when
13 they're actually built.

14 What we have spent a great deal of time on
15 is actually building from the ground up very detailed
16 energy model using the Equest program, which is one of
17 the approved programs that California recognizes for
18 California Title 24 energy code. It is one of two models
19 that are typically used.

20 So we developed a performance
21 specifications for the building's electrical, mechanical
22 system, including the site and the parking garages, and
23 then we created these models from those specifications.

24 So these are taking into account, of
25 course, also of the great building envelope design that

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1 Tom has done with the architectural design. These models
2 take into account all of the elements that will impact
3 energy performance on the building.

4 So through that process, this very rigorous
5 process, we -- the result was that we are exceeding --
6 which is a good thing, exceeding performance by 23
7 percent statewide compared to California's Title 24, the
8 current one, and that actually changed since November.
9 It is now about 2008 Title 24 Code that is in effect. So
10 we modeled against that, and that was the change.

11 We also went through and rigorously looked
12 at the -- the performance of course for the building and
13 we're still holding strong at gold with the office
14 building, and silver for the hotel.

15 But I wanted to mention that this is
16 basically a very solid baseline. There will be
17 improvements at these buildings and so on.

18 This is we wanted to establish a really
19 solid baseline that we knew we could meet and provide a
20 very good foundation, but we will absolutely entertain
21 improvements. Technologies will change, so on and so
22 forth.

23 This work that we have done is normally
24 done in the design development phase of a project long
25 after this phase.

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1 So we have actually gone very deeply, much
2 deeper than we normally do for a project at this stage.

3 So all of that worked into Environ's
4 overall characterization of greenhouse gases, and so we
5 were able to with efficiency and design offset or do with
6 25 percent carbon neutral, and we have committed to
7 offsetting the rest of the carbon of the building with
8 the climate part program, which is a third party
9 certified program for -- it's run by PG&E and it has
10 local methods.

11 So that is the bulk of what we did. I
12 believe we are open to questions.

13 CHAIRPERSON O'MALLEY: We're going to ask
14 you questions later.

15 MR. BOHANNON: So that concludes our --
16 our presentation, and with respect to the three
17 environmental consultants, when -- when we concluded last
18 fall, you know, you really did present to us, along with
19 the Council and the public, significant challenges and
20 raised significant questions about both -- you know, the
21 energy of the project, the trip production and potential
22 reductions we might make for the project and the carbon
23 emissions of the project and we -- we -- we very
24 seriously looked into these issues and developed a
25 program to -- to do what was feasible and -- in terms of

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1 creating off sets forth carbon, bringing down greenhouse
2 gas emissions to a level that the BAAQMD feels at least
3 in their draft form, you know, meets their threshold
4 standards and -- and also a very significant overall
5 project, trip reduction of seventeen percent.

6 So we are here for questions and we'll sit
7 down.

8 CHAIRPERSON O'MALLEY: Thank you for the
9 presentation and thank your consultants for their
10 presentations, as well.

11 I'm going to move right into public
12 comment, and I might add that at the moment, I think I
13 have fourteen or fifteen cards. I expected maybe more,
14 but I'd like to repeat once again that if you have
15 something to say, that you fill out a comment card which
16 are back against the wall and take it to staff who will
17 get it to me.

18 The first commenter will be Miss Anne
19 Moser. And once again, Anne, would you like everyone
20 else to state your name and your place of address?

21 MS. MOSER: I'm Anne Moser and I live at
22 174 Spruce Avenue in Menlo Park. I've lived in and
23 around this area for way over fifty years and with a
24 particular Menlo Park address for about 35.

25 I'm here in support of this project, and I

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1 have various reasons for supporting it.

2 To begin with, the current area looks
3 tired, shabby, not very representative of Menlo Park.
4 It's a vibrant community which seems to be the tag word
5 we all use these days.

6 I prefer a developer such as Mr. Bohannon,
7 who is a part of our community, rather than a faceless
8 corporation with few, if any, local ties. We have a
9 glaring example in a neighboring city.

10 The Gateway will provide a very good link
11 to the development of Haven area, which is coming one of
12 these days.

13 Various entities within Menlo Park will
14 benefit financially, including schools, fire and Belle
15 Haven as well as the below market rate housing, which is,
16 of course, my particular interest.

17 The development will provide many jobs.
18 First of all, in all the construction that will go on,
19 and then a continuing stream of jobs.

20 The association with Job Train is a real
21 plus That's an organization that has done great work for
22 many, many years in the community.

23 I prefer -- I'm sorry. Yes, there will be
24 traffic problems, but I prefer a planned managed traffic
25 to congestion from unplanned growth.

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1 The pluses to me outweigh any negatives,
2 and I hope you will be able to support the project.

3 Thank you for your time.

4 CHAIRPERSON O'MALLEY: Thank you.

5 I would ask staff to -- to let me know when
6 the speakers approach three minutes, and I would ask the
7 speakers to try and limit your comments to three minutes.

8 The next speaker is Clem Molony.

9 MR. MOLONY: Good evening, Commissioners.

10 Thanks for the opportunity to speak.

11 Clem Molony. I've been a homeowner with my
12 family for the Willows for about 35 years.

13 CHAIRPERSON O'MALLEY: Would you pull the
14 mic up closer?

15 MR. MOLONY: I'm taller.

16 Homeowner in the Willows for 35 years.

17 As an introduction, I read the staff report
18 tonight and I want to thank the staff and all of you for
19 the hard work that obviously goes into complex issues on
20 a project like this. It's massive.

21 The General Plan Amendment, Zoning
22 Ordinance Amendment, EIR, the height issues, the fiscal
23 analysis are just very complex, and everybody that I've
24 talked to really appreciates the job that the City is
25 doing in looking at this.

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1 I attended Council last week and listened
2 to the attorney talk about the term sheet. I was very
3 pleased that it was negotiated by the two Councilmembers
4 that I know are very, very thoughtful, and though it's
5 complex, it -- it has a whole lot of protections for the
6 City.

7 The City's made a lot of progress on this.
8 It kind of reminds me of -- the protections that were put
9 into the project in the Rosewood Hotel and office complex
10 on the west side, and that -- that has been a major
11 success for the City.

12 I've gotten to know it. The YMCA was built
13 there. It's been a real successful place.

14 Just a few comments, big picture. This is
15 a project that will modernize a commercial area in the
16 City that's over by the freeway that is not by homes.

17 The second is the fiscal analysis to me
18 showed that the City is getting excellent public benefits
19 compared to the norm for these kinds of projects.

20 Yes, it's big, high FAR, but it's in the
21 right place, and if you think about the downtown high
22 FAR, it's similar because there's useful parking that is
23 dedicated, so that the high FAR is justified in this
24 case.

25 The green credentials are just outstanding.

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1 I've been an environmental manager for my career for 25
2 years and an activist for forty. I am very, very proud
3 of my city.

4 I want to thank Paul Collacchi and Gail
5 Mitch, everybody -- I read the article that Mitch put in
6 the Almanac recently.

7 The -- the bar that you folks asked these
8 people to perform to is outstanding, and they delivered
9 from what that Almanac story said.

10 So is it -- is it justified that -- do
11 these zoning ordinance changes, General Plan Amendment?
12 I think it is.

13 This project is modernizing for our City
14 that's a good one, and I'd recommend -- you've got to be
15 very thoughtful on the issues, of course, but I would say
16 trust the work of the staff and trust the work of Council
17 persons that have worked on this term sheet.

18 Trust the process, and -- and this has been
19 a good one, and thank you for everything you've done to
20 really raise the bar and -- and make this a better
21 project after all the work that they've gone through.

22 CHAIRPERSON O'MALLEY: Thank you.

23 Our next speaker will be William Nack.

24 MR. NACK: Good evening, Chair O'Malley
25 and other honorable members of the Planning Commission.

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1 My name is William Nack. I'm -- I'm here speaking this
 2 evening not only as a resident of Menlo Park, but also on
 3 behalf of the San Mateo County Building and Construction
 4 Trades Council, which has a membership exceeding 14,000
 5 of the highest skilled union craftsmen and women in the
 6 construction industry today.

7 I'm here this evening to encourage the
 8 Planning Commission to recommend approval of the Menlo
 9 Gateway project to the City Council.

10 The developer's made significant
 11 commitments to our City. They've agreed to construct a
 12 four star full service hotel either before or concurrent
 13 with any office construction which would generate
 14 immediate transit occupancy tax revenue.

15 In addition, they've agreed to guarantee
 16 revenue to the City to the extent that actual revenue
 17 from TOT and sales tax does not meet projections.

18 The developer's agreed to designing the office
 19 building to achieve LEED gold standards and for the hotel
 20 and health club to achieve LEED silver standards.

21 As requested by the City Council, the
 22 developer's agreed to produce the project net new average
 23 daily trips by seventeen percent and has agreed to
 24 participate in an offset program so that the building's
 25 energy consumption will be carbon neutral.

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1 As stated by your staff, they believe that
 2 a majority of the parameters set by the City Council for
 3 the Development Agreement have been achieved through the
 4 terms agreed to by the developer.

5 Additionally, the developer's committed to
 6 the Building Trades Council that the 1,900 construction
 7 workers building this project will receive good wages
 8 with healthcare and pension plans so that these craftsmen
 9 and women can afford to live and work in our community in
 10 San Mateo County.

11 The project is appropriately located. It
 12 will generate millions of dollars for the City of Menlo
 13 Park and will result in thousands of new jobs.

14 We ask this evening the Planning Commission
 15 recommend approval of the Menlo Gateway project on May
 16 the 3rd. We believe there's strong community support for
 17 this project, and I thank you for allowing me to speak to
 18 you this evening.

19 We hope that next year at this time, after
 20 extensive public review, we will be attending a ground-
 21 breaking for a project that we can all look upon with
 22 great pride.

23 CHAIRPERSON O'MALLEY: Thank you.

24 Mr. Glen Lynch, please.

25 MR. LYNCH: Good evening, Commissioners.

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1 My name is Glen Lynch and I am both a property and small
 2 business owner here in Menlo Park.

3 That is my building right there, so in
 4 terms of proximity, I'm about as close as you can get.

5 My business here in Menlo Park, I bought a
 6 building and opened --

7 CHAIRPERSON O'MALLEY: Excuse me. Would
 8 you speak into the mic?

9 MR. LYNCH: Sure. My --

10 CHAIRPERSON O'MALLEY: People behind you
 11 can't hear you too well.

12 MR. LYNCH: My business I opened in 2007
 13 when I acquired the building and had no idea this project
 14 was going on at the time, and the original branch of my
 15 business opened in Cupertino in 1964, and we're in a
 16 similar neighborhood in Cupertino, and from what I've
 17 seen there -- we've been in that location since the early
 18 '70s, and when we opened that store, when my father
 19 opened it, it was one small business in a community of
 20 small businesses in a commercial industrial neighborhood.

21 And within the last thirty years, we've
 22 seen a remarkable rate in Cupertino of conversion of
 23 commercial property into residential.

24 We were now a tiny little commercial
 25 operation surrounded by residential, and the needs of

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1 those two communities are competing more and more every
 2 day.

3 So in a nutshell, I'm thrilled to see the
 4 developer has the vision and the confidence to do a
 5 development like this that maintains the commercial
 6 nature of the site.

7 So many developers seeing the dollar signs
 8 come into commercial neighborhoods, scrape them and build
 9 a hundred condos, cash their check and run away, and
 10 that's clearly not what's happening here.

11 It's being maintained commercial, which is
 12 good for the community, it's good for the neighborhood,
 13 and I think it's good for Menlo Park.

14 so I'm here as a very hopeful
 15 resident/business owner to offer my unqualified support
 16 for this project.

17 CHAIRPERSON O'MALLEY: Thank you.

18 Howie Dallmar, please.

19 MR. DALLMAR: Good evening. My name is
 20 Howie Dallmar. I live at 1390 Garden Lane in Menlo Park.
 21 I've lived in Menlo Park for over forty years, so I enjoy
 22 the City. I've raised my kids here. I grew up here.
 23 It's a great community.

24 I'm here to speak to -- in support of this
 25 project. I think it's an important project for the City

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1 of Menlo Park. It will bring in additional revenues to
2 the City, 1.5, 1.6 million dollars, which I believe -- I
3 think is about three or four percent of the annual
4 budget.

5 So those are important dollars today for us
6 to capture so the citizens of -- of Menlo Park continue
7 to -- to get the services and have services provided by
8 the City.

9 There'll -- there'll be other revenues that
10 will generate. One is for local schools, for the Menlo
11 Park Fire District also, too.

12 I think a huge thing is that it will bring
13 jobs to the City of Menlo Park, 2,300 jobs when it's
14 fully leased.

15 All of those people will spend their
16 dollars, retail dollars in downtown shopping or going to
17 restaurants, and if you talk to retailers in downtown
18 like Bob Larson at Round Table Pizza Restaurant, he said
19 downtown Menlo Park retail is struggling at this point in
20 time.

21 They need new blood. They need customers
22 to come into downtown Menlo Park, and this is -- this
23 project will provide for more people to work in Menlo
24 Park and spend their dollars in Menlo Park, and I think
25 that's significant because our downtown I think really

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1 does need help.

2 The other thing is that -- you know, as you
3 look in -- this project's going to be a Gateway project.
4 It's a project that we can be proud of as citizens of
5 Menlo Park.

6 It's going to be LEED certified gold. It
7 will be a beautiful project. It will be -- bring people
8 here. I think we'll be very proud of this project, and
9 as I drive down El Camino Real, I see so many of the auto
10 dealerships that have gone.

11 I'm not proud of that. I don't think
12 anyone's proud of that here, but with a project like
13 this, I think we all can be proud of it, and so I urge
14 you to support this project.

15 Thank you.

16 CHAIRPERSON O'MALLEY: Yes, you may.

17 COMMISSIONER BRESSLER: Can I ask the
18 speaker a question?

19 MR. DALLMAR: Sure.

20 COMMISSIONER BRESSLER: It sounds like
21 you're commenting on the El Camino visioning project, not
22 this one.

23 MR. DALLMAR: No, not necess -- not at
24 all. I support this project and I see the benefits for
25 the downtown retailers.

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1 COMMISSIONER BRESSLER: I'm curious. How
2 do you -- this is a long ways from downtown.

3 Do you see that this -- do you see these
4 people driving across town to go downtown at lunch?

5 MR. DALLMAR: Yes. People drive to go to
6 restaurants, to meet people. If you talk to Bob Larson,
7 the Round Table Pizza, he delivers tons of pizzas to all
8 of the businesses on the east side.

9 Gunderson was a law firm that was out
10 there. They left Menlo Park and Bob said they were a
11 good client of his, too.

12 I think there is some services and I think
13 there is some benefits that way.

14 COMMISSIONER BRESSLER: Thank you.

15 MR. DALLMAR: Okay.

16 CHAIRPERSON O'MALLEY: Thank you, sir.

17 I have the next speaker has donated his
18 time to the fire chief, and -- and that's Jack Nelson,
19 Fire Chief.

20 Is he here?

21 CHIEF SCHOPALHOUMAN: Good evening. And
22 I'll speak into the microphone so people behind me can
23 hear me.

24 Chairman O'Malley, members of the Planning
25 Commission, my name is Harold Schopalhouman. I'm your

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1 fire chief. I'm the fire chief for the Menlo Park Fire
2 Protection District. The Fire District provides
3 emergency medical, fire, hazardous material, disaster
4 response as well as public preparedness services to
5 approximately 94,000 residents located in Menlo Park,
6 Atherton, East Palo Alto and portions of San Mateo County
7 and the unincorporated areas.

8 The Fire District is not a community or a
9 department, but rather an independent special district
10 that predates the town and the cities that we serve,
11 including the City of Menlo Park.

12 The Fire District was established in 1916
13 as one of the first governmental entities in San Mateo
14 County based upon the citizens' understanding that fire
15 protection was vitally important.

16 As the fire chief, I'm in support of this
17 proposed project, but with -- but with reservations and
18 concerns based upon my experience in public safety where
19 we often hope for the best, but plan and deal with the
20 worst of un -- of unanticipated consequences.

21 Case in point this evening when the
22 gentleman was mentioning the parking garages, I know he
23 was referencing the lead aspects and the environmental
24 issues and the greenery around it.

25 Of course the first thing a fire chief

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1 thinks about is what if there's a fire in there, how do
2 we get to that fire? So it's a very different
3 perspective I think that we bring to the table here.

4 Given the high density of the proposed
5 project, the district has serious concerns with our
6 ability to provide effective emergency and life saving
7 response services to the Gateway development based upon
8 the Fire District's current fire apparatus distribution,
9 station configuration and staffing.

10 As you know, the project consists of nearly
11 one million square feet of office and commercial
12 development, contains seven new multi-story structures,
13 including three eight-story office buildings, an eleven-
14 story hotel, which will be the tallest structure in the
15 Fire District, and three four- to five-story parking
16 structures. It would increase the number of high-rise
17 structures in the district by 64 percent.

18 The project also creates new General Plan
19 Zoning Designations and could open the door for taller
20 and denser development at the outer eastern -- eastern-
21 most reaches of the Fire District's service and response
22 attempt.

23 That said, denser and taller structures in
24 this corridor make sense with proper passive and
25 operational fire protection and response.

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1 The district currently Has one ladder truck
2 located at 300 Middlefield Road, Fire Station Number 1.
3 Ladder trucks are needed to effectively respond to fire
4 emergencies at multi-story structures three or more
5 stories in height, or for technical rescue emergencies in
6 or at those structure.

7 The district's current truck has a
8 connected mid-shift ladder that is one hundred feet in
9 length as well as 216 feet of total ground ladders which
10 vary in size.

11 The truck is a 2003 Pierce ladder truck and
12 it weighs approximately 75,000 pounds. It's 45 feet six
13 inches in length and has a turning radius of 66 feet and
14 is currently staffed by three personnel.

15 To give you a sense of that, I handed out
16 some updated packets that are in the back as well as to
17 staff this evening. These photographs are also included
18 in your packet. It shows the aerial ladder device.

19 Directly next to it, it shows two
20 firefighters with a 24 foot ground ladder that are
21 carried on all engine companies.

22 So while we have an engine company 1.1 mile
23 from the project, it does not have a ladder that's
24 adequate for a three-story of greater structure.

25 All the engine companies carry that

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1 compliment based upon standards from the National Fire
2 Protection Association. Again, the ladder truck and
3 ladder up to a one hundred foot structure.

4 In size, as well, because movement is key,
5 you can see here -- and we'll talk about movement
6 shortly. This is the engine and a truck. The first
7 shorter piece of equipment is the fire engine.

8 The larger truck as was mentioned here is
9 about 45 and a half feet long. An engine's about 28 feet
10 long, and the difference in weight is also critical
11 because it has to do with how fast those pieces of
12 equipment can move.

13 The truck weighs 75,000 pounds. The engine
14 weighs somewhere between 38,000 to 42,000 pounds.

15 Why is that important? It's important
16 because as we talk about the distance of this project
17 from Fire Station 1, one of the critical aspects that we
18 tried to address was how long it takes to get there.

19 When you have a 75,000 piece -- 75,000
20 pound piece of equipment that's 45 feet in length, you
21 don't just get there as fast as you would in your private
22 vehicle, and it's difficult based upon some of the places
23 and areas that we need to go to quickly.

24 It's my professional opinion as fire chief
25 with more than 29 years of experience as a fire service

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1 professional an additional ladder truck and station
2 modification will be needed at the Gateway project if
3 approved.

4 You have -- and which was sent to you last
5 night -- a report from Stewart Geary at City Gate
6 Associates and a letter that I sent to you yesterday.
7 It's also available in the back and was given to staff.

8 Some of the key points in there are the
9 Insurance Service Organization recommends that ladder
10 trucks should be located within 2.5 miles driving
11 distance for multi-story structures.

12 The proposed project would be located
13 approximately 3.4 to 3.8 miles away driving distance from
14 station 1.

15 We did some work in there. We could find
16 three routes of 3.7, 3.8 and 3.4 miles, and closest truck
17 to the adjoining community, Redwood City's truck is 3.6
18 miles from the project, well outside the 2.5 mile
19 recommended radius for Insurance Service organization.

20 We also have the National Fire Protection
21 Association. 1710 is the standard. Ladder trucks should
22 be located eight minutes travel distance from a project.

23 In this particular case, that's roughly
24 2.25 and 2.75 driving miles distance.

25 The proposed project is located eight to

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1 nine minutes travel time from the site with no traffic,
2 and of course our traffic from station 1 is down Willow,
3 down Middlefield, down Marsh or down Ringwood to Bay.
4 Those are the ways that we would typically go.

5 Several of those areas have schools in
6 them. Many of them have traffic in the afternoon.

7 The last standard that we use, the
8 Commission on Fire Accreditation and International
9 Standards for Response and Cover Methodology, and that
10 deals with standards and cover that's correlated to an
11 eight-minute travel time. Again, we do not comply with
12 that standard.

13 The City and developer pointed out that no
14 legal standard exists. I agree with that, no legal
15 standard exists. That's true.

16 The standards I mentioned are -- the
17 standards I mentioned above in the prudent judgment of
18 your fire chief who's concerned about public safety are
19 the standards that are typically used.

20 The real question back to the City is what
21 is your standard? And I had to go back into a report
22 that we had from some years ago where we built a fire
23 station on the eastern side of Menlo Park, and that
24 report which again is located in your packet is dated
25 December 12th, 1995.

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1 The City contemplated leasing property
2 located on Chilco Street to the Fire District for the
3 fire station for a dollar per year for 55 percent years.

4 The report states: "the City and the
5 district have been interested in building a fire station
6 in the Belle Haven neighborhood. The reasons for
7 locating a station in this area include providing
8 expanded fire and emergency medical services to the
9 highest demand area in the district east of Highway 101,
10 providing expanded service capability in the event of a
11 catastrophic disaster, such as an earthquake, that can
12 prevent access across Highway 101 and reducing sound
13 impacts from responding vehicles on Willow Road from Fire
14 Station 1."

15 The Menlo Park Fire Protection District
16 spent roughly two million dollars and built the fire
17 station in Belle Haven in 1996 at 1467 Chilco Street
18 working in collaboration with the City of Menlo Park and
19 at no cost to the City outside of the lease of the land.

20 The report goes on to state: "The district
21 and the City identified potential sites and it was
22 decided one located on City land on Chilco Street between
23 the railroad tracks and Terminal Avenue was the most
24 appropriate given the number of criteria, criteria which
25 are important including response times within the service

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1 area, buildability on the site and potential uses of the
2 site."

3 My question to you tonight is what changed
4 on that? Because something did change, obviously,
5 because now we're talking about effective service and the
6 truck is part of that effective service.

7 The City's own fiscal consultant, BAE, Bay
8 Area Economics agrees that the project will have a
9 negative impact on the district and our ability to
10 provide the necessary fire protection services.

11 It concludes that a ladder truck and
12 personnel are legitimate costs associated with the
13 project, yet the City CEQA study shows no impact despite
14 the district pointing out that if a truck was located at
15 Fire Station 77 in Belle Haven, it would be 1.1 mile from
16 the proposed project and the station would need to be
17 modified.

18 Why? Because in 1996, no one anticipated
19 buildings over three stories in any one of these areas
20 because the City had a restriction on that.

21 If they had, maybe we would have built a
22 little different station to incorporate that.

23 At the City's economic report -- as the
24 City's economic report correctly points out, the addition
25 of a ladder truck would result in the need for the three

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1 additional full-time firefighters to staff the truck to
2 increase the staffing from three to four per day pending
3 a tentative agreement with the firefighter's union
4 related to staffing.

5 The final piece here, folks. The second
6 truck is proposed to be located at the stations east of
7 Highway 101, either Station 77 in Belle Haven or Station
8 2 in East Palo Alto.

9 A truck would be needed in addition to the
10 engines currently at these stations, and thus the Fire
11 District would need to make modifications to the
12 selective station to accommodate the additional piece of
13 equipment.

14 And just a couple last things on ladder
15 trucks. Given the driving distance, response time
16 between the site and our single ladder company, as the
17 fire chief, I'm concerned about the firefighter's ability
18 to adequately fight and manage an emergency at the site
19 given the effects and threat of smoke from even the
20 smallest of fires.

21 The district's ability to serve other
22 high-rise structures in the district meets the current
23 standard. The questions were raised to me what about the
24 Four Seasons in Hotel in East Palo Alto and the office
25 buildings. Those are 1.8 miles from Fire Station 1.

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1 What about Menlo Towers on -- on the western side of the
2 Fire District? That's 1.9 miles from Fire Station 1,
3 well within the 2.5 mile standard for high-rise
4 structure.

5 In closing, I would urge you to please
6 seriously consider the impacts of the project on the Fire
7 District and ensure that the adequate fire equipment and
8 personnel are imposed and conditions of approval on this
9 project.

10 This is a life safety issue, one that
11 deserves serious and important consideration by the City
12 of Menlo Park and the Planning Commission, and in
13 summary, why are we here this evening?

14 I would just sum down to this: We've been
15 working for a long time with the City, but obviously as
16 was mentioned earlier, when it came to the term sheet,
17 imagine our surprise that life safety was not on that
18 term sheet.

19 A lot of good things were on that term
20 sheet. A lot of good things about this project, but
21 public safety and emergency response was not on that term
22 sheet, and the Fire District is funded by property taxes,
23 but this project will have a unique impact based upon our
24 ability to use and aerial ladder device.

25 The last thing, this is a photograph, as

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1 well, of the truck. It shows the equipment in the truck.
2 Again, it's not just ladders. It's a technical device,
3 rescue device as well as has technical equipment in here.

4 So we have here road equipment, window
5 washers trapped on the side of the building.

6 Our personnel have broken into a bank
7 vault, you might remember, several years ago to rescue a
8 2-year old child.

9 Things happen that people cannot
10 anticipate. This is a huge tool box. That's why we use
11 it. It's kind of like our aircraft carrier and the
12 engines are the smaller ships that surround it and take
13 the majority of the calls, but nothing can do what this
14 can do.

15 In conclusion, here again, these are some
16 of the ground ladders that are used on the ladder trucks.
17 So it's not just the large device. It's the smaller
18 ladders that are necessary sometimes, as well.

19 And finally, in the information that I
20 submitted tonight, I worked with the Insurance Services
21 Organization. They finally just got me their information
22 today.

23 It's not complete, but it shows the
24 different models in the packet that I handed out to the
25 staff this evening.

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1 So you'll see the different coverage areas
2 on that report that has to do with where they recommend
3 for the insurance rating for the community ladder trucks
4 should be located.

5 The Bohannon project is a good project, but
6 does represent, I think, a tipping point for us in terms
7 of our ability to service it based upon the use of an
8 aerial device and having that be strategically located
9 within a reasonable distance of the project.

10 Thank you very much.

11 CHAIRPERSON O'MALLEY: Hang on for a
12 second.

13 FIRE CHIEF SCHOPALHOUMAN: Sure.

14 CHAIRPERSON O'MALLEY: I think we have one
15 question. The question was answered.

16 Thank you for your comments.

17 FIRE CHIEF SCHOPALHOUMAN: Thank you.

18 CHAIRPERSON O'MALLEY: Rose Bickerstaff.
19 Did I pronounce your name correctly?

20 MS. BICKERSTAFF: It's Bickerstaff.

21 CHAIRPERSON O'MALLEY: I'm sorry about
22 that.

23 MS. BICKERSTAFF: That's okay.

24 Good evening. I'm Rose Bickerstaff and
25 I've been residing in this city for 45 years, and half of

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1 that, I've been in the -- located in the business
2 district.

3 So I have had the pleasure of watching this
4 City up close and personal, and I guess you might say
5 watching it for lack of any movement in the way of
6 development, and I want to say a few years when this
7 developer applied for the permits to start this project,
8 the community of Belle Haven, we supported it then and we
9 support it now.

10 I've noticed that Menlo Park is so unique
11 that it doesn't seem that we move at any pace to embrace
12 development, and this is a project that I hope you don't
13 let one thing stop you from moving forward in approving
14 this.

15 Because there is nothing one hundred
16 percent perfect. There's always something that will get
17 in the way, and I say adjust it or get around it or do
18 one of those things so we can move on with the project
19 that's very good for this city.

20 It seems that many times I listen to the
21 Council when the Councils say that we have to more or
22 less compete with our surrounding towns, and that's when
23 they're deciding on salaries.

24 So I say we need to compete in development,
25 because we have not really done anything significant in

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1 this city, and it seems that we shy away when there is a
2 large project.

3 Yes, it's a large project, but it offers a
4 lot of benefit, more than just jobs.

5 There's the lady that spoke earlier, named
6 off quite a few things that this project would benefit,
7 and I'd just like to say that the community that's most
8 affected, which is the Belle Haven community, we support
9 the project because we see certainly more pluses than
10 minuses, and I hope you will approve this project.

11 Thanks.

12 CHAIRPERSON O'MALLEY: Thank you.

13 Chuck Kinney.

14 MR. KINNEY: Good evening, Commissioners.
15 Location, location, location. 101, Marsh Road, Bayshore
16 Freeway, perfect location for a project like this.

17 LEED gold and silver. I should mention
18 that I used to do EIR reports back in the '80s, but it
19 never came close to what -- what you have before you
20 tonight or what's happened.

21 Clem Molony said the bar is set pretty high
22 right now, so it's a first class Environmental Impact
23 Report.

24 Developer downwards incentives for the
25 project, reduced driving by employees, workers, multiple

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1 hookups for the autos, vans to Caltrain, carpool
2 incentives, on and on and on, and jobs during
3 construction, jobs after construction.

4 Maybe President Obama should take a look at
5 this project. Maybe he can learn a few things.

6 Projected 1.6 million that I've heard of
7 from an occupancy tax, and other -- I call them --
8 community gifts from the developer. There's quite a few
9 here.

10 One thing I've heard lately is gee, why is
11 it taking so long, fifteen years? Why can't we have all
12 these various developers benes right now?

13 And I don't know if any of you have been on
14 the hook on a development project for millions of
15 dollars. I have, and it's not a very fun place to be at
16 times, especially when one project I had went to Prime
17 Hit 21, and it was -- so I think nothing's for sure.

18 The developer's taking a big risk. He's
19 gone, I think, way overboard to try to satisfy and come
20 up with the best development that he can in terms of
21 especially the design.

22 So I'd say that the project that came
23 before us about -- when I was on the Council, I guess it
24 was 2004, it was voted down. It wasn't the same project,
25 but it's the same developer and developing some

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1 commercial development and was voted down, and I have to
2 say again that I'm -- I'm very happy it was at that time
3 so we have this project before us tonight.

4 So I'd be definitely in favor that you vote
5 for it or give your information to the Council that
6 you're in favor of it.

7 Thank you.

8 CHAIRPERSON O'MALLEY: Thank you.

9 Spence Leslie?

10 MR. LESLIE: Good evening. My name is
11 Spence Leslie. I'm the director of international trade
12 compliance for Tyco Thermal Controls.

13 I'm actually not a resident of Menlo Park,
14 but I've worked in Menlo Park for 22 years. I've
15 probably spent more time in Menlo Park than I do my own
16 City, though, with all of my activities and just my
17 general work-related activities that I have.

18 Tyco Thermal Controls, Tyco Electronics
19 have roots back to Raychem Corporation, which if you
20 count those roots, take us back to the '60s as far as a
21 business resident of Menlo Park, and obviously a resident
22 of this business park on Constitution Avenue.

23 I've seen a lot of change in this area, but
24 probably not as fast as we probably would like to. I
25 think the amenities of an area can truly help with

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1 recruiting and employee retention.

2 As a matter of fact, we're in the process
3 of considering some substantial enhancement projects as
4 far as employees' amenities go for our campus.

5 This project obviously is attractive to us
6 for a number of reasons. First off, the hotel is --
7 actually would be within walking distance.

8 We have a lot of visitors from all over the
9 world that visit us. Having a hotel close to the campus
10 would be positive, and obviously being walking distance
11 obviously eliminates the need for transportation
12 specific.

13 Right now, those hotel dollars for the most
14 part are being spent in other cities, so I think with a
15 hotel here, they would definitely be spent in Menlo Park.

16 The other amenities, the health club,
17 restaurants and actually the first time I saw the details
18 of some of the outside amenities that are there are all
19 going to be exciting items to our employees and the rest
20 of the business residents in this business park area.

21 So I firmly support this project and hope
22 you do, also.

23 Thank you.

24 CHAIRPERSON O'MALLEY: Thank you.

25 Brad van Ling,

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1 Is your last name Ling?
 2 MR. VAN LING: Hi. My name is Brad van
 3 Ling. I've been a resident of Menlo Park for over thirty
 4 years at 80 Palm Court.

5 I want to come here today to lend my
 6 support for this development project. I will leave out a
 7 lot of stuff that's already been said and save sometime
 8 here, but I do want to make a couple of key points.

9 One is that this will be Menlo Park's true
 10 gateway to Menlo Park. The design is I think
 11 spectacular. The amenities, having a hotel here will
 12 actually keep visitors in Menlo Park, spending their
 13 visitor dollars in Menlo Park, which I think is key.

14 It will raise revenue for the Fire District
 15 for the truck that they want. The health club will keep
 16 people in Menlo Park and all these spending money here,
 17 which I think is vital to the revenue stream going
 18 forward.

19 It's a perfect location for the gateway.
 20 It represents a location outside the downtown area, which
 21 is in vital need of rehabilitation.

22 The designs are truly something that we can
 23 all be proud of; not just when it's completed, but for
 24 many years to come.

25 I've spoken with many different tenants

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1 that have looked at this project. I've presented it to
 2 various tenants in the area, and they're all very excited
 3 about the prospect of being a tenant in this project,
 4 which I think is key, because sometimes developers go off
 5 and then build something that doesn't necessarily fit
 6 with what tenants want, and this developer's done an
 7 extraordinary job in answering a lot of those questions;
 8 not only of the City, but of the tenants in this area.

9 Thanks.

10 CHAIRPERSON O'MALLEY: Thank you.

11 Peter Ohtaki.

12 MR. OHTAKI: Good evening, Chair O'Malley
 13 and other members of the Planning Commission.

14 My name is Peter Ohtaki. I'm a resident,
 15 proud resident of Menlo Park on Middle Avenue and I'm
 16 also president of the Menlo Park Fire -- president of the
 17 Board of Directors of the Menlo Park Fire Protection
 18 District.

19 In addition to myself, I'd like to
 20 introduce a couple of the other members of the board who
 21 are here tonight with me. Vice-president of the Board
 22 Rex Ianson. Rex, if you could stand. Jack Nelson and
 23 director Steven Nachsheim, and I'm introducing them to
 24 you because we -- we are available for questions that --
 25 that you may have.

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1 And first of all, I wanted to make a point
 2 that we want to see the project succeed. If approved,
 3 the project would have positive financial and other
 4 benefits to the City, the District and its residents.

5 The reason why we are here is because as a
 6 special district, the Fire District has relatively
 7 limited authority, which is really restricted around --
 8 around code compliance, and when it comes to an issue
 9 like what is the economic impact, we have to rely on the
 10 City and we have to rely on you, and that's why -- why
 11 we're here.

12 So if you're wondering -- normally code
 13 compliance function covers pretty much most of the
 14 projects that comes to the table, and in this particular
 15 case, we have to ask for your assistance and
 16 consideration here.

17 We'd like you to think of us as your fire
 18 department. After all, the Menlo Park Fire Protection
 19 District, and in most cities -- many cities, the fire
 20 department would be part of the City internal process and
 21 would be sitting at the staff table along with, for
 22 example, Transportation.

23 So as you consider the report that we
 24 submitted, we hope that you'll consider that as if it was
 25 a -- one of the staff reports that is being submitted to

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1 you.

2 As the chief explained, the district is
 3 concerned about the ability to provide effective fire
 4 protection, fire response services to the project based
 5 on the district's current equipment, staffing ratios and
 6 station configurations.

7 The report mentions one statistic, that
 8 this project would result in 64 percent increase of the
 9 number of mid- and high-level buildings in the district,
 10 and -- and therefore, the district currently has one
 11 ladder truck, and particularly as we're looking at
 12 further projects down the line, there's no question that
 13 the district as a whole needs a second ladder truck.

14 Two of our stations are located east of
 15 101, currently do not have a ladder truck, and the one
 16 ladder truck which is currently on Station 1 at
 17 Middlefield, as the chief mentioned, we can't redeploy
 18 that or reposition that east of 101 because we know that
 19 we've got the downtown. We will have the El Camino
 20 project, series of projects.

21 We need to know the ladder truck has to be
 22 very accessible and close to the downtown area.

23 We understand the disaster comments on the
 24 Final EIR and Fiscal Impact Analysis, and our staff has--
 25 has provided a report and is also submitting other

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1 written considerations.

2 We agree with the BAE conclusion that the
3 project will result in the need for an additional ladder
4 truck and personnel.

5 As -- there are of course additional
6 property tax estimates, but those are not going to cover
7 the full cost of the staff and also the equipment itself.

8 We do want to point out that in the -- in
9 the BAE economic report, it incorrectly states that the
10 ladder truck would replace the engine at Station 77.
11 That's not the case.

12 The ladder truck, as the chief mentioned,
13 is a different type of equipment. It needs to be
14 incremental to -- to the engine.

15 In closing, I would urge you to please
16 consider and address the public safety impacts of this
17 project on the district. I wanted to simply read in
18 closing one summary paragraph from the Citygate
19 Associates report.

20 "I find that the Gateway project pushes the
21 district into a new era of taller, more intense land use
22 and resultant fire service impacts. The District clearly
23 cannot be served by one ladder truck and has no reserve
24 ladder truck. Thus if the Gateway project is approved,
25 the District will clearly have passed the threshold of

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1 needing a second ladder truck."

2 So Again, we appreciate your consideration.
3 Thank you for all your hard work and -- and we appreciate
4 your consideration.

5 CHAIRPERSON O'MALLEY: Thank you.

6 Doug Martin --

7 COMMISSIONER RIGGS: Mr. Chair?

8 CHAIRPERSON O'MALLEY: Excuse me.

9 COMMISSIONER RIGGS: I actually have --

10 CHAIRPERSON O'MALLEY: Excuse me, sir.

11 Mr. Ohtaki, we have a Commissioner question for you.

12 COMMISSIONER RIGGS: Mr. Ohtaki, welcome.

13 MR. OHTAKI: Thank you, Commissioner.

14 COMMISSIONER RIGGS: I do have a question
15 or two just maybe to fill out our information.

16 You noted that this was -- would be sort of
17 the trigger event -- you used better words than that --
18 that would push you to the need for additional equipment.

19 So in a sense, this development is just
20 sort of there at the -- at the wrong time for them, but
21 is -- is enough of an incremental change so that this
22 changes the function of the -- of the department.

23 The district anticipates additional
24 upgrading costs of thirty million dollars in order to
25 protect this development?

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1 MR. OHTAKI: I would need to defer to
2 staff and some of the -- the analysis that's being done.

3 First of all, it's my understanding that
4 the -- the ladder truck is one to 1.5 million.

5 COMMISSIONER RIGGS: Well, this would be
6 actually separate from the truck or the staffing of the
7 truck, the operations cost, and I see Chief Schopalhouman
8 behind you. Perhaps he can answer.

9 CHIEF SCHOPALHOUMAN: Commissioner, the
10 truck, as Director Ohtaki mentioned, would be between one
11 and 1.5 million. That's a one-time cost.

12 Then we have some incremental costs if we
13 increase the staffing to the four person on three shifts,
14 so it will be a total of three people, and then there's
15 some maintenance cost.

16 Now the one thing that we did bring up
17 recently as we looked at a consultant's report is if we
18 modified Station 77, which would be a CEQA impact, to
19 accommodate the truck, there would be an additional cost.

20 We had an architect take a look at it.
21 Somewhere between two to four million dollars. That's
22 obviously not what we want to do, but again, as I
23 mentioned earlier, the fire station was built in 1996
24 when there was no proposed -- anticipated thought that
25 there'd be buildings over three stories in height. We

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1 can handle those types of buildings.

2 So to your thirty million dollars, I'm not
3 sure where that's coming from. It seems excessive, and
4 we'd certainly be happy to do it for a lot less than
5 that.

6 COMMISSIONER RIGGS: I'm glad to hear
7 that.

8 The -- the BAE totaled up the cost impact
9 of the development and I think what I'm looking at is
10 your thirty million dollars annual budget.

11 So the impact of the development would be
12 staffing, about 200,000, so this is for the one
13 additional staff person, basically?

14 CHIEF SCHOPALHOUMAN: Correct. So again,
15 we have three shifts, 24 hours a day, 365 days a year,
16 and we would have -- we currently have three people in
17 the truck, and as I mentioned, a tentative agreement with
18 our union for four personnel on the ladder truck based
19 upon its specialty functions, but we have not ratified
20 that agreement.

21 COMMISSIONER RIGGS: And pardon me if I'm
22 thinking functionally rather than in terms of union
23 agreements.

24 Given the frequency with which you would
25 anticipate using the ladder truck, do you feel that your

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1 day-to-day functions would warrant additional personnel?
 2 CHIEF SCHOPALHOUMAN: Well, I think the
 3 district feels that in general, the board would need
 4 to -- need to again ratify the agreement with the union.

5 It's kind of a loaded question, but I'll
 6 answer it as straightforward as I can.

7 Obviously this singular project would not
 8 generate the need specifically for the fourth person on
 9 the truck. That would be unreasonable.

10 I think when BAE did that study, they asked
 11 us what the impacts would be and we related those to
 12 them.

13 However, as you probably can guess, there
 14 would be an incremental value within that total sum.

15 COMMISSIONER RIGGS: So if -- if the
 16 ladder truck is really needed for an event in a high-
 17 rise, and I admit, I don't pay the same level of
 18 attention as you and Mr. Ohtaki do, but for example,
 19 since the East Palo Alto project was completed, I'm not
 20 aware of any major ladder truck events for protecting
 21 that new building, and I am aware that through the
 22 history of building codes and remodels and modern
 23 setbacks and siting and so forth, that the newer
 24 buildings are the safer buildings.

25 If you could make a reasonable anticipation

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1 that you would have very limited exposure to these ladder
 2 events, obviously you would have to have the equipment.

3 It makes sense because whether that event
 4 is predictable or not predictable, when it happens, you
 5 need the equipment, but the staffing of a fire
 6 department, as I understand it, includes standby.

7 If you needed a fourth person -- well,
 8 forgive me. I grew up on the East Coast where actually
 9 fire departments were volunteer, and the bell rings and
 10 people run and get to the equipment and get to the fire.

11 I realize the insurance industries have
 12 greater expectations, particularly in California, but is
 13 it actually necessary to have a fourth person 24/7, 365
 14 for an event that we certainly in the building industry
 15 would consider unlikely?

16 CHIEF SCHOPALHOUMAN: There's several
 17 questions I think in your overall statement there.

18 So to the first one, which is the frequency
 19 on the Four Seasons Hotel. Have we had to use the ladder
 20 truck to ladder the Four Seasons Hotel?

21 The answer is we've laddered the buildings
 22 at the Four Seasons Hotel, the offices buildings and so
 23 forth, but never for an actual emergency. We do practice
 24 over there as we do on the other structures.

25 Fortunately, we have not had that type of

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1 emergency there, but I will tell you we've had other
 2 problems over there, which is natural to any development
 3 or any area of town.

4 We have about 8,000 calls per year in the
 5 Fire District.

6 So I can't tell obviously tell you when we
 7 would have a problem or what the problem would be, but we
 8 know that we do have problems.

9 Now to your issue of construction
 10 standards -- and again, as a compliment to Mr. Bohannon
 11 and his architects and so forth -- and to the code, high-
 12 rise structures are safer than they have ever been due to
 13 sprinkler systems, due to smoke systems, due to different
 14 systems inside the building that allow us to go in and
 15 understand if we have a problem, what that problem is and
 16 also for people to get out of the building.

17 As I mentioned earlier, there's passive,
 18 which I would consider to be your sprinkler systems, your
 19 smoke evacuation systems, your alarm systems, and then
 20 there's operational.

21 I think both are important, because we
 22 can't anticipate, as we saw on 9/11 in the Twin Towers,
 23 we saw the firefighters going up the stairwells when
 24 something will happen, and we will be in competition with
 25 people typically that go up the stairwells or use of

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1 elevators. Typically we have the override capability for
 2 that.

3 The ladder obviously gives us that
 4 capability to bypass those things. So ladders are still
 5 very functional items that can be used to put it right up
 6 to the highest point of the building next to a unit bay
 7 where there's maybe problems, break the window out, if
 8 you will, and go in from that point and bypass all those
 9 other things that are going on inside the structure in
 10 terms of people movement and other things where we would
 11 have to go up stairwells and so forth with probably
 12 between a hundred and 150 pounds of equipment.

13 So the truck is still a very functional
 14 piece of equipment for those types of operations.

15 Again, to the incremental costs of the
 16 fourth person and to the need for that, I think that's a
 17 decision the board has to make very shortly based upon
 18 the bargaining group agreement that they have in front of
 19 them, but I would just say that we've found that four
 20 people operationally on the ladder truck based upon its
 21 specialty functions really allows it to operate more
 22 efficiently and safely.

23 To its effect on a high-rise structure or a
 24 problem with the structure again, there's an incremental
 25 benefit to have a crew that size that can do a lot of

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1 different tasks and operate.

2 So I would say it's not just for a high-
3 rise. It's on any call. When we get a standard
4 structure fire, we have firefighter laddering ability for
5 clotheslines on top.

6 The truck crew goes up to the roof. The
7 truck crew does rescues. So the engines put out -- they
8 have the water. They're going to try to put out the fire
9 while the truck crews are either trying to make rescues
10 inside the building or the roof above the fire to
11 ventilate the structure.

12 So they have a different set of objectives
13 and tools and, you know, typically -- and this is very
14 similar to the East Coast, as well. In fact, New York
15 City.

16 Our truck personnel usually have ten years
17 of better. They're the more seasoned veterans. The
18 engine crew personnel -- in fact, even my photograph
19 today, they have two to three, five years of experience
20 because that's where they kind of get their experience.

21 Then they want to move over to that
22 technical side of the business.

23 The truck carries all the auto-extrication
24 equipment, and that's what does -- in car accidents,
25 that's what does all the extrication on vehicle

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1 accidents.

2 COMMISSIONER RIGGS: Thank you. I find
3 this stuff fascinating and I always have, particularly
4 high-rise and -- and having worked in New York.

5 So the Station 77, for example, would
6 that -- does that normally have a crew of three in it?

7 CHIEF SCHOPALHOUMAN: Station 77 has a
8 crew of three on an engine company, and again when the
9 station was built in 1996, the agreement with the City
10 was, as I mentioned, they give the land, we pay the two
11 million plus to build the station and we improve response
12 times out there.

13 Before that occurred, we used to have --
14 jump the curb a lot on Willow Road and go against traffic
15 because of the -- the backups and couldn't quite get
16 there in a reasonable period of time.

17 So where this project presents a tipping
18 point if we had a three-story or less structure that was
19 built -- and that obviously is not what is proposed --
20 the district would have no negative impact from this
21 project whatsoever because we have an engine 1.1 miles
22 from the project.

23 As it is, the truck is 3.4 to 3.8 miles
24 away. That's what creates the tipping point.

25 COMMISSIONER RIGGS: Oh, I follow.

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1 CHAIRPERSON O'MALLEY: Henry, are you
2 near?

3 COMMISSIONER RIGGS: I am.

4 Just in order to finish this point. So the
5 BAE has added up obviously rotating three personnel, and
6 that's how they come up with over \$600,000 in additional
7 man costs -- manpower costs, and then your tax base is
8 about half a million dollars increase, and that's where
9 you come up with a slight shortage.

10 Your normal staffing at -- I guess it's
11 Station 1 on Middlefield Road, that's normally staffed
12 with four?

13 CHIEF SCHOPALHOUMAN: Currently the truck
14 has three, the engine has three and the battalion has
15 one. So we have three pieces of equipment. We're all
16 staffed with either three --

17 COMMISSIONER RIGGS: So you have seven
18 staff.

19 CHIEF SCHOPALHOUMAN: Right.

20 COMMISSIONER RIGGS: Thank you very much.

21 CHAIRPERSON O'MALLEY: We have one
22 additional question for you, please.

23 Katie.

24 COMMISSIONER FERRICK: Yes. Thank you.

25 Just really briefly.

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1 What is the anticipated lifespan of a
2 ladder truck? How many years will it work?

3 CHIEF SCHOPALHOUMAN: Twelve to fifteen
4 years is what we expect. Anywhere -- when we start to
5 get to ten, we start to look at it to see what its
6 performance was, and currently the truck is coming up in
7 2013 for replacement.

8 That's when we would first start to look to
9 see if it's had a problem with mechanical issues the last
10 several years, we'll start to expect the next piece of
11 equipment.

12 COMMISSIONER FERRICK: Thank you.

13 COMMISSIONER KEITH: Just briefly. In
14 just looking at the Fiscal Impact Analysis --

15 CHIEF SCHOPALHOUMAN: Yes.

16 COMMISSIONER KEITH: -- on page 51, it
17 looks like the net impact to the district is \$62,000
18 annually.

19 CHIEF SCHOPALHOUMAN: For which -- what
20 does it say specifically for?

21 MR. OHTAKI: BAE.

22 COMMISSIONER KEITH: Well, it says: "The
23 cost related to the project would exceed revenues leading
24 to a net cost to the district of \$62,000 annually."

25 CHIEF SCHOPALHOUMAN: Yes. I believe, as

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1 was mentioned, that the overage there that you see or
2 cost to the district is based upon the staffing issues,
3 as well.

4 COMMISSIONER KEITH: Okay. But \$62,000.
5 You put a figure on it annually?

6 CHIEF SCHOPALHOUMAN: Correct.

7 MR. OHTAKI: That doesn't take into
8 account the equipment.

9 COMMISSIONER KEITH: I realize it doesn't
10 take into -- it doesn't take into account the cost of the
11 ladder truck of 1.5; right?

12 MR. OHTAKI: If you amortize that over ten
13 years, about 150 a year.

14 So roughly, right?

15 COMMISSIONER KEITH: Can you speak into
16 the microphone.

17 MR. OHTAKI: There are certain elements
18 that weren't included, so certainly we'd be happy to
19 answer any follow-up questions to get those numbers for
20 you.

21 COMMISSIONER KEITH: Thank you.

22 CHIEF SCHOPALHOUMAN: Thank you.

23 CHAIRPERSON O'MALLEY: Thank you,
24 gentlemen.

25 The next speaker is Doug Marks.

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1
2 MR. MARKS: Hello. My name is Doug Marks.
3 I'm a resident of Menlo Park. I've been a resident here
4 for fourteen years and I raise my family here. I'm also
5 a commercial real estate broker in the area, and there
6 are a few items on which I wish to comment.

7 First is that I think it's great to see a
8 project proposed that improves the City's landscape along
9 Highway 101. There are nice projects along 101, both
10 north of Redwood City and south of Palo Alto and East
11 Palo Alto, and these neighboring cities have hotel as
12 well as office space and they're newer and in nice
13 condition, and it's good to see that the City of Menlo
14 Park is now considering improvement to our share of the
15 101 corridor.

16 Second, as a -- as a commercial real estate
17 broker in the area, I've visited older buildings in this
18 part of Menlo Park along 101, including some of which
19 would be replaced by the proposed development, and some
20 of these can be challenged in the lease by a new firm.

21 It might take a lot of capital to improve
22 them, and tenants today oftentimes just in general can be
23 reluctant to put money into an older building, and
24 landlords also can be reluctant to because of other costs
25 that can occur once they start to improve an older

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1 building, and as a result, a lot of times we see
2 buildings just stay in a older condition and not
3 improved.

4 A new project can make it -- make more
5 sense for both the landlord and the tenant and attract
6 good tenants to the area, which I think we'd like to see
7 in the City of Menlo Park.

8 And finally, I personally support the
9 vertical growth that this project proposes, and I do so
10 also on existing developed sites.

11 I think the reality is our population is
12 growing here. We have recently approved expansion and
13 redevelopment of our schools. We've had infill housing
14 built along Middlefield. We have -- we're looking at
15 increased density along the El Camino corridor.

16 We really just can't ignore the 101 corridor.
17 The community should feel fortunate that we have a long-
18 term owner and developer that wishes to improve this
19 area.

20 The project is expansion in the area, keeps
21 jobs in the area, as others mentioned. It redevelops
22 existing older buildings, and it also keeps open space
23 open in nearby areas such as the Baylands Park which I
24 think, although there's some great green aspects to the
25 project, that to me is an even bigger green aspect of

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1 this project. It doesn't happen everywhere.

2 So I encourage your support of the project.

3 Thank you.

4 CHAIRPERSON O'MALLEY: Thank you, sir.

5 Our next speaker is Gail Slocum who has
6 donated times to her from Mr. Jordan Gruber, Linda
7 Herreshoff and Alice Valentine.

8 MS. SLOCUM: Thank you.

9 Planning Commissioners, I appreciate the
10 time and opportunity to comment. I have not finished
11 reading the entire FEIR, but I've read significant
12 portions of it and I applaud you for your fortitude in
13 making it through these complex and detailed documents.
14 After many months of work since the DEIR
15 was issued last fall, you now have before you the job of
16 certifying the FEIR and deliberating about the requested
17 Rezoning and General Plan Amendment for this project.

18 It's an important task because the
19 opportunities this project offers only come infrequently.
20 The last time was when the City approved the Sun
21 Microsystems R&D campus back in the 1991 when I was on
22 the Council.

23 Like the Sun project, because Gateway
24 involves a twenty-year Development Agreement, it's
25 different than the other kinds of projects you typically

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1 see and review on the Planning Commission.

2 This is because the final decision will
3 turn on policy questions which the City Council will
4 ultimately make.

5 Therefore, it seems to me your effort here
6 should focus on how to support the Council and what they
7 have clearly stated as recently as their April 6th
8 meeting about the general direction they want to proceed
9 in here.

10 The underlying goal seems to be this: In
11 light of the City's budget challenges, let's find a way
12 to gain a significant revenue stream of job benefits of a
13 successful hotel project as well as the opportunity to
14 support it while minimizing the project impact.

15 Such an effort is of course never going to
16 result in a perfect project.

17 As I told the Council two weeks ago, we
18 should not let the perfect be the enemy of the good here,
19 especially given the economic reality.

20 As the Almanac editorial well said it, the
21 term sheet is on the right track and deserves to be
22 approved with only minor tweaks.

23 This might sound surprising to hear from me
24 after rereading my September 21st, 2009 comments on the
25 DEIR when I first reviewed this project.

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1 Then, I expressed concerns, serious concern
2 about the project's water demands, zoning changes,
3 greenhouse gas emissions from the buildings and auto
4 trips as well as its lack of housing and very limited
5 local serving retail.

6 But something important happened right
7 after that letter was sent in. The very next day, to my
8 surprise, David Bohannon and his team reached out to me.
9 He also reached out to Mitch Slomiak, who has submitted
10 his own comments seeking significant reductions in the
11 project's greenhouse gas emissions.

12 This helped forge a very different path
13 than the very different developer versus residential
14 battle lines in the past.

15 David Bohannon invited us to meet to
16 sincerely discuss our concerns. The initial exchanges
17 were difficult, because there was not a lot of trust at
18 first.

19 So those early steps defining what I would
20 call a new way at having some real dialogue were
21 tentative and somewhat awkward and unfamiliar, but we all
22 saw the value of reaching over old barriers and having a
23 real honest dialogue with a shared commitment to seeking
24 to sincerely discover where there might be better
25 solutions that could become part of a revised and

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1 approved project.

2 The key here was the developer's
3 willingness to engage with concerned citizens like me,
4 and I'm sure he's done so with you and with others in the
5 community, from what we've heard, to seriously explore
6 potential new solutions.

7 No doubt his willingness was in part
8 grounded in his status as a lifelong Menlo Park resident
9 and his family's long view for its considerable land
10 holdings.

11 Our initial meeting led to several follow-
12 up working sessions in the months thereafter at which we
13 learned a lot about the other's perspective, gathered
14 outside information and refined our sense of what might
15 be possible.

16 I personally even took the initiative to
17 attend some American Planning Association conferences on
18 sustainable development and sustainable transportation
19 solutions to learn from independent sources about best
20 practices that others are forging and the lessons they
21 have learned.

22 I shared these with Dave Bohannon and his
23 team.

24 These discussions led Mr. Bohannon to make
25 major investments by stepping up the involvement and

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1 expanded his team of highly competent, even cutting edge
2 consultants who you've heard from today.

3 He charged them to push harder for creative
4 solutions on energy and water efficiency, trip reduction
5 and greenhouse gas emission measurement and reduction
6 strategy.

7 You've heard about these already tonight.
8 I won't belabor them.

9 But as a result of these efforts, as well
10 as the efforts of our own staff and our negotiators, the
11 project has changed and its improved since last fall.

12 The project's features now in my opinion
13 embodied our climate action plan.

14 One measure of these important changes in
15 the greenhouse gas metric, which was well laid out for
16 you in the comments that have already been submitted to
17 you in writing by Mitch Slomiak of the Green Ribbon
18 Citizen's Committee and the Environmental Quality
19 Committee.

20 I share his views about how the FEIR and
21 term sheet here combined to take what would have been a
22 three to five percent increase in greenhouse gases down
23 to just a .5 percent increase.

24 These results point the way for significant
25 citywide reductions over time. If all of our commercial

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1 developments implemented the types of measures modeled by
2 this project, we could reduce our citywide emissions by
3 thirty percent or more.

4 But I also concur with Mitch Slomiak's
5 conditions for support. Make sure the penalty fund and
6 extra TOT revenues that are implicated here are required
7 to be used for further trip reduction efforts if these
8 are necessary to reach the seventeen percent reduction
9 level.

10 That way, we would really achieve the
11 greenhouse gas reductions that are desired here.

12 Just as important, the work on this project
13 lays a foundation of learning from the consultants and
14 their documented efforts that will -- that already have
15 moved forward our City Staff, thought leaders and City
16 Commissioners and Councilmembers to a higher and new
17 level of sophistication in reviewing development.

18 This new level of sophistication bodes well
19 for projects yet to come in the future.

20 The key for this new way is to reach over
21 old barriers with constructive engagement, listen with an
22 open mind and heart centered for what's for the greatest
23 good.

24 I hope that you will adopt that spirit and
25 continue it in your deliberation tonight and beyond.

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1 What we all learn by doing this now and the
2 skills we're all developing with this project will
3 continue to be essential as we delve into the El Camino
4 specific plan and other developments in the future, too.

5 On the topic of leadership, as I mentioned
6 to the Council, leaders don't often succeed when they
7 micromanage or seek to pull or push people too much.

8 Great leaders set high-level goals and
9 convene the best people with diverse skills and
10 perspectives to find creative solutions, and they inspire
11 the team to move forward together guided by mutual
12 respect and shared commitment to our community.

13 Our Council, you and your staff are doing
14 that. Dave Bohannon has done that with his team.

15 Last fall, the Council, working with your
16 recommendation, set goals and convened participants and
17 challenged our negotiators to use their best efforts to
18 get the best project they could consistent with these
19 goals taking into account the complex economic realities
20 involved.

21 A lot of time has been invested to improve
22 the Gateway project based on those comments and guidance
23 from leaders like you, and it seems to me, as reported in
24 the April 6th staff report of the -- to the Council, that
25 most of the high priority acts were reasonably obtained.

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1 And the independent analysis on the hotel
2 and office, the pro formas you've heard about and read,
3 the City only recently received those.

4 So if anything, what they did was to
5 validate the things that they've been hearing from the
6 developer team all along, and it showed actually that the
7 really significant risk here is on Mr. Bohannon giving --
8 given the reasonably projected market realities.

9 So I do think we are fortunate that he and
10 his family are willing to take this risk and keep the
11 long view in mind.

12 So no, this is not perfect and it certainly
13 can't be everything everyone wanted it to be, but we
14 should not let the perfect be the enemy of the good, as
15 I've stated.

16 I do have a few points I'd appreciate
17 seeing the Planning Commission explore further for
18 possible recommendations to the Council as we move
19 forward to approval.

20 On the topic of water, although I'm
21 impressed with the additional water efficiency now
22 embedded in the project, I would like to see the Planning
23 Commission explore requiring limits on how much wet lab
24 R&D could be there.

25 For example, could we cap it at a level at

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1 or below the ten percent that's included in the split
2 analysis scenario? Or perhaps allow another percent
3 above that that would be non-wet lab R&D.

4 I think for conservative purposes, they
5 assumed all R&D would be the most significant wet lab,
6 and what can we do to take that into account and make
7 sure that the water impacts are managed better.

8 On greenhouse gases, please require the
9 developer to submit an annual report to the City
10 documenting the offsets that were purchased for the prior
11 year to show that they're reaching the set number of tons
12 each year for the life of the project.

13 I would also require them to periodically
14 -- say about every three years -- evaluate the costs per
15 ton of other measures such as solar thermal, which is
16 apparently already close to the cost of climate smart
17 offsets at \$10.00 per metric ton.

18 The cost of offsets will go up over time,
19 but the costs of other technologies will come down, and
20 it may make sense at a certain point to have the
21 developer actually embed into the project the kinds of
22 other measures that may be available that currently are
23 not as cost-effective.

24 They should also assess other measures like
25 solar, photovoltaic and other renewables that could be

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1 done onsite or possibly even at the Ravenswood School.
 2 The idea is that when the cost per ton
 3 approaches the cost per ton per offset, that they should
 4 look at and -- and be encouraged to install renewables as
 5 a preferred approach, looking at offsets as an interim
 6 gap filler, if you will.

7 But in any event, they would report the
 8 greenhouse gas reductions expected to be achieved by
 9 whatever combination of onsite additional approaches or
 10 offsets so that we make sure that they do achieve carbon
 11 neutrality, and I do commend them for the goal of
 12 achieving climate neutrality for the buildings,
 13 everything but their transportation and solid waste
 14 related emission.

15 On the parking structures, I think -- I was
 16 very impressed with what the developer has done in terms
 17 of improving the look and feel as well as the -- looking
 18 at the footprint reductions.

19 I strongly consider -- I would hope that
 20 you would strongly consider supporting something like the
 21 smaller footprint structure option.

22 Fewer parking spaces is more consistent
 23 with TDM principles, so take a look at the number of
 24 spaces actually that are happening here and consider the
 25 possibility of, as you're looking at a reduced footprint,

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1 do we need to exactly come out or can we come out with
 2 slightly less parking spaces.

3 On TDM, while it might be possible to
 4 achieve slightly greater trip reduction than seventeen
 5 percent at this site, doing so appears to be costly with
 6 diminishing marginal condition.

7 I would note that Varian in Palo Alto,
 8 which is similarly remote from Caltrain, is achieving
 9 17.7 percent reduction.

10 At a minimum, I request that you please,
 11 number one, set an interim target figure or methodology
 12 to incent trip reduction for the first office building
 13 that's built since it may predate the other two by years,
 14 and start monitoring and reporting on trips and TDM
 15 results the year after the first building is completed.

16 By providing a Phase I target, if you will,
 17 along the lines of the seventeen percent reduction for
 18 the overall project, the developer is incented to make
 19 early refinements to his TDM programs such as the more
 20 frequent shuttles to Caltrain, going to both the Menlo
 21 Park and Redwood City stations.

22 Shuttle service to BART in Fremont might
 23 also be worth having him test to see if it reduces trips
 24 from the east. Those trips from the East Bay and beyond
 25 might be very significant.

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1 Number two on TDM is: Please require, as I
 2 mentioned, that any penalty for failing to meet the
 3 seventeen percent TDM for the whole project must be
 4 applied to improving TDM, and similarly require that the
 5 additional TOT revenues either go to TDM in the City or
 6 other greenhouse gas reduction purposes.

7 For any buildings that are completed before
 8 2017, your FEIR will show that this is actually a
 9 mitigation. Such moneys really should go to subsidizing
 10 transit trips.

11 Right now, the assumed amount is a dollar
 12 per day. Those moneys could be used to take that up to
 13 the 3.50 level per day, perhaps. That would be
 14 equivalent to a monthly pass on -- on Caltrain.

15 I'm not suggesting that we renegotiate this
 16 in this -- the agreement. I'm just suggesting that the
 17 moneys that are already discussed be kept toward what
 18 would be that mitigation.

19 And then finally, I have suggested that we
 20 require each building include an ATM machine and a small
 21 postal service center to further reduce trips by keeping
 22 people onsite for frequent trips.

23 On EV charging, please get some specifics
 24 on a minimum number of live plug stations that are to be
 25 provided when each parking structure opens, as well as

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1 ensure that it's expressly included in your approvals
 2 that Mr. Bohannon has stated that he will embed into the
 3 entire parking structure conduit through which he can
 4 pull 110 and 220 volt wiring to support expansion of the
 5 number of EV stations over time without tearing up the
 6 wall. Make sure that's -- that's included.

7 Anything that can reduce the carbon
 8 footprint of each vehicle will help, and we already have
 9 lots of early adopters in our area.

10 A recent PG&E study showed that Menlo Park
 11 has more Prius drivers per capita than any other city in
 12 PG&E service territory. I think those people will be
 13 moving towards plug-in hybrids starting next year when
 14 they come out.

15 So on housing, I know in my original
 16 comments, I had expressed my disappointment that there
 17 wasn't housing included onsite and requested to look at
 18 other options.

19 I -- having looked at the way the site
 20 works, I agree that housing onsite is not appropriate,
 21 but please get some sort of informal agreement, at least
 22 in principle, to -- to leverage Mr. Bohannon's
 23 significant expertise and have him agree to work with the
 24 City to help ensure that his eight million dollars in new
 25 BMR moneys, plus the BMR money that's already sitting in

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1 our account, actually results in real housing happening,
 2 ideally along a transit corridor.
 3 Thank you for your continued leadership in
 4 helping our City take the next step in embody --
 5 embodying new, effective, and collaborative ways of
 6 engagement that can better ensure a more sustainable and
 7 brighter future for an economically vibrant and livable
 8 Menlo Park, and please trust the process and your experts
 9 as well as the negotiators who have been balancing all of
 10 these considerations.

11 While my comments go to specific tweaks, I
 12 don't want to imply in any way that I find that their
 13 effort has been lacking in rigor.

14 Thank you very much.

15 CHAIRPERSON O'MALLEY: Thank you.

16 Our next speaker is Josh Abend.

17 MR. ABEND: I want to thank the Commission
 18 for giving me the opportunity to make my comments.

19 I've been a resident in Menlo Park for over
 20 twenty years, and I was a resident here, as well, when I
 21 was an undergraduate at Stanford. So I've been here
 22 for -- for a long time in the community.

23 My business is Josh Abend primarily
 24 Corporate Innovation Systems. I was the director for the
 25 SRI Innovation Management Center many years ago when I

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1 decided to go independent.

2 I'm very excited about this project, and
 3 while there -- it is still in planning stage, possibly
 4 may be bringing some good news.

5 I think there's a lot of complex issues
 6 that were raised here, but this is both a question and a
 7 comment and I'd like to introduce it, and that is that
 8 under the definition in the General Plan, which includes
 9 commercial business park, land use designation,
 10 restaurants, cafes and so forth, it seems to me that one
 11 part may have been overlooked which I would like to see
 12 considered at this point. I think it makes a very
 13 logical connection.

14 And under the heading of Related Commercial
 15 Uses, it would seem to me that that would include the
 16 possibility of a -- what I call a compact conference
 17 center.

18 That center could be included in any of
 19 those office buildings or it could be included in the --
 20 in the hotel itself.

21 I think this is an important point not to
 22 overlook. I have a professional interest in seeing
 23 that there were -- that this brings, in addition to other
 24 things and other benefits to Menlo Park.

25 For those of us that are here, we -- we

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1 come from the Silicon Valley community to a large extent,
 2 and in my case, it would be the access and availability
 3 of an innovation management and an innovation learning
 4 center which would be very attractive for our clients,
 5 and also extended to the rest of the community in -- in
 6 many ways and many programs.

7 This is, after all, a technology community
 8 to a large extent.

9 So from that point of view, that's
 10 primarily the recommendation and the interest that I
 11 would add to this.

12 I think that a conf -- compact conference
 13 center -- I'm not talking about something that's huge,
 14 but more of a learning center as I've suggested, could
 15 certainly add a great deal both to the community and add
 16 to its related areas and businesses, as well, and it -- I
 17 would also note that -- that that center in many res --
 18 learning center would also likely generate -- I think
 19 generate enough for -- for a fire truck, if I can put it
 20 that way, over the years.

21 We haven't done any calculations yet on the
 22 number of people, but I think that would -- looking at it
 23 from -- apart from the environment, from the
 24 architecture, from the engineering and all the other very
 25 complex issues that I've heard here tonight, I think this

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1 could bring something else to the community in terms
 2 of -- of a vision, in terms of drawing people that would
 3 be attracted to -- to that over a period of time.

4 I want to thank you very much for your
 5 time.

6 CHAIRPERSON O'MALLEY: Thank you.

7 Sharon Williams, please.

8 MS. WILLIAMS: Mr. Chairman, members of
 9 the Planning Commission, thank you for the opportunity to
 10 speak with you this evening.

11 My name is Sharon Williams. I am the
 12 executive director of Job Train, which is formally OICW,
 13 located at 1200 O'Brian Drive, Menlo Park.

14 I've been with Job Train for more than 36
 15 years. More than thirty years ago, when Paul Cook was
 16 the CEO of Raychem Corporation, he introduced me to
 17 someone named Frances Nelson, and that was my
 18 introduction to the Bohannon family.

19 I had no idea at that time what a
 20 difference that family makes in our community. They
 21 continue to support our efforts to train people for work
 22 and to -- to re -- to make that a more vibrant and
 23 healthy and productive community, and they have been
 24 supporting many other organizations on the east side of
 25 Menlo Park.

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1 The project, the Menlo Gateway project I
2 think is a wonderful project. It beautifies and
3 revitalizes east side Menlo Park, and it is
4 environmentally sound.

5 The community -- and I think this is very
6 important. The community of Belle Haven, the east side
7 community, both commercial and residential, is very
8 supportive of this project.

9 They embrace it, and I know that I speak
10 for many of them when I ask you to support it.

11 Job Train has been mentioned to some of you
12 during the presentations that have been made, and that is
13 because we have a first source hiring agreement with the
14 Bohannons, which means that the jobs that come up all the
15 way from -- from demolition to construction to the
16 ongoing jobs will go first to the people who live in
17 Menlo Park with an emphasis on the people who live in the
18 Belle Haven community.

19 So this project, I think, offers not only
20 economic advantages to the City and beautification to the
21 City, but hope to the residents who need it the most.

22 Thank you.

23 CHAIRPERSON O'MALLEY: Thank you.

24 Jeff Pollock.

25 MR. POLLOCK: Good evening, Chair O'Malley

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1 and Planning Commission. I'm Jeff Pollock representing
2 the Pollock Financial Group and the ownership that
3 developed 321 Middlefield Road, and I'm speaking in
4 support of this project.

5 And having the vision as well as the
6 pedigree to pull off a project like this takes a very
7 unique team. We've heard a lot about this team, the
8 Bohannon team, and in this economy, it is a risky venture
9 for anybody.

10 I believe that the Bohannon team have that
11 unique ability to take this on, their local voice, which
12 is a plus. They know Menlo Park as well as any of us.

13 You've heard a lot about the project, what
14 it provides, and I'll just reiterate a few is the
15 substantial revenue. Bringing those vital dollars into
16 Menlo Park is what we all want to see.

17 This Menlo Park triad, certainly downtown
18 and the surrounding area, robust traffic mitigation
19 measures that they're doing with the TDM plan, funds for
20 local schools, jobs, both short- and long-term is good
21 for the social fabric of Menlo Park.

22 It's a benchmark project in terms of
23 sustainability and the green building. It's located on
24 101, not in downtown Menlo Park, which fits, and it's of
25 course supported by the immediate neighborhood, which

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1 says a lot about a project.

2 As far as the concern that it won't be
3 built for years, I'd say that smart communities are the
4 ones who are planning now to get ready for the economy to
5 recover.

6 No one believes it's going to happen
7 overnight. It requires patience on everyone's part. The
8 Bohannons have been doing it for forty years and they
9 have the staying power to realize this vision and make
10 this difference in Menlo Park.

11 Just from listening to everything tonight,
12 it appears the project leaders and the Council, Planning
13 and staff are both prepared and on their way to dealing
14 with the many details, such as the additional fire
15 protection measures and the like, and everyone should be
16 committed on -- on those efforts to putting this
17 together.

18 It's been very much a dialogue, it appears,
19 with the Bohannons and other people, which is always
20 great to engage in that kind of process.

21 So we think it's an unprecedented
22 opportunity for our City and we'd like to see it happen.

23 Thank you.

24 CHAIRPERSON O'MALLEY: Thank you.

25 I have one last card. If there's anyone

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1 who still wishes to speak and has not given a card,
2 please bring it up.

3 Fran Dehn.

4 MS. DEHN: Good evening, Commissioners,
5 and thank you. What I want to do is speak to a comment
6 that Commissioner Bressler made early on, your opening
7 comments, and that is before you this evening, you have
8 something new coming back and that is the term sheet, and
9 I view the term sheet as something that embodies the
10 entire project.

11 Yes, you're going to weigh in on building
12 materials, all aspects of the project, but when it comes
13 to a bottom line, the term sheet is how the Council
14 directed the negotiation team to weigh the benefits of
15 this particular project.

16 And for those of you who weren't able to be
17 at the Tuesday evening, April 6th meeting with the term
18 sheet, these are the comments that were made on behalf of
19 the Chamber of Commerce supporting the project, and in
20 particular, commenting on the term sheet.

21 "First, we'd like to recognize the team,
22 the energy, goodwill that the Council, Planning
23 Commission and staff have invested to date on the Menlo
24 Gateway project.

25 "This is a significant opportunity for both

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1 the City of Menlo Park and the Bohannon Development
2 Company, the results of which will mutually benefit all
3 parties.

4 "The community has had visibility to this
5 project for many years with, as we mentioned earlier, the
6 initial proposal submitted in 2004, later revised in 2007
7 to include a full-service hotel complex.

8 "In November 2009, Council provided
9 direction to enter into negotiations on a Development
10 Agreement with the applicant.

11 "Through the wisdom of the Council, a
12 subcommittee, including Councilmembers Cohen and
13 Fergusson, was formed in February to provide oversight,
14 input and direction to the negotiation team."

15 You have had the opportunity to review the
16 proposed term sheet for the Menlo Gateway, Bohannon Hotel
17 and Office Development Agreement. We ask your
18 consideration and agreement to proceed with the review
19 and approval processes.

20 The negotiation team has met the criteria
21 and direction provided by Council during the November
22 17th, 2009 meeting. This was specifically to address
23 timely guaranteed revenue, vehicle trip reduction,
24 reduction in greenhouse gas emissions, limits on
25 transferability without City approval, time limits and

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1 phasing of construction, priority on a hiring program for
2 Menlo Park residents and LEED building standards.

3 The project as described, together with the
4 Development Agreement term sheet, addresses Council
5 project specific objectives and provides for public
6 benefit contributions as referenced in the October 2008
7 study session, public benefit contributions from
8 development projects.

9 Upon completion, the Menlo Gateway project
10 will generate over 1.42 million dollars in net new annual
11 revenue, bring 2,300 long-term jobs to the area, create
12 nearly 1,900 short-term jobs during the construction
13 phase, redevelop an underutilized industrial land, create
14 economic development in the area designated by the City
15 for expansion, serve as a model for innovative
16 environmentally sustainable commercial development,
17 establish a first source hiring program for Menlo Park
18 and fund improvements in the adjacent Bedwell, Bayfront
19 Park and Belle Haven neighborhood.

20 We ask that you move forward with the
21 planning and review processes already established for the
22 Menlo Gateway project.

23 Thank you very much.

24 CHAIRPERSON O'MALLEY: Thank you, Fran.

25 There appear to be no more comments from

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1 the audience. We're at the stage now where I think we
2 need a discussion on whether or not we want to close the
3 public hearing or continue it to our next meeting.

4 Who was first? Henry, go ahead.

5 COMMISSIONER RIGGS: I was actually a
6 little surprised by the question, because we've clearly
7 taken public comment, and so perhaps you could clarify
8 what you see.

9 CHAIRPERSON O'MALLEY: Justin, I'd prefer
10 you to give us a little more input on that, if you would,
11 please.

12 MR. MURPHY: Let's see. I can add a
13 little bit. The Commission's standard practice at this
14 point in time would be to close the public hearing.

15 The -- today was advertised as a day for
16 people to come and make public comments, so if the
17 Commission decided to continue the public hearing, then
18 you're sending a message that -- that there's -- it's
19 been extended two weeks for people to come and make
20 public comments as opposed to if you close the public
21 hearing, then you're really limiting the May 3rd meeting
22 for people to really just be speaking about anything
23 that's new produced between tonight and the May rd
24 meeting.

25 So that's kind of the main differences in

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1 the messaging.

2 COMMISSIONER RIGGS: In that event, I'm --
3 I'd like to move that we close the public hearing.

4 CHAIRPERSON O'MALLEY: Do you want --
5 would you like to make your comment first?

6 COMMISSIONER BRESSLER: I'd actually
7 second that given what Justin just said. I don't need --
8 I don't think there's need to rehash what we heard
9 tonight.

10 CHAIRPERSON O'MALLEY: And I agree, so all
11 in favor? Abstain?

12 COMMISSIONER KADVANY: Against.

13 CHAIRPERSON O'MALLEY: So we have six for
14 and one against.

15 And so I declare the public hearing closed,
16 and now we're in Commission session. And we should start
17 out by questioning to staff and City consultants.

18 By the way, I think what's put together
19 here and the suggested way of handling the meeting is --
20 is an improvement over the way we've done it in the past
21 because it gives us an opportunity to -- to really hear
22 what the public has to say before we start asking
23 questions, and I'm very happy that you have City
24 consultants available for questions, and after we go
25 through that process, Mr. Bohannon has made his

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1 consultants available for questions, as well.

2 So we're open now for questions of the
3 staff. I'll start with Katie.

4 COMMISSIONER FERRICK: Okay. Good
5 evening. I'm sure this won't be my only question, but
6 looking through my list of questions, I think I've found
7 one that is for staff.

8 On staff report page E6 -- let me find it.
9 Related to noise, significant and unavoidable impact and
10 relating that to -- I guess I'm confused.

11 I realize there would be construction
12 noise, but I'd like some clarification on what you mean
13 by "the project would result in substantial increase in
14 the exposure of people to noise in excess of City noise
15 standards."

16 And really what I'm getting at, too, is if
17 it would be louder than the freeway already is. I'm -- I
18 was surprised to read that it would result in such loud
19 noise.

20 MR. MURPHY: So to that, I'd like to start
21 looking in the Draft EIR for that response. It has to do
22 with the -- the noise associated from vehicle trips in
23 relationship to the freeway, but I'd have to look up in
24 the specific table about the comparison between the
25 existing and proposed. So that will just take a minute.

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1 COMMISSIONER FERRICK: Thanks.

2 MR. MURPHY: That is provided on table
3 3.8-10 of the Draft EIR and table 3.8-5.

4 COMMISSIONER FERRICK: Thank you.

5 MR. MURPHY: So within that table, it
6 talks about the area that's impacted along Marsh Road,
7 and the General Plan standard is 60 dba and the increase
8 between the near-term and the near-term plus the project
9 is greater than one dba. It would be 1.3.

10 So that increase over that .3 increase is
11 the amount that's significant.

12 COMMISSIONER FERRICK: And it's traffic
13 noise.

14 MR. MURPHY: It's traffic noise.

15 COMMISSIONER FERRICK: Okay. Well, Henry,
16 that affects you most.

17 Actually, though, before I move on, I'd
18 like to ask my other staff question, that would be
19 helpful.

20 Page E10 of the staff report describes a --
21 one of the agreements that the developer made to pay 25.4
22 percent of the current estimated project cost for an
23 improvement or mitigation at an intersection of Marsh and
24 Middlefield, and I'm trying to figure out what is that --
25 I'm assuming -- and correct me if I'm wrong -- is that

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1 the 25.4 percent of the improvement at the intersection
2 cost? Not his project; right? It would be the
3 intersection project?

4 MR. MURPHY: Yes.

5 COMMISSIONER FERRICK: Good. Thanks.

6 CHAIRPERSON O'MALLEY: I would hope so.

7 COMMISSIONER FERRICK: I would hope so,
8 too, but I just wanted to make sure.

9 CHAIRPERSON O'MALLEY: Henry, you're next.

10 COMMISSIONER RIGGS: Thank you.

11 Actually, Marsh Road was going to be my
12 lead-off question, and then I'll let others take over,
13 but since we have the consultants here, and mitigation
14 was not indicated here, I'd like to ask what -- what
15 future mitigations are potentially in the toolbox,
16 because Marsh Road isn't currently anything like it was
17 in '97/'98, but on the other hand, we never had an extra
18 900,000 square feet of destination, and I would hope that
19 there is something waiting in the wings even if we're not
20 asking of this -- of this project.

21 MR. MURPHY: Maybe best for Chip Taylor to
22 come up and talk about that.

23 MR. TAYLOR: Chip Taylor, Transportation
24 Manager.

25 At this point in time, there aren't any

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1 planned improvements for Marsh other than that were
2 described in the project EIR, so specific to the project.

3 And then at Marsh and Middlefield, there
4 were some improvements that are shown in the project EIR
5 that the project itself would pay a portion of those
6 costs if Atherton does improve those.

7 Those are the only ones that are
8 identified. So there's no long-term plans at this point.

9 And also in our Transportation Impact Fee
10 Study that went forth last year and looked at some longer
11 range thirty-year projections for traffic in and about
12 the City, it had certain improvements that are included
13 in there, and some of those improvements are included in
14 this document as being done by the developer, as well.

15 COMMISSIONER RIGGS: On Marsh Road?

16 MR. TAYLOR: Yes. Specifically at Marsh
17 and Florence/Bohannon.

18 COMMISSIONER RIGGS: For example, I'm
19 looking for tools in the toolbox that aren't being used,
20 and the reason is that at this point, it appears that
21 the -- the judgment has been made that a certain amount
22 of mitigation is justified, and beyond that, it's not.

23 For example, there is a noise increase, but
24 there's no mention of the quiet paving that we used
25 successfully on Santa Cruz about eight years ago.

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1 What other tools are we not using that the
2 neighborhoods around Marsh Road can -- can look forward
3 to possible consideration if and when things are more
4 than expected?

5 MR. TAYLOR: Well, apart from an EIR
6 perspective, all of the traffic impacts were analyzed and
7 based on the CEQA requirements were mitigated and most of
8 the ones on Marsh Road.

9 COMMISSIONER RIGGS: Chip, I should
10 probably clarify. I'm actually asking about outside of
11 the EIR which defines the project responsibilities.

12 What can I tell my neighbors, for example,
13 are potential fixes if we underestimate the impacts?

14 MR. TAYLOR: I think --

15 COMMISSIONER RIGGS: What are the things
16 that aren't identified in this project that are being
17 held in reserve?

18 MR. TAYLOR: I mean, at this point in
19 time, I don't think that we've looked beyond the project
20 to try to determine if there were impacts that were
21 greater or traffic that was generated that was greater
22 than the project what sort of improvements that we might
23 do.

24 So I think that might require further
25 analysis at some point in the future.

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1 Also, though, the project itself has a trip
2 limit and annual trip counts and there will be fees that
3 would be required for them to pay if they did have
4 additional trips associated with the site, and then those
5 fundings would be available for use for a trip reduction
6 measures, additional shuttles, things to that effect to
7 help reduce the trips back down to what were required as
8 part of the trip limit mitigation measure in the EIR.

9 When it comes to some of the noise impacts
10 that you alluded to, that would be something that's
11 separate from -- from my area of expertise and would go
12 more into the noise impact.

13 COMMISSIONER RIGGS: Were you -- I'm
14 trying to remember. Were you not here when we decided to
15 do the quiet paving on Santa Cruz?

16 MR. TAYLOR: I wasn't here at that time,
17 but I am very aware of that. Also Caltrans has used that
18 on 280 near Woodside, as well, testing that.

19 So it has been tested in various areas, and
20 I think it's still being tested.

21 COMMISSIONER RIGGS: Okay. Thank you.

22 CHAIRPERSON O'MALLEY: Any other questions
23 for staff? Kirsten.

24 COMMISSIONER KEITH: Hi. I have a couple
25 of questions.

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1 I -- in reading through -- looking at the
2 Development Agreement, the LEED certification says that
3 it would be the standards in effect at the time of the
4 LEED registration, but then I thought I read somewhere
5 else that the LEED certification would be based on
6 registration that would occur in pre-2009.

7 MR. MURPHY: Yeah. If you want to point
8 us to the specific page, if you have that, that will get
9 us there faster.

10 The project was registered in the spring of
11 2009, and I think that's the intent of potentially the
12 language that you're seeing on. So if you can point me
13 to that.

14 COMMISSIONER KEITH: I'm looking at the
15 economic term sheet, page A4, section 5.

16 MR. MURPHY: Sorry. Are you at the
17 Council staff report?

18 COMMISSIONER KEITH: I am at the -- yes.
19 April 5th.

20 MR. MURPHY: Okay. Because that's the --
21 okay. So that's the term sheet, which is different from
22 the full-fledged Development Agreement. It's there.

23 You said A5?

24 COMMISSIONER KEITH: I said A4.

25 MR. MURPHY: A4. Okay. Yes. So that's

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1 the kind of language from the term sheet. Now are we
2 trying to compare that to the language that's actually in
3 the Development Agreement or you want to just have that
4 term sheet item clarified?

5 COMMISSIONER KEITH: I just want to have
6 that clarified to my understanding.

7 MR. MURPHY: Yes. So that's -- the
8 project was registered in the spring of 2009, so that's
9 the effective date of the registration.

10 COMMISSIONER KEITH: So even if it's built
11 in fifteen years, it goes back to --

12 MR. MURPHY: Yes.

13 COMMISSIONER KEITH: -- the registration
14 date of 2009?

15 MR. MURPHY: Yes.

16 COMMISSIONER KEITH: Okay. And I also
17 wanted to know, how many other parcels in the area are
18 three acres? If you can answer if you know.

19 MR. MURPHY: If you can look in the BAE
20 report, let me just -- there's a nice little summary
21 table, if I can just find it.

22 It's on page 66, table 40. So that focuses
23 in on the land. If you can get there, then that provides
24 a summary of the parcels between the two sites.

25 COMMISSIONER KEITH: Right.

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1 MR. MURPHY: And none of those parcels --
2 none of those twelve parcels are greater than three
3 acres, three acres or greater.

4 If you move farther east of Chrysler Drive
5 towards Chilco, there are sites that are indeed greater
6 than three acres. I don't have that off the top of my
7 head, though.

8 COMMISSIONER KEITH: Okay. But between
9 Constitution and Independence, there aren't any three
10 acre --

11 MR. MURPHY: No, so it would require
12 aggregation of parcels. There are parcels that are two
13 acres and parcels that are one acre.

14 So if -- there are parcels that can be
15 combined that can be greater than three acres.

16 COMMISSIONER KEITH: Okay. And, I mean, I
17 just -- I wanted to ask why -- in light of hearing all
18 the information on the ladder truck, I'm just curious if
19 you have insight as to why that might not be in the term
20 sheet.

21 MR. MURPHY: In terms of the -- it is
22 something that when the term sheet came to the City
23 Council, the City Council identified a number of items
24 for staff to look into further, so one of those items is
25 to continue dialogue with the district to see if there's

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1 some way of collaborating to come up with some sort of
2 solution for this issue in terms of where it -- it
3 ranked.

4 I can't say for sure why it didn't appear
5 on the -- on the term sheet, but there are a number of
6 competing interests.

7 COMMISSIONER KEITH: Okay. I'm aware of
8 that.

9 Let's see. And I also wanted to ask
10 about -- there's been a lot of talk about how green the
11 building is, and thank you for putting together such a
12 spectacular group of speakers for us, Mr. Bohannon.

13 I wanted to ask -- this is just on a
14 smaller scale, I suppose -- about solar panels on the top
15 level of --

16 CHAIRPERSON O'MALLEY: Are you moving into
17 talking to the presenter?

18 COMMISSIONER KEITH: Yes.

19 Are we to talking staff right now?

20 CHAIRPERSON O'MALLEY: Yes. Just staff at
21 the moment.

22 COMMISSIONER KEITH: That's fine for
23 staff. Thank you.

24 CHAIRPERSON O'MALLEY: John, for staff.

25 COMMISSIONER KADVANY: I guess Lee, are

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1 you considered -- you're considered part of staff this
2 evening?

3 MS. PRINCE: Yes.

4 COMMISSIONER KADVANY: Okay. Good.
5 Thanks.

6 Is there any potential liability? Since
7 we're talking more about the fire truck, is there a
8 potential liability issue here for the City if they don't
9 somehow, you know, support the acquisition of the
10 additional equipment, staffing and so forth?

11 MS. PRINCE: I'm not sure I completely
12 understand your question on liability.

13 CHAIRPERSON O'MALLEY: We can't hear you.

14 MS. PRINCE: Is that better?

15 COMMISSIONER KADVANY: Not really. Well,
16 it sounded like you just said you don't understand the
17 question of liability.

18 MS. PRINCE: As far as liability, what is
19 your concern?

20 COMMISSIONER KADVANY: We're making a
21 decision here. Basically the fire chief has given us
22 information on kind of risk assessment information here
23 that -- that response time is not sufficient to deal with
24 these -- you know, deal with these buildings.

25 MS. PRINCE: Yeah. At this point, I'm not

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1 aware of any direct liability that the City would come
2 under if it's not a part of under the term sheet, and
3 certainly the time -- response time is a physical impact
4 to the environment so that's why it's not included in the
5 EIR.

6 But off the top of my head, I can't think
7 of any liability that the City would come under, but I
8 would check.

9 COMMISSIONER KADVANY: Well, It doesn't
10 matter whether it's in the EIR or not, you know, for -- I
11 think we're looking at issues of liability.

12 MS. PRINCE: Yes. Certainly, certainly.
13 I just wanted to raise both sides of that issue.

14 COMMISSIONER KADVANY: Well, my goodness.
15 I think there's an awful lot of confusion about this
16 issue. It's not in anybody's court. It's not in the
17 sidelines. I don't know, you know, where it is, and I
18 wish we'd get this sorted out so we don't have to spend
19 so much time talking about it.

20 Thanks.

21 CHAIRPERSON O'MALLEY: Katie.

22 COMMISSIONER FERRICK: Thank you.

23 I just wondered if you could recap the -- I
24 heard the excellent presentation by the developer's
25 consultants, but from a staff perspective, what are the

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1 major changes between what we saw in November until now?
 2 You know, what has happened?
 3 I see some things, the greenhouse gas
 4 reduction did, you know, trend -- transportation
 5 management, but if there's any like building and site
 6 characteristics.

7 MR. MURPHY: It seems to me the -- the key
 8 modifications are summarized on page 4 of the staff
 9 report, and those have to do with greenhouse gas
 10 emissions, which is something that occurred on multiple
 11 levels, a complete re-review of the entire project
 12 from -- has been stated previously, the building side,
 13 the transportation side. So that's one major component.

14 In terms of -- the second one is the
 15 parking structure, and that's -- again was the --
 16 identified by the applicant earlier in terms of pursuing
 17 alternate study for the footprints of the garages.

18 So that's kind of probably the biggest
 19 physical change that you would see on the plans.

20 They did not actually take it to the next
 21 step of taking those alternate studies into the detailed
 22 drawings, because they wanted to get the feedback from
 23 the Planning Commission and the City Council on that.

24 So the staff is recommending a condition of
 25 approval for them to take that to the next stage, but

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1 they -- they need to get feedback regarding that, and
 2 then related to the parking structures, as well.

3 As far as the BAE Development Agreement,
 4 the applicant is committing to further changes to the
 5 exterior of the design of the garage, and tonight they
 6 shared some of those design concepts, and they're looking
 7 for some feedback on that, as well.

8 So the biggest physical change is related
 9 to the parking structures, and then the third change,
 10 the -- to the project is related to the proposed General
 11 Plan Amendment, Zoning Ordinance Amendment for a modified
 12 version of the M-3 zoning to try to address some of the
 13 concerns that were raised, and that's the recommended
 14 version in the -- attached to the staff report today is
 15 the Modified General Plan Amendment, Zoning Ordinance
 16 Amendment.

17 So I can go into that in a little bit more
 18 detail if you'd like.

19 Otherwise, the other kind of refinements on
 20 the plans are a lot of technical review by City Staff,
 21 the various departments and input from the Fire District,
 22 as well, in terms of refinement of some of the details
 23 for the plan check, code compliance issues of thinking
 24 forward.

25 Because this would be locking in a long-

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1 term approval, the building codes will change, but
 2 there's been a lot of review of the detail of the plans
 3 to make sure that it would be buildable if they came in
 4 for building permits on a shorter time frame based off
 5 experience we have with dealing with hydrology issues and
 6 other things from other projects.

7 COMMISSIONER FERRICK: Thank you.

8 CHAIRPERSON O'MALLEY: Henry.

9 COMMISSIONER RIGGS: Yes. Thank you. I
 10 have maybe three questions for staff.

11 One relatively simple one. An issue was
 12 brought up in one of the letters I think received tonight
 13 about construction hours and whether, shall we say,
 14 activities associated with construction, but not directly
 15 defined as construction are limited by those construction
 16 hours. So I think it's 8:00 AM to 6:00 PM.

17 I imagine that that's in anticipation of
 18 such things as delivery of materials, idling of trucks.

19 Can you clarify?

20 MR. MURPHY: Let's see. I think you
 21 referred to the letter from Rick Vaughn Thadden received
 22 today.

23 So for the -- for the most part, the City's
 24 noise ordinance is relatively stringent in terms of noise
 25 from the construction activities, but it's measured from

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1 nearby residential land uses.

2 So there's not necessarily a prohibition on
 3 certain activities. There's prohibition of making noise
 4 during those times, but there are some specific
 5 exceptions, but I think that the general activity of
 6 deliveries and other things are tied to the construction
 7 activity.

8 So those would be limited to the hours of
 9 8:00 AM to 6:00 PM for complying with the noise ordinance
 10 as measured from the nearest residential property.

11 COMMISSIONER RIGGS: Am I correct that
 12 outside of the noise ordinance, there's also a
 13 construction hours limitation regardless of noise?

14 MR. MURPHY: Yeah. It's not quite, but --
 15 as it relates to the noise ordinance or the specific
 16 mitigation?

17 COMMISSIONER RIGGS: Well, no. For
 18 example, on a Sunday, is the developer free to assign his
 19 general contractor to work in the City of Menlo Park?
 20 Quietly or otherwise.

21 MR. MURPHY: Yeah. My understanding is
 22 there's not outright prohibition of construction hours.
 23 What it ends up being is to kind of -- as a practical
 24 matter, it would be nearly impossible for somebody to
 25 comply with it whenever they're near residential.

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1 So a lot of the City of Menlo Park is near
2 residential properties, which would then make it nearly
3 impossible for them to comply with the noise ordinance.

4 So the de facto message is there's a
5 restriction on the hours.

6 COMMISSIONER RIGGS: Okay.

7 MR. MURPHY: Technically it's not really
8 there, because someone could be doing painting, and if
9 that's not generating noise, that's not violating the
10 noise ordinance.

11 COMMISSIONER RIGGS: It's just an
12 interesting aspect of the Menlo Park -- some cities are
13 quite firm about any construction. Technically painting
14 is included.

15 And then in terms of process, what we have
16 before us now with the M-3-X results in planned developed
17 approval; is that right?

18 MR. MURPHY: Additional development
19 permits, so it's very comparable to the Planned
20 Development Permit along El Camino, but that's
21 geographically.

22 COMMISSIONER RIGGS: The CDP, which
23 therefore replaces architectural review?

24 MR. MURPHY: Right. So the architectural
25 review components should occur through the Conditional

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1 Development Permit that we've done with other projects
2 like the 1300 El Camino Real or the Rosewood Hotel.

3 COMMISSIONER RIGGS: So similar to the
4 Rosewood Hotel, this process that is encompassing
5 Rezoning, General Plan Amendment is also project specific
6 running concurrently, and therefore this review, as far
7 as the Planning Commission is concerned, tonight and May
8 3rd will conclude any architectural review?

9 MR. MURPHY: That's correct. As the way
10 the Conditional Development Permit spells that out.

11 I believe that there's the potential of
12 minor -- minor modifications, major modifications that
13 are called out in the Conditional Development Permit.
14 Let's just take a look at those.

15 So on circle page M-4, that's the fourth
16 page of the Conditional Development Permit, section 6
17 modifications calls out two different types of
18 modifications.

19 Some of it would be reviewed at the staff
20 level and some of it would come back to the Planning
21 Commission.

22 COMMISSIONER RIGGS: Right. So for the
23 project as anticipated at this time, and granted if a
24 pair of office buildings are built in 2028, there may
25 even be different materials preferred at that time and

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1 there may be a distinct shortage of stone or whatever.

2 So what we are looking at -- I guess I'm
3 just sort of leading to an observation for my fellow
4 Commissioners that our architectural review is perhaps
5 not as succinct as it typically is in projects, and so
6 our appreciation of the images that we see tonight
7 might -- might or might not be affected by that.

8 And then my last staff question has to do
9 with in-lieu fees and penalties for performance such as
10 traffic mitigation.

11 Currently the -- well, the Development
12 Agreement would not indicate where those fees are held.
13 It would be Council policy.

14 Am I correct?

15 MR. MURPHY: It depends on which -- which
16 fees are you talking about specifically?

17 COMMISSIONER RIGGS: Well, for example,
18 traffic mitigation. There's a per trip annual penalty if
19 the annual survey shows that the goal was not met.

20 Those funds right now, how are they
21 designated to be used?

22 MR. MURPHY: Yeah. So that's called out
23 in the mitigation. That's the trip reduction mitigation,
24 so let's just get that specific language.

25 COMMISSIONER RIGGS: I think I remember

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1 some flexibility in the language, and I did correctly tab
2 the page.

3 MR. MURPHY: So it -- so on page M25 --
4 actually it's on M24, so it's condition of approval
5 8.6.8., which is also a reflection of mitigation measure
6 MM-TR1CM.1.

7 So that calls out the hundred dollar
8 penalty, and it says: "Revenues from the payment of
9 penalties under this provision are due to the City within
10 thirty days, and the City shall use the money for
11 programs designed to reduce trips for traffic congestion
12 within the City of Menlo Park."

13 So there is a specific purpose that's
14 called out for the use of that penalty.

15 COMMISSIONER RIGGS: And so it would be up
16 to the City, perhaps at the direction of Council, who
17 might decide to use that at University and Menlo because
18 there happened to be a particularly hot issue at that
19 intersection at that particular time?

20 MR. MURPHY: The way this is worded, yes.

21 In terms of the intent, the intent is to
22 focus it into that geographic area where -- where the
23 impact is coming from, but it's -- this penalty only goes
24 into effect after there's measurement, the trip limits
25 have been exceeded, that the applicant has submitted the

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1 plan for actually reducing trips.
 2 So that the real goal is that the
 3 applicant's able to reduce the trips by their
 4 enhancements, and it's only if they are unable to do that
 5 after a year that the penalty would be in place.
 6 And so at that point in time, there's going
 7 to be a decision about, you know, what was it that the
 8 applicant was able to do.
 9 If there's a determination that the
 10 applicant did everything feasible given the
 11 infrastructure in that area, the transit and the options,
 12 that it would be better to reduce trips someplace else in
 13 the City because there's no other way to reduce trips in
 14 this area, and -- but that's -- that's a reflection of
 15 the intent of this, but not necessarily what -- what's
 16 listed here.
 17 COMMISSIONER RIGGS: Okay. Thank you.
 18 And then to the other category, to take a
 19 nice big number, there were several -- there's several
 20 million dollars in housing impact fees.
 21 Is there -- that fee would go into the BMR
 22 fund of the City?
 23 MR. MURPHY: That's correct. So it's --
 24 it's -- the estimates are in excess of eight million
 25 dollars, and that's summarized on attachment N13, and it

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1 would be done on a building by building basis.
 2 So a fee would be paid -- tied to building
 3 permit issuance with credit for whatever floor -- for
 4 whatever floor area's being removed. So the fee is based
 5 off the net increase in floor area based off uses.
 6 COMMISSIONER RIGGS: Okay. Thank you.
 7 And I just realized I have to back up to
 8 the previous issue, which was traffic impact fee, except
 9 that I've forgotten it, so --
 10 COMMISSIONER KADVANY: I have a question.
 11 I want to ask about that.
 12 Suppose your one trip, average trip over.
 13 So would that be \$100 for the year? What -- what does
 14 the hundred dollars mean?
 15 MR. MURPHY: Yeah. \$100 for annual --
 16 annual trip.
 17 COMMISSIONER KADVANY: For one car.
 18 MR. MURPHY: Correct. If it's a car --
 19 COMMISSIONER KADVANY: Car per day.
 20 MR. MURPHY: Well, a car per day would be
 21 two trips. So if cars coming to the site, that's one
 22 trip. When it leaves the site, that's another trip.
 23 So one car would be two trips, but it's an
 24 annual fee, and that's -- we kind of look at whether
 25 that's the appropriate amount or not.

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1 Part of that's tied to the ability to
 2 increase things like transit passes by additional -- the
 3 number of work days.
 4 That would be roughly equivalent to a
 5 dollar increase in transit pass, and this penalty is tied
 6 to I believe 2010 dollars and indexed over time.
 7 COMMISSIONER KADVANY: Okay.
 8 That doesn't sound like a particularly onerous -- onerous
 9 fine with that number.
 10 Does it compare -- does that compare to
 11 anything that other municipalities are using for those
 12 types of measures?
 13 MR. MURPHY: I'm not sure that I saw any
 14 comparisons, but part of it was tied to the -- because
 15 part of the kind of greenhouse gas analysis that was done
 16 was tied to, you know, what different changes in
 17 subsidies for transit made in trip reduction.
 18 So that's where this came to approximately
 19 the dollar a day, and that could make an impact in the
 20 people's decisions.
 21 COMMISSIONER KADVANY: I thought that --
 22 you know, my -- my understanding -- I'm not sure how
 23 widely these are used, but I thought these -- part of the
 24 idea for this was to be a reasonably strong disincentive
 25 for going over that limit.

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1 That doesn't seem like it's too strong an
 2 economic disincentive. That's why I was asking if you
 3 had comparison, but I didn't mean to -- I'll go back to
 4 Henry now.
 5 COMMISSIONER RIGGS: Well, are we
 6 understanding it, right, Justin, that if you have one
 7 trip per day, say -- okay, a round trip because you have
 8 one more car than your nice neat math had anticipated and
 9 that car shows up five days a week roughly fifty weeks,
 10 that's a hundred dollar fine for what amounts to an extra
 11 400 trips?
 12 MR. MURPHY: Yes. I mean, the -- let's
 13 see. The goal is to reduce trips and not necessarily
 14 impose fines.
 15 So this is all structured to the -- after
 16 doing the counts is for the applicant to actually produce
 17 a plan that would -- whatever -- whatever it takes at
 18 that point in time to reduce the trips.
 19 So that -- and then the project would be
 20 remeasured. So it's only after -- after the applicant
 21 makes a good faith effort, and then if it's unsuccessful,
 22 the penalty phase would then kick in, and that's --
 23 that's the way that it's set up is the hundred dollar per
 24 trip per year penalty.
 25 So that's something for the Commission to

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1 consider whether it feels that it's onerous or not, but
 2 that's what's -- something that's -- it's -- I mean, it
 3 has an aspect of one of the negotiated items for the term
 4 sheet in terms of this overall package, so you may want
 5 to talk to the applicant about that, as well.

6 COMMISSIONER RIGGS: All right. Thank
 7 you.

8 And then related to this, I believe I had
 9 clarification back on April 6th that none of this is
 10 triggered until the completion of buildout, potentially
 11 twenty years hence.

12 MR. MURPHY: That -- that's correct. That
 13 was one of the questions that was raised at April 6th
 14 about whether monitoring could start sooner.

15 COMMISSIONER RIGGS: And monitoring might
 16 be difficult with only a percentage of buildings built
 17 and a percentage of those buildings occupied.

18 Are the -- are there some specific
 19 mitigations like the shuttles that are to be initiated,
 20 say, with the first office building? I mean, is there a
 21 separate timing there?

22 MR. MURPHY: I believe there's separate
 23 timing, so -- yeah. So that's condition of approval 8.6.
 24 5 on M23, the TDM plan needs to be implemented on
 25 occupancy of the first building, and within that, there

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1 is specific reference within the TDM plan for the shuttle
 2 service.

3 So --

4 COMMISSIONER RIGGS: That's 8.6.8.

5 MR. MURPHY: 8.6.5.

6 COMMISSIONER RIGGS: Oh, okay. Thank you
 7 very much.

8 MR. MURPHY: So that's one feature of the
 9 TDM plan that we called out specifically given its
 10 overall importance is the shuttle service.

11 CHAIRPERSON O'MALLEY: Kirsten, you're on.

12 COMMISSIONER KEITH: Okay. Thanks.

13 Just going back to what Henry was asking
 14 about, the architectural review, in looking at the
 15 modifications on M4, it looks like, you know, just in
 16 talking about the architectural review that "minor
 17 modification can be approved by the Community Development
 18 Director, but major modifications would -- would go to
 19 the Planning Commission."

20 Is that right?

21 MR. MURPHY: That's right.

22 COMMISSIONER KEITH: I think I know the
 23 answer, but who -- who makes the determination between
 24 what's minor and what's major?

25 MR. MURPHY: That's called out here. It's

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1 mainly going to be the Community Development Director and
 2 the decision of the Community Development Director are
 3 appealable.

4 So if the Community Development Director
 5 makes a decision that the applicant doesn't like, the
 6 applicant can appeal it.

7 If the Community Development Director makes
 8 a decision that somebody else doesn't like, that can be
 9 appealed, as well.

10 COMMISSIONER KEITH: Okay. Thank you.

11 CHAIRPERSON O'MALLEY: Let Melody have a
 12 chance.

13 COMMISSIONER PAGEE: And how -- how does
 14 the public find out about those approvals?

15 MR. MURPHY: In terms of that specific one
 16 about the --

17 COMMISSIONER PAGEE: Mm-hmm.

18 MR. MURPHY: That one would -- as of right
 19 now, there's no proactive noticing of that sort of
 20 decision.

21 So it would depend if -- if it were
 22 something similar to the current substantial compliance
 23 review where we e-mail the Planning Commission, that
 24 would be the opportunity for -- for public noticing, but
 25 that's not specifically called out here.

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1 COMMISSIONER PAGEE: It might be
 2 appropriate to adjacent neighbors?

3 My question -- I'll continue if that's
 4 okay.

5 On sheet -- page 5 of the staff report,
 6 there's the modified M-3 district, and I've asked you
 7 this question before, so you should have an answer.

8 So was this endorsed by staff or just
 9 presented by -- by the applicant?

10 MR. MURPHY: No. The modified M-3
 11 district was something that staff worked with the
 12 applicant on.

13 It's something that the staff was
 14 supportive of, and it kind of evolved in terms of first
 15 being looked at as an option in the preparation of the
 16 Final EIR.

17 It wasn't until after the kind of release
 18 of the Final EIR that the applicant, in reviewing the --
 19 the preparation for the staff report and the
 20 recommendations that staff would be pursuing on the
 21 specific entitlements, that the applicant was willing to
 22 pursue this modified version as opposed to the original
 23 version.

24 So the -- the Final EIR and the covers --
 25 we believe covers both versions, but this does -- the

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1 modified version does reflect substantial input by staff.
 2 COMMISSIONER PAGEE: So if we're looking
 3 at the Zoning Ordinance Amendment, the center column,
 4 that's what we should be focusing on?

5 MR. MURPHY: Correct.

6 COMMISSIONER PAGEE: Okay. So what I
 7 would -- because our own zoning ordinance has so many
 8 holes in it, if I were looking at the height of the
 9 building, even with the bonus, I would assume that it's
 10 going to be 45 feet tall.

11 With a bonus and 137.5 percent, there
 12 should be another column for the maximum height, and I
 13 believe that that column should be no higher than the
 14 project that we see now, which we're assuming is 140
 15 feet.

16 That's just a -- a comment, but I would
 17 look at that.

18 And then if I look at this column and look
 19 at these plans, I see a number of areas where we don't
 20 have front, rear and side setbacks of twenty feet, and if
 21 this is going to be the Zoning Ordinance Amendment, then
 22 the plan should be revised to reflect the zoning
 23 ordinance.

24 So on Independence Drive on the proposed
 25 site plan, on the right-hand side on Chrysler next to the

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1 hotel is a service yard which houses a generator, and
 2 that's within twenty feet, and typically we don't allow
 3 building in setbacks.

4 Then there's a proposed lot line between
 5 buildings, the garage and Club Sport, which is -- is a
 6 little over 35 feet.

7 If this were going to be the new lot line
 8 and this were to be subdivided, then this distance
 9 between buildings should be forty feet.

10 So the -- the lot line -- the proposed lot
 11 line would be between the two. It's a new building.
 12 It's not an existing building. So we shouldn't have to
 13 start out with variances to begin with.

14 And then my question for staff is: You
 15 know, are we going to be able to do that? The same
 16 problem exists on the other lot as far as lot lines and
 17 clearances and proposed lot lines, and is there -- are we
 18 going to modify these plans? Is that going to be -- is
 19 that under our discretion to fit so that the building
 20 that we're seeing fits the zoning ordinance we're
 21 approving?

22 MR. MURPHY: Let's see. I mean,
 23 ultimately it's under the, you know, discretion of the
 24 City Council with the recommendation from the Planning
 25 Commission, the recommendations from staff, but the --

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1 just let me be clear what the intent of the modified M-3
 2 zoning district was.

3 The intent there was to not require
 4 modifications to the proposed project plans. It was an
 5 attempt to address some issues about the applicability of
 6 M-3 to future properties down the road.

7 So it's the -- the modified M-3 has
 8 multiple layers to it or tiers with the base zoning and
 9 certain requirements that could be applied to a property.

10 If you did not want to pursue a Conditional
 11 Development Permit or did not want to pursue a
 12 Development Agreement, then the next layer is if you did
 13 want to pursue a Conditional Development Permit would be
 14 to have specific requirements that are appropriate for a
 15 site for everything except for floor area ratio, and then
 16 the third tier being the density bonus through a
 17 Development Agreement.

18 So what this reflects is the combination of
 19 all three of those, the base M-3 zoning, the X
 20 Conditional Development Permit for exceptions to the base
 21 setbacks, and then the Development Agreement for
 22 exceptions to the floor area ratio or to attain the
 23 density bonus in exchange for certain benefits to the
 24 City.

25 So the intent is not to be forcing the

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1 project plans to be changed to have twenty foot setbacks.
 2 So the -- the flipside could be that the base zoning
 3 district could be -- have -- instead of having twenty
 4 foot setbacks all around, it could be five feet around or
 5 ten feet around.

6 So there definitely is the potential to
 7 modify the setbacks of the base M-3 zoning, but -- but
 8 there's no intent to change the project plans as a result
 9 of staff suggesting this Zoning Ordinance Amendment
 10 modification.

11 COMMISSIONER PAGEE: Okay. I think that's
 12 it for my questions.

13 CHAIRPERSON O'MALLEY: Thank you, Melanie.
 14 John, do you have any questions?

15 COMMISSIONER KADVANY: Did have a comment
 16 about the -- the one question about this business about
 17 the hundred dollars a day trip -- going over the trip
 18 reduction goal. The value's one thing. The rationale is
 19 another.

20 I've not ever heard that rationale. I've
 21 heard this concept discussed by planners, parking
 22 planners, and for them, it has always simple straight.
 23 It's an economic disincentive.

24 So you hit the boundary and it's a
 25 significant penalty. You're not trying to figure out

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1 what the marginal cost is of the next best improvement to
 2 traffic. It's an economic disincentive.
 3 So I -- I don't think that's a correct
 4 policy implementation of -- of how this -- how the
 5 concept's supposed to work and take it from there back to
 6 the negotiation team.
 7 That's not -- that is not raising the bar
 8 on Transportation Demand Management. That's a work-
 9 around, I would say.
 10 They look good, but that's -- that's not my
 11 understanding of how that item's supposed to work.
 12 Do we have to vote to go beyond 10:30?
 13 CHAIRPERSON O'MALLEY: Yes, we do.
 14 MR. MURPHY: Just to clarify, at 10:30,
 15 you need to vote to go beyond 11:30.
 16 CHAIRPERSON O'MALLEY: I am going to close
 17 this meeting at 11:30 at the latest, so if you want to
 18 work till 11:30, now's the time to let me know.
 19 MR. MURPHY: Okay. The other thing that
 20 may just be worthwhile now as opposed to just waiting
 21 till 11:30 is to check in on overall timing and if you're
 22 just going to wrap up questions of staff.
 23 CHAIRPERSON O'MALLEY: My feeling is we're
 24 just about near. I have questions of staff. And I think
 25 John just put his light on.

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1 Go ahead.
 2 COMMISSIONER KADVANY: I have a question
 3 for one of the consultants that I thought was more for --
 4 CHAIRPERSON O'MALLEY: Staff questions
 5 only, John.
 6 COMMISSIONER KADVANY: Oh, we're doing
 7 staff questions only now.
 8 CHAIRPERSON O'MALLEY: City consultants.
 9 COMMISSIONER KADVANY: Not project
 10 consultants.
 11 CHAIRPERSON O'MALLEY: That's right.
 12 COMMISSIONER KADVANY: I guess I'll ask
 13 it, anyways.
 14 There was discussion at the last City
 15 Council meeting from one of the speakers and it was
 16 echoed by the City Manager and three of the
 17 Councilmembers of at least understanding of interest in
 18 the power lines, doing something with the power lines.
 19 So my question for Leigh Prince would be:
 20 Given the state of the project, state of understanding to
 21 do with the power lines and so forth, how well might that
 22 be integrated into our future process in a way that's
 23 fair to the developer and the applicant is, it's not
 24 going to delay the project in ridiculous ways, a way of
 25 structuring that.

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1 Do you know what I'm asking?
 2 MR. MURPHY: I may be a little bit more
 3 familiar than Leigh on that particular topic right this
 4 second.
 5 That is something that the City Staff will
 6 be reporting back to the Council on as part of the May
 7 11th Council meeting, but I don't think we have anything
 8 to report on right now.
 9 It would be best handled through the
 10 Development Agreement in terms of something that was
 11 mutually agreeable between the City and the applicant.
 12 COMMISSIONER KADVANY: Well, I guess I'll
 13 assume that's a yes, that it could be -- you know, it
 14 could be done in terms of how the language could be
 15 structured, and it doesn't -- you know, it doesn't
 16 wipe -- it doesn't sort of make it a near zero
 17 probability occurring, you know, because of the --
 18 because of where we are in the process.
 19 But at the same time, we have that
 20 flexibility in terms of time and we need to understand
 21 the issue, so on.
 22 It's something that de novo. It's
 23 completely new to -- new to this process. It's not like
 24 something we have a lot of background on, number of
 25 parking spaces or whatever.

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1 MR. MURPHY: Right. It will completely
 2 come down to the specifics of the language, but
 3 there's -- there's going to be an attempt to come up with
 4 something more concrete.
 5 COMMISSIONER KADVANY: Very good.
 6 MS. PRINCE: If I may add, I've been
 7 thinking about your liability question as we've been
 8 sitting here, and I do just want to address the fact that
 9 we've looked at whether or not there are legal
 10 requirements to have a ladder truck within a certain
 11 distance, and we have asked the Fire District to provide
 12 us that information, and what we got has been -- well,
 13 some of that was what you received tonight, and there are
 14 no specific legal requirements that would create that
 15 liability.
 16 That's just a concern for the district and
 17 they're looking at insurance standards and other
 18 standards, but we will put that into implementation.
 19 COMMISSIONER KADVANY: I understand that,
 20 and that was stated by the CEQA consultant at the City
 21 Council meeting.
 22 I understand that, but we have been given,
 23 you know, National Fire Protection risk standards, timed
 24 response, whatever.
 25 Forget about the law. He's come and

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1 presented his risk assessment criteria to us.

2 Are we -- and so imagine in the future,

3 there's a fire there. The response time is slow.

4 If the City now be blamed and brought some

5 sort of legal action because they had this choice to make

6 a decision and they said no, you know. We don't believe

7 these risk numbers.

8 So I know it's not -- I know it's not

9 legally required, but that's -- risk doesn't work that

10 way. You know, blame doesn't work that way. That's what

11 I want to know.

12 MS. PRINCE: Well, I just wanted that

13 understanding that there was no legal --

14 COMMISSIONER KADVANY: Whose ball -- where

15 are we on this? It's not clear to me that it's purely a

16 legal issue.

17 It's a -- it's a matter of interpreting

18 these standards and the extent to which we should be in

19 conformity with them or not or they're being fairly

20 presented to us or we got the wrong standards or, you

21 know, whatever.

22 That's why I'm confused. It's just all

23 over the place here, and there's a lot of money at stake.

24 As Henry rightly points out, three million dollars or

25 something in round numbers.

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1 And so we should know how to do this risk/
2 benefit calculation and know how it should be
3 apportioned.

4 CHAIRPERSON O'MALLEY: I think, John, you
5 made your point.

6 COMMISSIONER KADVANY: Thank you.

7 COMMISSIONER PAGEE: Just a follow-up
8 question. Maybe you know whether the Fire District now,
9 if there's an increase of insurance rates depending on
10 the proximity of a fire truck to a site.

11 I don't know if there's an insurance agent
12 around here, but --

13 MS. PRINCE: I'm certainly not one.

14 COMMISSIONER PAGEE: Okay. Would our fire
15 Commissioner now?

16 CHIEF SCHOPALHOUMAN: So the question and
17 the answer --

18 CHAIRPERSON O'MALLEY: Briefly, please.

19 CHIEF SCHOPALHOUMAN: You bet.

20 Legally, would it affect -- is there any
21 standard in place? No. Counsel's right, if you tried to
22 bring that up tonight.

23 Is there a risk? Yes. That's what we
24 presented, a risk.

25 What are the standards? NFPA, National

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1 Fire Protection Association and Insurance Services
2 Organization.

3 The maps that you saw tonight and the most
4 up-to-date information I gave you was presented to me
5 today by the Insurance Services Organization that sets
6 rate standards for insurance companies that use their
7 service. Those are in the packet that I gave you.

8 It clearly shows separate from the
9 consultant's report that two trucks would be needed in
10 the Fire District based upon coverage issues, and the
11 tipping point obviously is this project.

12 Where we put it, you can look. There's
13 one -- there's one issue that's missing there, one form
14 that's missing, which is our Station 6 which they did not
15 have a map for.

16 There's a map in your packet that was given
17 tonight.

18 COMMISSIONER KEITH: Just briefly, what
19 you're saying is if you don't have two, then you'll be
20 dropped?

21 CHIEF SCHOPALHOUMAN: It means that you
22 could be in the grading that they use, which is -- it's
23 not an easy process to understand, and it certainly has
24 many pieces to it, so I wouldn't want to present to you
25 tonight that this is the only piece.

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1 The consultant's report references that the
2 rating to the district to could go to an ISO level 4,
3 which means that people's insurance rates, if they use
4 ISO as a standard, the insurance companies, the rates of
5 all those people will go up. There's a chance of that.

6 There's other areas there, such as training
7 and record-keeping and fire hydrants and water
8 distribution that we're working on independent of this
9 project to try and take the rating to the other
10 direction, which is to get a better rating, a 2.

11 I'm not sure I can get there, but I'm going
12 to try, so that people's rates drop.

13 Certainly this project and improvement on
14 the coverage and improvement with the ladder trucks would
15 help that go to the positive side of the -- of the
16 ledger.

17 I hope that explains it.

18 CHAIRPERSON O'MALLEY: Go ahead.

19 COMMISSIONER FERRICK: I have another
20 question for you while you're up here.

21 Could you tell me -- I saw in the report
22 that there's an automatic aid agreement between adjacent
23 fire protection districts.

24 CHIEF SCHOPALHOUMAN: Right.

25 COMMISSIONER FERRICK: Where is the --

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1 where is the nearest ladder truck in Palo Alto to this
 2 project?

3 CHIEF SCHOPALHOUMAN: Okay. In Palo Alto,
 4 it would be -- I can't remember what street it's on, but
 5 it's -- it's right over the line in Palo Alto, and that
 6 would be further away than our truck.

7 That's a mutual aid agreement. That is not
 8 automatic aid agreements. Automatic aid agreements in
 9 San Mateo County are agencies of the county.

10 So the next closest truck that would
 11 respond is truck 9 out of Station 9 on Marshall Street in
 12 Redwood City, 3.6 miles away.

13 COMMISSIONER FERRICK: And how far is the
 14 Palo Alto one?

15 CHIEF SCHOPALHOUMAN: It's going to be
 16 farther than our Menlo Park Station 1, which again is
 17 anywhere from 3.4 to 3.8.

18 COMMISSIONER FERRICK: But it's off 101,
 19 though.

20 CHIEF SCHOPALHOUMAN: You would have to
 21 head down Alma Street by the railroad tracks and get
 22 closer to downtown Palo Alto for that truck to come.

23 That normally would not go that far over
 24 based upon the agreement that we have in place. There's
 25 lines in place in mutual aid versus automatic aid.

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1 CHAIRPERSON O'MALLEY: I'd like to cut
 2 this conversation off. We're not going enough time to go
 3 much further. We've spent a lot of time.

4 MR. BOHANNON: I'd like about a minute.

5 All right. The applicant wants a minute on
 6 this after we've spent twenty or thirty minutes already.
 7 I think we should give him that time.

8 MR. BOHANNON: So there's been a lot said
 9 here by the Fire District. We need to respond, but we're
 10 not prepared to do that this evening, but there's just
 11 been statements here that there are no standards.

12 I understand that's not accurate. I will
 13 find somebody to help us respond.

14 We are in conversations with the City, but
 15 there's not a lot of information forthcoming this
 16 evening, but there needs to be more, and so far all we've
 17 heard is the Fire District's opinion.

18 CHAIRPERSON O'MALLEY: Thank you.

19 Now can we move away from the Fire
 20 Department.

21 I have just a couple of questions, and one
 22 is clarification for me.

23 When I read about greenhouse emissions,
 24 there's a statement that there's a potentially
 25 significant impact if completed prior to 2000 eighteen,

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1 but not after that, and that confuses me. I don't
 2 understand what that truly means.

3 MR. MURPHY: That mainly has to do with
 4 other laws in place that require more efficient vehicle
 5 fleets, and as the vehicle fleets become more efficient,
 6 the greenhouse gas emissions will go down.

7 So actually over time --

8 CHAIRPERSON O'MALLEY: I understand that.

9 MR. MURPHY: -- then they kind of took
 10 that 218, that trip limit 218 and did that forward.

11 Greenhouse gas emissions would be --

12 CHAIRPERSON O'MALLEY: I understand.

13 Okay. This is perfect to ask this question, but I was
 14 very interested in what the cost would be for
 15 undergrounding the transmission lines.

16 I recognize it's not in the plan, but has
 17 anyone --

18 MR. MURPHY: We have --

19 CHAIRPERSON O'MALLEY: Any -- anyone in
 20 discussions?

21 MR. MURPHY: Ballpark figures that you'd
 22 have to do more than just two on the site. You'd have to
 23 do the two on either side of it, as well.

24 So to do those four transmission lines,
 25 cost about 6.6 million dollars.

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1 CHAIRPERSON O'MALLEY: Very hefty figure.
 2 Thank you.

3 All right. Now, let's move on -- do you
 4 have a question for staff?

5 COMMISSIONER KADVANY: Well, is that for
 6 the length -- what length are you -- was that applied to,
 7 what distance?

8 MR. MURPHY: I believe -- I know it was
 9 from the Fed-Ex property to 161 Constitution. Off the
 10 top to have my head, that's 2,200 feet.

11 COMMISSIONER KADVANY: So basically the
 12 length of the project.

13 MR. MURPHY: It's more than the length of
 14 the project. It crosses two streets, but it's just a
 15 portion related to the -- near the project.

16 CHAIRPERSON O'MALLEY: Okay. Now I'm
 17 going to move the Commission on to questions for the
 18 applicant or his consultants, and I see Katie's light on.

19 COMMISSIONER FERRICK: Oh, I don't want to
 20 go first.

21 COMMISSIONER RIGGS: Well, I have sort of
 22 an initiating question if I may for staff.

23 Is -- would our questions tonight be
 24 properly directed to architectural review or is that
 25 something that should be for the next meeting or half and

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1 half?

2 MR. MURPHY: It would be best if you get
3 all your questions out tonight. In terms of priority,
4 you may want to get the other questions and then come to
5 the architectural ones.

6 But it depends on how kind of efficiently
7 you can work through.

8 I think one other thing that we may be
9 looking at, depending on the time crunch, is whether the
10 Commission feels that it needs more than just one more
11 meeting and what the implications would be of that.

12 So I think you should start in on your
13 questions and you can have another check-in in half an
14 hour.

15 COMMISSIONER RIGGS: Oh, my response to
16 that would be that there's been a lot of excitement on
17 this project generated by these renderings.

18 We first saw this as renderings and nothing
19 more than renderings, so a lot of community hope I think
20 is wrapped up in the quality of this architecture, so
21 I'll just leave that comment that I think it's a key
22 issue and maybe not the last issue.

23 CHAIRPERSON O'MALLEY: Okay. Katie.

24 COMMISSIONER FERRICK: All right. Well, I
25 wanted to say that I really like these revised renderings

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1 of the size and height of the parking garages, because
2 I'm a big proponent of having more open space than
3 surface covered with parking garage.

4 So that said, I'm wondering -- I'm trying
5 to find out the dimensions on above garage B on the
6 Constitution site.

7 What is the parking -- I know there's
8 parking reserved for 99 cars.

9 Where -- what's then the setback from
10 garage B to Bayfront Expressway or to the end of the
11 landscaping area there? Does anyone know?

12 I just don't see where -- it doesn't have
13 to be precise, but I'm just trying to get an idea of how
14 big that is.

15 MR. GILMAN: So again the dimension from
16 where to where?

17 COMMISSIONER FERRICK: So if you look at
18 the Constitution site parking option, appendix B.

19 MR. GILMAN: Yes.

20 COMMISSIONER FERRICK: From the parking
21 garage to Bayfront Expressway, the cutout here.

22 MR. GILMAN: It's about 165 feet.

23 COMMISSIONER FERRICK: That was our
24 estimate, yeah. Because they showed -- it was similar on
25 this side, but I wasn't sure if it really was.

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1 And then on this drawing, you have kind of
2 more open space, it looks like. On the others, I know
3 there was some different type -- like volleyball,
4 badminton and bocce ball areas. A couple questions on
5 that.

6 Is that the plan for this if it were to
7 come to pass and is there -- is that for private use of
8 the tenants only and is it just an idea to have those
9 particular sports or is it flexible to things that the
10 community might have a demand for?

11 MR. GILMAN: Here's the drawing as we
12 currently have it.

13 COMMISSIONER FERRICK: Thank you.

14 MR. GILMAN: That space between the garage
15 and Bayfront Expressway, it was -- this idea of having
16 various sports rooms.

17 So some might be basketball, volleyball,
18 possibly bocce which was shown at the extreme left.

19 So again, I think that's something that
20 we'll -- as we -- as we program the exterior space,
21 that's where we will --

22 COMMISSIONER'S FERRICK: That's sort of
23 flexible at this point? They're kind of ideas.

24 MR. GILMAN: Absolutely.

25 COMMISSIONER FERRICK: So 165 feet deep?

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1 MR. GILMAN: Yes.

2 COMMISSIONER FERRICK: That precludes
3 adult league baseball, just FYI.

4 COMMISSIONER KADVANY: That's not publicly
5 accessible space, is it?

6 MR. GILMAN: No. It's part of the
7 private -- it's part of the project.

8 COMMISSIONER KADVANY: Yeah.

9 COMMISSIONER FERRICK: Well, we're going
10 to get to use the amphitheater sometimes. Why not the
11 field sometimes?

12 COMMISSIONER KADVANY: I just want to be
13 clear we know what we're talking about here.

14 CHAIRPERSON O'MALLEY: Any other
15 questions? Henry, you're on again.

16 COMMISSIONER KADVANY: Questions for Tom
17 or --

18 CHAIRPERSON O'MALLEY: Now -- now we're
19 questioning the applicant and the applicant's
20 consultants. Anything you want to know from them.

21 COMMISSIONER RIGGS: This may be more
22 appropriate for Mr. Bohannon. The two trees on Marsh
23 Road that will be part of the mitigation in widening the
24 road or allowing a right turn pocket, they're not the
25 best looking trees in town, but on the other hand,

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1 they're among the few big trees on that side of Marsh
2 Road.

3 Normally we would require for heritage tree
4 removal, whether they be lovely or ugly, that two trees
5 with that potential replace them.

6 Is there a possibility of having --
7 bringing in trees that are something larger than a 24
8 inch box so that we can try to give a jumpstart to -- to
9 that side of Marsh Road?

10 MR. BOHANNON: Sure.

11 COMMISSIONER RIGGS: I love a succinct man
12 at the mic. Thank you.

13 COMMISSIONER KADVANY: I thought we
14 learned that they even out and 24 inch boxes get better
15 established because, in fact -- so forth.

16 COMMISSIONER RIGGS: They do, but we have
17 a resident sensitive to that who wrote in, and for them
18 the wait for them the twenty years for it to even out
19 might be a lot to ask.

20 COMMISSIONER KADVANY: No, two years.

21 COMMISSIONER RIGGS: That's fifteen gallon
22 versus 24 inch box. We're talking 38 or 48 inch box.

23 And then the -- I guess this is a question
24 for staff. The site amenities that we've been talking
25 about, presumably these would be considered major changes

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1 if the site amenities were removed in a subsequent plan
2 fifteen years from now.

3 I don't mean the exact description, but the
4 quantity qual -- total and quality and general purpose of
5 them.

6 In other words, if we became a one-story
7 storage facilities.

8 MR. MURPHY: Oh, yes. Yes. For sure.

9 COMMISSIONER RIGGS: They would still --
10 okay. Thank you.

11 COMMISSIONER KEITH: Okay. Thank you.

12 Good evening. Thank you so much for the
13 great speakers, and I have to ask a few questions now of
14 some of them.

15 I did want to ask about the -- there was
16 talk about more bike storage, and I was looking to try to
17 find that.

18 Could you help me? I see sixteen and
19 sixteen on the Constitution side. Somebody? I'm just
20 wondering is it a total of 32 or is there -- are there
21 more spots that I'm not aware of?

22 MR. MOWRY: Again, Mike Mowry from
23 Kimley-Horn.

24 The current plan -- and I'd have to grab
25 plan set, 77 bicycle lockers or rack locations throughout

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1 the site.

2 They're interspersed. Some of them are in
3 the parking garages for security reasons, along the
4 building frontage, and then even on Independence near the
5 Club Sport and the office itself.

6 So there are 77 locations at this time.

7 COMMISSIONER KEITH: Okay. That is up
8 from --

9 MR. MOWRY: The original proposal was
10 actually thirty locations, so it's more than that.

11 COMMISSIONER KEITH: Thank you.

12 My other question for the architect about
13 solar panels on top of the parking garages.

14 I've seen that done, you know, various
15 places and it seems like a great idea because people get
16 the benefit of shade and then you have the benefit of
17 solar panels above there.

18 Is that something that you would consider
19 or you are considering as you're looking at parking
20 structures?

21 MR. GILMAN: It's not currently part of the
22 project.

23 COMMISSIONER KEITH: Okay. Is it
24 something that you would consider?

25 MR. BOHANNON: Solar panels on the parking

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1 structures and elsewhere in the project have sort of been
2 part of the project and then not a part of the project
3 and then are under consideration for the future in the
4 project, and it's really a cost affecting this issue.

5 If we're going to create high performance
6 buildings with respect to energy and greenhouse gas
7 reduction, et cetera, we really need to make sure that
8 the dollars go where they're most effective.

9 So --

10 COMMISSIONER KEITH: I was just asking,
11 because Google has a solar panel above the electric cars
12 and people who work there can go borrow the electric
13 cars.

14 MR. BOHANNON: Right. We've looked at it
15 a lot and -- and we're still looking at it, and so I
16 can't say yes or no.

17 COMMISSIONER KEITH: Okay. And I
18 appreciate the changes that you made -- or you're looking
19 at making to the parking garages, because that -- I agree
20 it's great that you're going up higher on that and having
21 more open space, and it's nice to see the examples that
22 your architect is looking at.

23 You know, because based on the architecture
24 that you presented, I'm sure it will be a great
25 enhancement to it. So that's nice to see.

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1 I wanted to ask also -- oh, can you -- oh,
 2 you already talked about that.
 3 You know, the impacts on the schools, we
 4 talked about that in an earlier meeting. Looking at it
 5 now.
 6 I guess it's page 55 of the Fiscal Impact
 7 Analysis, but it looks like -- so Redwood City Elementary
 8 is unaffected, and then Sequoia High School gets about
 9 611,000 a year; is that right?
 10 MR. BOHANNON: Yes.
 11 COMMISSIONER KEITH: Yes? And Menlo Park,
 12 I mean, wouldn't get any?
 13 MR. BOHANNON: The -- the Menlo Park
 14 School District does not.
 15 COMMISSIONER KEITH: Okay.
 16 MR. BOHANNON: So the grammar schools in
 17 Menlo Park are not part of the taxing boundary for the
 18 project.
 19 COMMISSIONER KEITH: Okay. And then --
 20 MR. BOHANNON: You have the Sequoia High
 21 School District and there are several grammar school
 22 districts, and then, you know -- and there's several of
 23 those in Menlo Park, but --
 24 COMMISSIONER KEITH: And then the last
 25 sentence on -- under -- where is it? Basically the

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1 district, it just says: "If the district boundaries were
 2 changed, the school district could benefit," but there's
 3 no move to change that; correct?
 4 MR. BOHANNON: We are -- I think there is
 5 some discussion about how that process might move
 6 forward, and it's still under discussion.
 7 COMMISSIONER KEITH: Oh, really? That's
 8 the first I've heard of that.
 9 Just to staff, then, is that something that
 10 you're looking at for May meeting for City Council or --
 11 MR. MURPHY: In terms of reporting back to
 12 the Council, that was something that Council asked for on
 13 April 6th is not necessarily to burden this project, but
 14 to explore that and see if there was something that could
 15 be done to benefit particularly the Ravenswood School
 16 district in the future.
 17 COMMISSIONER KEITH: Okay. Thank you.
 18 And then -- I don't know who to ask this
 19 to. I mean, looking at -- I'm not sure if it's for
 20 staff, but the ABAG issues.
 21 It seemed like something that hasn't come
 22 up yet this evening, but in looking at the increase in
 23 employees and then ten percent probably living in Menlo
 24 Park, how is that going to -- how will that affect the
 25 ABAG numbers?

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1 MR. MURPHY: There's -- from the -- the
 2 Final EIR, responded to a specific comment by actually
 3 preparing a text modification to the Draft EIR, so I
 4 would point you to that specifically.
 5 It talks about the ten percent issue, to
 6 find of justify that number and was unable to come up
 7 with any evidence to justify something higher than the
 8 ten percent. Maybe even ten percent was a little
 9 potentially aggressive.
 10 There may be disagreements on what that
 11 number should be, but we're quite comfortable with that
 12 in the Final EIR.
 13 The issue about ABAG is actually somewhat
 14 related, but it's actually different. ABAG will go
 15 through kind of a distinct process in determining the
 16 regional housing needs, which is the main thing that ABAG
 17 produces that would affect the City, and between the
 18 Draft EIR and Final EIR, that has been demonstrated as
 19 having a potential range of impacts where I think the
 20 maximum impact of this project to that process, assuming
 21 the worst case, what ABAG has done in the past would be
 22 about 76 units. So there's two different things.
 23 So we're comfortable with how that's
 24 reported in the Final EIR. There are people that are
 25 still not comfortable with that.

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1 COMMISSIONER KEITH: Okay. Thank you.
 2 And then I have a question about -- and I'm
 3 mindful of the time. I know people have questions -- on
 4 term number 4 for public benefit. I'm looking at the
 5 April 6th staff report.
 6 Can you -- I know that there's a million
 7 dollars worth of capital improvement projects allocated
 8 for Belle Haven and Bedwell/Bayfront Park.
 9 When would that money -- when would that
 10 actually be available?
 11 MR. MURPHY: That would be available tied
 12 to the Constitution site, so the second of the two
 13 phases.
 14 COMMISSIONER KEITH: So that could be
 15 fifteen years? Is that right?
 16 MR. MURPHY: Ballpark, yeah.
 17 COMMISSIONER KEITH: So in about fifteen
 18 years, then, the Belle Haven and Bedwell/Bayfront Park
 19 could see a million dollars?
 20 MR. MURPHY: And it could be sooner than
 21 that.
 22 COMMISSIONER KEITH: Okay. That's fine.
 23 Other people can ask question.
 24 CHAIRPERSON O'MALLEY: I'm going to --
 25 Melody first, then John, then Katie.

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1 COMMISSIONER PAGEE: Can I talk to I guess
 2 Andrea Traber?
 3 Is she here?
 4 COMMISSIONER RIGGS: Could you speak up,
 5 Melody?
 6 COMMISSIONER PAGEE: I'm tired.
 7 Your tracking LEED.
 8 Do you have a LEED score card that you
 9 turned in already?
 10 MS. TRABER: They are in the staff report.
 11 COMMISSIONER PAGEE: What page is that on?
 12 MR. MURPHY: So it's not attached to the
 13 staff report right now. It's in the technical appendices
 14 of the Final EIR.
 15 So it's appendix D. I'll flip to it
 16 because it won't jump out.
 17 COMMISSIONER PAGEE: So that's fine.
 18 MR. MURPHY: So about a little more --
 19 about two-thirds of the way through the document.
 20 Unfortunately, there's not a specific page number
 21 associated with it.
 22 COMMISSIONER PAGEE: Sorry. I'll find
 23 that.
 24 MR. MURPHY: Do you want me to give you a
 25 copy?

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1 COMMISSIONER PAGEE: If you can.
 2 That's why you increased the bicycles to
 3 77. Are you tracking bicycles?
 4 MS. TRABER: Yes, we are. I think that 77
 5 is actually the requirements for the --
 6 COMMISSIONER PAGEE: Yeah. I think so,
 7 too.
 8 Okay. So are you also then -- you're going
 9 to have showers within?
 10 MS. TRABER: Mm-hmm.
 11 COMMISSIONER PAGEE: And does that rely on
 12 the sports facility?
 13 MS. TRABER: No.
 14 COMMISSIONER PAGEE: And do they need to
 15 have a clear access to the site? Just the fact that you
 16 have bicycle storage means that they have a bike path to
 17 get there?
 18 MS. TRABER: That's not required in LEED,
 19 no.
 20 COMMISSIONER PAGEE: And then --
 21 MS. TRABER: The offsite bike path, that's
 22 not required.
 23 COMMISSIONER PAGEE: I know,
 24 unfortunately.
 25 And then, so transportation, what are you

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1 talking on transportation?
 2 MS. TRABER: In terms of which credit?
 3 COMMISSIONER PAGEE: Yes.
 4 MS. TRABER: The carpooling, the van
 5 pooling and the electric vehicle potential.
 6 COMMISSIONER PAGEE: And no proximity to
 7 existing lines of anything? More carpooling or
 8 voluntary --
 9 MS. TRABER: The shuttle actually
 10 qualifies for one point, and also the TDM plan may
 11 actually qualify for an innovation point. It's been
 12 approved in the past.
 13 COMMISSIONER PAGEE: Okay. And then I'm
 14 sorry. I didn't have a chance to find this. Those were
 15 my basic questions, but I'll -- I'll e-mail through the
 16 staff. Maybe they can answer some.
 17 MS. TRABER: Thank you.
 18 CHAIRPERSON O'MALLEY: John.
 19 COMMISSIONER KADVANY: Thank you.
 20 Question for Tom Gilman. I was wondering
 21 what your thoughts were about -- there are two choices
 22 now with the garages. Thanks for developing the option.
 23 I mean, there's a tradeoff between the
 24 pro -- you get new space. The project was very nice.
 25 Everybody recognizes that, but there's going to be the

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1 increase in perceived massing because of the height kind
 2 of, you know, being obviously kind of closer, much more
 3 like the office buildings which they're next to than
 4 being unlight.
 5 Was it a shear tradeoff of --
 6 MR. GILMAN: No.
 7 COMMISSIONER KADVANY: What's your
 8 thoughts on that?
 9 MR. GILMAN: I'll pull up another drawing
 10 here in a second, but I actually think that -- I really
 11 like the tradeoff in terms of our average open space for
 12 the two parcels together raises from about forty percent
 13 landscaped open space to about 45 percent.
 14 So it's a significant increase in usable
 15 landscape area, which I think is -- is very significant.
 16 I think when we look at -- when we look at
 17 some of the images. Keep going, Susan.
 18 Here's kind of where we were, and the next
 19 view -- I think we go to the next view. Here's where
 20 we're going.
 21 I think that one of the things that -- I
 22 think the two things go in conjunction with one another.
 23 I think that as we've taken a much closer look at design
 24 and started to think about what materials might be, I
 25 think it's given us the opportunity to look at the bulk

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1 of that, and I think you have to think again that these
2 structures were -- two of the structures were one bay
3 deeper.

4 They were three bays, when, in fact, the
5 one on Constitution was three bays deep and the one on
6 Independence was four bays deep.

7 Each of those structures is being reduced
8 by approximately sixty foot of width.

9 COMMISSIONER KADVANY: Right.

10 MR. GILMAN: The lengths are basically the
11 same. They're becoming a little taller, but I think if
12 we go to the view at Chrysler -- and that was a view that
13 I thought was quite surprising -- where the impact I
14 think is not significant in terms of the relation -- here
15 we go right here.

16 It's clear that the parking structure --
17 and this is still the old design, but we can see the
18 massing.

19 The parking structure itself is still
20 significantly different than the height and mass than the
21 office buildings, but the fact that we're able to set
22 back further and open up the site to see the office
23 building more clearly I think is significant in terms of
24 the experience of the project.

25 So I think that you have to think of both

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1 the -- the width as well as the height together.

2 COMMISSIONER KADVANY: I see.

3 MR. GILMAN: And I think in some of those
4 other sketches in terms of the architecture, I think as
5 we refine that, the detailing of the architecture, we're
6 going to be able to scale that -- scale them down in the
7 sense in terms of different treatments that we use on the
8 exterior.

9 COMMISSIONER KADVANY: I think that kind
10 of doglegs of what you're talking about changes. I'm
11 glad you pointed that out. Thank you.

12 So while you're here, I'd like to -- you
13 may have commented earlier about content -- context
14 sensitivity, so on.

15 It seems to me the project is really
16 oriented toward the interior, which I think makes sense
17 because you've got 101 on one side, Bayshore Expressway
18 on the other -- on the other side.

19 So you're kind of turning your -- in that
20 sense, you're turning your back on -- on the Bayshore.
21 It's the same way the buildings have survived on El
22 Camino by turning their back.

23 How do you see this project fitting with
24 Bayfront? Is it basically -- the landscaping is
25 beautiful all around, it's buffering. I think it works

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1 for the inside and the outside, but my question is: "How
2 are you relating to the bay and that leads into what is
3 this power line -- power line -- existence of those power
4 lines nearby these nice looking buildings, you know,
5 however many star hotels, et cetera.

6 From architectural to planning --

7 MR. GILMAN: It's interesting. We like
8 many folks have -- have had to work in close proximity to
9 some of those trunk lines, and a similar project that I
10 can think of that we did a few years ago was the
11 Government Center for Foster City.

12 I think it fronts the exact -- I'm sure
13 it's the exact same trunk line that continues to march on
14 up, and same condition. Our major City Hall is right
15 adjacent to that, and it's interesting, you know, that
16 that -- how they tend to go away.

17 I mean go away in the sense of the elements
18 that you provide in terms of new design, both the
19 landscape in terms of the mass of the buildings and so
20 on, I think that you can; not so much distracting folks,
21 but those become significantly the developments that you
22 see and pass by.

23 The fact that there are overhead lines,
24 they exist. They're simply there.

25 I think that in terms of the relationship

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1 to the bay and to the views to the north, these buildings
2 really are much more transparent on those sides. They're
3 very, very glassy.

4 These buildings have a presence because of
5 their height and because of that transparency and the
6 activity that you will see inside the buildings both day
7 and night, I think that there's a lot of visual interest
8 and I think that that's the connectivity that the project
9 has to that side.

10 And clearly from inside, having transparent
11 glazing as opposed to more deeply tinted glazing, there's
12 clearly inside there's much more view, much more
13 connectivity to the outside, as well.

14 I think on Independence, yes, this idea of
15 inward focus, but, you know, taking an urban kind of
16 perspective and trying to bring the buildings to the
17 street that they front on so that there is that level of
18 activity, that pedestrian level of activity that occurs,
19 people coming and going from the buildings and trying to
20 enliven the streets and kind of convert what have been to
21 date, you know, relatively wide scale industrial streets
22 with, you know, relatively high speed traffic and really
23 trying to scale that down and tighten up the visuals from
24 those streets so that there is more -- so that they're
25 more favorable to pedestrians.

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1 COMMISSIONER KADVANY: Okay. Thanks.
 2 One last question on aesthetics.
 3 How is the hotel -- the hotel still strikes
 4 me in comparison to the other buildings somewhat as a
 5 Plain Jane from some of its -- some of the directions
 6 like the west -- I think the west face.
 7 The building seems to have just a lot of,
 8 you know, plain -- plain facade which you might not
 9 notice if it was sited by itself, but the contrast to the
 10 other buildings that are around it, it seems to be a
 11 little bit -- still a little bit plain.
 12 MR. GILMAN: You know, it's interesting
 13 that hotel design -- when you think of the hotel block,
 14 those -- functionally those have -- those spaces have
 15 typically much more regularity in terms of room to room
 16 to room, and I think one of the things that we tried hard
 17 working with the hotel consultant was to try to locate
 18 some of the special rooms, like the suites, location of
 19 stairs and elevators to help break up some of those
 20 Long -- the longer elevations.
 21 Overall, I think that the hotel and Club
 22 Sport taken together is a lot of movement with the two
 23 story, two and a half story elements of the Club Sport
 24 and the lobby kind of areas, the portico share and so on.
 25 So I think with the hotel block itself, the

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1 movement in terms of introducing some balcony conditions
 2 and some of these special rooms to create some visual
 3 interest, and then, as well, using similar materials from
 4 the office buildings, bringing those into the design so
 5 that there is that compatibility.
 6 But I think that in the final analysis, the
 7 hotel should look a little bit different. It should read
 8 that this is a hotel building. It's not simply an office
 9 building that people stay in overnight.
 10 COMMISSIONER KADVANY: I agree with that,
 11 but I think the level of attraction should be as high,
 12 too.
 13 Okay. Thanks. I appreciate everything
 14 your -- I appreciate everything you've done.
 15 I have a quick question for Eric. Eric,
 16 are you -- this is something that just came to mind that
 17 maybe you can answer because people have asked about.
 18 I just -- you talk about the new modeling
 19 that you've done.
 20 Do you in any way try to distinguish new
 21 trips from old trips in Silicon Valley circulation?
 22 Because the argument from some people is like well,
 23 people are just -- the net trips is actually much lower
 24 because, you know, we can -- they've been stolen away
 25 from the other business. The other argument is no, this

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1 is pure growth. These are probably mostly new trips.
 2 Do you have any insight on that?
 3 MR. LIU: Yeah. You -- you've brought up
 4 an issue, a very complex issue in terms of understanding
 5 global climate change and the contribution of GHG
 6 emissions.
 7 For this project analysis, we didn't
 8 account for that. We conservatively assumed that all the
 9 trips are new and that they are contributing new
 10 emissions.
 11 But you're very right in the concept of --
 12 for many projects, the trips that we're estimating GHG
 13 emissions for, they aren't actually new. They're just
 14 displaced trips.
 15 They're trips that already exist within the
 16 realm of global climate change. People are driving to
 17 work somewhere else, but now they're just driving to
 18 Menlo Gateway.
 19 And in many cases, we do do those analyses
 20 to look at the metrics and we sometimes do analysis to
 21 try to -- because a lot of these projects such as this,
 22 development within a -- what we call to call an urban
 23 corridor. Reduce emissions even though they're trips
 24 that already exist.
 25 COMMISSIONER KADVANY: All right.

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1 MR. LIU: Right. Certainly it's something
 2 to consider, and we would make the argument that many of
 3 the trips that are included in the project are, in fact,
 4 not new trips.
 5 So if we were to refine this even further
 6 to make it a more -- an even more exact estimate of what
 7 the emissions may be for the project, I would expect that
 8 this -- it would be smaller than what we've even
 9 represented.
 10 COMMISSIONER KADVANY: Okay. Great.
 11 Thanks.
 12 CHAIRPERSON O'MALLEY: Just so I
 13 understand your comments, basically you took the case
 14 that would be the most emissions?
 15 MR. LIU: That's correct.
 16 CHAIRPERSON O'MALLEY: Thank you.
 17 COMMISSIONER KADVANY: I've got a question
 18 for Andrea.
 19 Well, We've got fifteen minutes. Go ahead.
 20 COMMISSIONER KADVANY: This is a quick
 21 question. Thank -- glad to have you participating in the
 22 process and everything shows in the work, but one thing
 23 that I don't quite understand about LEED, whether it's --
 24 not LEED, but basically this project.
 25 Ultimately this is a very autocentric

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1 project. That's how it works. Bring people in cars to
2 get them into the office in the hotel and gym.

3 That's the model here, and I understand
4 that. It's fundamentally a traditional office park with
5 a lot of nice green attributes in the building.

6 My question is: From a LEED or just
7 general environmental engineering and design perspective,
8 you know, how do you put those together? Does LEED have
9 a perspective on this type of development today?

10 I mean, because it's the kind of
11 development that a lot of environmentalists would say
12 wait. You know, this is going to be a 9:00 to 5:00
13 Monday through Friday set of buildings. People -- it's
14 going to be empty parts of the time. It's separated from
15 other functions altogether. It's not diversified in
16 terms of its -- you know, in terms of its commercial
17 functions, very office dependent and so on.

18 So it's sort of -- it's not -- in terms of
19 green urban design, I don't think it's really there.

20 Can you either disabuse me of that or give
21 me some perspective. I hope you understand what I'm
22 talking about.

23 MS. TRABER: Sure. Just to quickly talk
24 about LEED, on things such as transportation and car use
25 and building, absolutely. The system is a comprehensive

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1 system, but that also applies very site specifically.

2 So there is credit given for preference for
3 transit orientation. You get -- you get more credit, you
4 get more scoring. You get the higher rating potentially.
5 That's just within the context of LEED.

6 So it does give preferential for transit
7 orientation.

8 That's not to say that, you know, all the
9 same strategies can be effective on every different site.
10 I mean, there is not, you know, walkable transit within
11 this site as there is in urban infill setting.

12 So that's where the Transportation Demand
13 Management Plan and all the additional strategies we're
14 developing help to overcome, you know, some of the issues
15 just by the site location.

16 You know, speaking more broadly, I
17 absolutely -- personally, I absolutely agree. I would
18 like to see transit oriented development everywhere, you
19 know, but we have urban settings, we have places like in
20 that are somewhere in the middle.

21 You know, transit will be coming closer in
22 this area. It is -- there are many regional decisions
23 that are made with that. The high speed train, who knows
24 what will happen with that.

25 I mean, so some of these -- to really tie a

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1 site that's kind of in the middle zone directly to
2 transit is actually quite difficult because of the
3 infrastructure that exists or does not exist.

4 So what we do is try to do everything we
5 can to incentivize through the Transportation Demand Plan
6 and so on to encourage non-auto use, absolutely. I think
7 it's absolutely critical.

8 COMMISSIONER KADVANY: Are there any new
9 conceptions of the function of parking garages? I mean,
10 they're kind of -- of course they need to park cars, but
11 ways to design them so that like the first level or floor
12 is much more -- not just Zip cars and charging electric
13 vehicles, but just to -- basically to incentivize,
14 facilitate, make much more comfortable -- I think there's
15 a word for people that design bus systems. They talk
16 about the dignity.

17 You know, you can't give people a crummy
18 bus. They won't want to get on it. So kind of like
19 making areas much nicer for shuttles, shared vehicles or
20 whatever in some special way.

21 I mean, like the parking garage seems to be
22 a century old or anything.

23 MS. TRABER: I would invite Michael to
24 help me out on transportation specific things, but I mean
25 absolutely.

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1 This project is designed very carefully. I
2 mean, this page actually -- the waiting areas for the
3 shuttles and so on will be very nice and integrated into
4 the -- the scene here.

5 I -- we've given bike lockers versus bike
6 racks and stands. I think that's very important,
7 actually. People have expensive bikes typically, so to
8 provide lockers is actually much better. The changing
9 rooms is actually very important.

10 Some people in the prior meetings have been
11 talking about how they would be biking to the site and so
12 on. So that is very important for them.

13 COMMISSIONER KADVANY: Thank you. I don't
14 want to take much time here.

15 Go ahead.

16 MS. TRABER: I think that the electric
17 vehicle charging is actually pretty significant. No one
18 is doing that yet because they're not -- they're not here
19 yet, but this is actually quite significant.

20 We've been planning this for a long time,
21 you know, knowing that they will be using.

22 COMMISSIONER KADVANY: Thanks much.

23 CHAIRPERSON O'MALLEY: Thank you, John.
24 Vince.

25 COMMISSIONER BRESSLER: Okay. I'm looking

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1 at the environmental consulting report, and looking at
2 page 34, I actually have a question for Mr. David
3 Bohannon prior to this. Thank you.

4 Okay. I'll summarize the question while
5 he's coming up. This is a chart that shows the payback
6 period, net revenues, gross revenues for the office
7 retail component and also for the hotel/Club Sport
8 component of the project.

9 Based on this spreadsheet, it's my
10 understanding that the entire project -- this is -- this
11 was basically a feasibility study to see if -- how the
12 numbers pencil out for this project, first of all.

13 Is that -- is that an incorrect indication
14 of what this report is? This is a report from Cushman &
15 Wakefield and it's on -- it's about -- I don't know, an
16 eighth of an inch thick. It's on white paper called
17 Evaluation, page 34.

18 MR. BOHANNON: So I'll speak to this, but
19 I think Justin may weigh in, as well.

20 We developed through our own consultants
21 very detailed pro forma, you know, revenue performance
22 pro forma information, and we provided that to the City
23 quite sometime ago, and the City then engaged its own
24 consultants, and the report you're looking at here was
25 produced by a City-hired consultant which was really to

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1 validate some of the work that we did and do their own
2 independent work.

3 So I think, you know, in the absence of --
4 and, you know, the consultant who prepared this report
5 was at the April 6th meeting, and I would I think direct
6 you to the web stream or -- Justin, do you have another
7 approach?

8 MR. MURPHY: Yeah. Is there a specific
9 question?

10 COMMISSIONER BRESSLER: There is a
11 specific question. I want to verify a few things from
12 here.

13 According to this -- I'm just first of all
14 trying to identify what this report is, which was helpful
15 what you just said. Thank you.

16 This report indicates that after fourteen
17 years, the entire project is paid off.

18 Is that -- am I incorrect in interpreting
19 this page to say that?

20 MR. MURPHY: I'd actually have to look at
21 the page again to --

22 MR. BOHANNON: I'm not sure where you're
23 looking and how you're --

24 COMMISSIONER BRESSLER: I'm looking at the
25 bottom line here where it says net cash flows. Internal

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1 rate of return. Basically after fourteen -- in year
2 fourteen, you have a positive number for net cumulative
3 cash flow indicating that sometime between year thirteen
4 and year fourteen, the project has paid off everything.

5 MR. BOHANNON: Oh, no, no, no. No, no,
6 no. No. I think we might -- we might reach a -- a
7 stabilized cash flow at that point.

8 The project takes a number of years to get
9 up and running, so I'm not sure -- that's the point in
10 time -- that's correct. That's the point in time that
11 the project actually turns positive.

12 COMMISSIONER BRESSLER: Turns positive in
13 terms of the --

14 MR. BOHANNON: Cash flow.

15 COMMISSIONER BRESSLER: The net cash flow
16 is given as positive starting year five on this.

17 How am I to interpret that?

18 MR. BOHANNON: No.

19 COMMISSIONER BRESSLER: That --

20 MR. BOHANNON: Those are all negative
21 numbers.

22 COMMISSIONER BRESSLER: Not what I'm
23 looking at.

24 At the top of the table, it says: "Hotel/
25 Club Sport component and office retail component, total

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1 net income," and -- okay. So -- well --

2 MR. BOHANNON: Net cash flow is the --

3 COMMISSIONER BRESSLER: The net cash flow
4 I see as being negative numbers until we get out to --

5 MR. BOHANNON: Year fourteen as you
6 pointed out.

7 COMMISSIONER BRESSLER: Net cumulative
8 cash flow is negative until year fourteen. This is
9 pretty important to me, anyway. I -- my understanding is
10 that means the project's paid off.

11 MR. BOHANNON: No.

12 COMMISSIONER BRESSLER: Well, I'm going to
13 have to get some clarification on that.

14 That's all I have to say, then. I want
15 some clarification on that.

16 MR. BOHANNON: This doesn't look at the
17 project financing. This just looks at cash flow and
18 rates of return.

19 CHAIRPERSON O'MALLEY: Okay. Katie.

20 COMMISSIONER FERRICK: Thank you. I'll be
21 as brief as possible. I just first want to say I really
22 appreciate the changes that the applicants have made in
23 collaboration with the community, especially with the
24 greenhouse gas reduction, affordable housing and the
25 increased open space, and also I appreciate the staff

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1 report and getting it all to us within two and a half
2 weeks in advance, including the term sheet more than
3 three weeks in advance.

4 My two last questions are: Is the -- is
5 there any chance at commercial space on part of the
6 lowest floors of the garage, particularly the
7 Independence site between the office building and Club
8 Sport along that nice new kind of widened space that
9 might be there?

10 Like, you know, cafes and that sort of
11 thing and dry cleaners and things that are keep people
12 not driving across to Round Table.

13 MR. BOHANNON: The short answer is no. A
14 more -- a more sensitive answer would be that as large as
15 this project is, it -- it's not sufficient -- critical
16 mass here is not sufficient to support that kind of
17 space.

18 So we will have concierge service. We
19 will -- we will provide ways in which to serve the
20 residents of those office buildings in the project and
21 the visitors to the hotel.

22 Perhaps over time as additional properties
23 develop and there's more critical mass in this area,
24 those kinds of services will, you know, be sustainable,
25 but I -- I do not believe that they would work in this

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1 stage of the game.

2 COMMISSIONER FERRICK: Thank you, and my
3 last one is probably similar.

4 I know child care -- a child care center
5 was one of the public benefits that was being considered.
6 I know it's not on the term sheet now, so I'm assuming it
7 didn't quite get up there for whatever reason, but with
8 2,300 at fully rented out workers, I'm curious to know,
9 do you think there would be a sustainable model if
10 someone were to choose to open something like that, a
11 private enterprise or something?

12 MR. BOHANNON: So we've looked a little
13 bit at child care, and I know only enough to be dangerous
14 to myself, probably.

15 It's not something that I think that --
16 that the development from a speculative perspective
17 would -- would undertake.

18 It's more likely that if there were a large
19 company who took a significant amount of space, that they
20 might either contract for or -- or create a program to
21 serve their -- their population.

22 But short of that, I don't -- I don't see
23 there being a child care center that would serve, you
24 know, a multi-tenant project of this type.

25 COMMISSIONER FERRICK: Thank you. Got it.

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1 There's a lot of good outdoor space now for
2 them to play in, though.

3 COMMISSIONER KADVANY: David, while you're
4 here, I just want to clarify what Katie was talking
5 about. It may be just a misunderstanding.

6 There was just a description in today's
7 agenda that says -- describes both sites, Constitution
8 Drive and Independence as a potential neighborhood
9 serving convenience retail.

10 So I interpret the neighborhood being the
11 office neighborhood generally, but is that consistent
12 with what you said about not being -- having critical
13 mass to support the kinds of things that Katie was
14 describing, you know, lunch cafes and dry cleaning or
15 whatever?

16 I don't quite -- I don't quite get it. In
17 terms of the retail space.

18 MR. BOHANNON: I'm not sure exactly what
19 you're referring to.

20 COMMISSIONER KADVANY: Just today's
21 agenda. So it's in the staff report, some of the staff,
22 I guess.

23 MR. BOHANNON: Well, I think -- so I
24 think -- yeah. I think that the zoning will permit that,
25 but -- but that's as distinguished whether -- whether

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1 it's a viable use at this stage of development in this
2 part of the M-2.

3 It's my belief that it's -- that it's not.

4 I do believe, however, that hotel is going
5 to have a full service restaurant. There will be
6 incidental retail in the hotel.

7 There will be likely food service in each
8 of those office buildings, either provided by us on a
9 subsidized basis or by a large tenant that occupies the
10 space, and the types of, you know, service amenities such
11 as a postal drop or an ATM or a concierge desk, those
12 kinds of things, to the extent that we can derive
13 interest and demand by our tenants, we will establish
14 those things.

15 COMMISSIONER KADVANY: Okay. Good. I'm
16 glad you're taking care of that.

17 I think it's very important for people to
18 understand the kind of space that we're -- you know,
19 that's going to happen here, and I'm glad for that
20 clarification.

21 There is also raised community facility,
22 but I guess I'll leave that for clarification for another
23 time.

24 CHAIRPERSON O'MALLEY: We --

25 MR. BOHANNON: Just if I can speak to the

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1 community facility. I do believe that the hotel is
 2 clearly going to be open to the public. We'll -- we'll
 3 invite, you know, public there for events.
 4 There will be conference facilities in that
 5 hotel, a full service open to the public restaurant.
 6 COMMISSIONER KEITH: And I -- I just
 7 really point out that it's after 11:30. You kind of
 8 alluded to it already.
 9 I know Gail Slocum has asked in her topic
 10 to us tonight when she spoke about ATM and postal
 11 service, and you did say to the extent your tenants would
 12 like that, you'll establish that in the building? Is
 13 that right?
 14 MR. BOHANNON: Yes.
 15 COMMISSIONER KEITH: Great.
 16 CHAIRPERSON O'MALLEY: I'd like to ask the
 17 Commission if they want to spend another ten minutes
 18 allowing each Commissioner if they want to to make
 19 general comments about the project.
 20 COMMISSIONER FERRICK: I'd be happy to,
 21 but you haven't been able to answer -- ask any questions
 22 yet, John.
 23 CHAIRPERSON O'MALLEY: Most of my
 24 questions have been answered. I had one, but I can do
 25 that at our next meeting.

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1 I -- I do -- do want to before we get to
 2 Commissioner comments, if Commissioners are willing to do
 3 that, I want to thank Mr. Bohannon and his consultants
 4 for the huge effort they put into this and their
 5 willingness to expose themselves to us and to the
 6 community and your willingness to make many, many changes
 7 as they've gotten comments from -- from the town or the
 8 City, and I'd like to thank staff as well for the huge
 9 amount of work that they have done and for giving us the
 10 material that we have that allows us to evaluate.
 11 I know we have another major meeting to go
 12 through, but I think staff has done a great job. I think
 13 Mr. Bohannon and his consultants have done a great job
 14 and I think the public has done a great job in -- in
 15 bringing to light many of their concerns.
 16 So now I just -- I'm going to poll the
 17 Commission starting with Melody.
 18 Are you willing to go another couple
 19 minutes or do you wish to call it quits?
 20 COMMISSIONER PAGEE: I'll listen.
 21 COMMISSIONER KADVANY: I've got to go.
 22 Sorry. We didn't vote to go past 11:30.
 23 COMMISSIONER RIGGS: I have other
 24 questions.
 25 CHAIRPERSON O'MALLEY: Everybody fine?

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1 We've got people -- Vince, you had comments.
 2 CHAIRPERSON O'MALLEY: All right, fine.
 3 We'll do it next time. Meeting's adjourned.
 4 (The meeting concluded at 11:36 PM).
 5 ---o0o---

26 STATE OF CALIFORNIA)

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1 COUNTY OF SAN FRANCISCO)
 2
 3 I, the undersigned, hereby certify that the
 4 discussion in the foregoing meeting was taken at the time
 5 and place therein stated; that the foregoing is a full,
 6 true and complete record of said matter.
 7 I further certify that I am not of counsel or
 8 attorney for either or any of the parties in the
 9 foregoing meeting and caption named, or in any way
 10 interested in the outcome of the cause named in said
 11 action.
 12
 13
 14 IN WITNESS WHEREOF, I have
 15 hereunto set my hand this
 16 _____ day of _____,
 17 2010.
 18 Mark I. Brickman CSR 5527
 19
 20
 21
 22
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 24
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