



CITY COUNCIL SPECIAL MEETING AGENDA

Tuesday, February 25, 2014
6:00 P.M.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers

6:00 P.M. STUDY SESSION

SS1. Overview of Economic Development Strategic Plan Update and Study Session
(*Staff report #14-035*)

SS2. Provide direction on proposed City Hall improvements (*Staff report #14-030*)

7:00 P.M. REGULAR SESSION

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

PLEDGE OF ALLEGIANCE

ANNOUNCEMENTS

A. PRESENTATIONS AND PROCLAMATIONS

A1. Proclamation recognizing Menlo Park employee

B. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS

C. PUBLIC COMMENT #1 (Limited to 30 minutes)

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

D. CONSENT CALENDAR

D1. Adopt a resolution approving a water service priority policy for the Menlo Park Municipal Water District (*Staff report #14-029*)

D2. Approve the Parks and Recreation Commission 2-Year Work Plan Goals for Years 2014-2016 (*Staff report #14-032*)

D3. Affirm the guiding principles for the 2014-15 budget process (*Staff report #14-033*)

D4. Accept minutes for the Council meetings of January 27 and February 11, 2014 (*Attachment*)

E. PUBLIC HEARINGS – None

F. REGULAR BUSINESS

F1. Authorize staff to issue the Request for Proposal (RFP) for consultant services for the General Plan Update and M-2 Area Zoning Update (*Staff report #14-031*)

F2. Adopt the 2014 City Council Goals (*Staff report #14-034*)

G. CITY MANAGER'S REPORT – None

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS – None

J. COUNCILMEMBER REPORTS

K. PUBLIC COMMENT #2 (Limited to 30 minutes)

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

L. ADJOURNMENT

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

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

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OFFICE OF THE CITY MANAGER

Council Meeting Date: February 25, 2014
Staff Report #: 14-035

Agenda Item #: SS-1

STUDY SESSION: Overview of Economic Development Strategic Plan Update and Study Session

RECOMMENDATION

Staff recommends the City Council provide general direction on the next steps in updating the Economic Development Strategic Plan.

BACKGROUND

In 2013, the City Council directed staff to update the current Business Development Plan. Staff originally envisioned a modest update to the Plan. However, the dramatic changes in the economy in the first half of 2013 made it clear that a comprehensive revision would be more appropriate to ensure that the City of Menlo Park's economic development efforts are taking full advantage of the current economic upswing.

To offset this more time intensive effort and ensure that the City Council and Menlo Park business community were receiving regular updates regarding economic activity, the Office of Economic Development began publishing a quarterly update newsletter. The Quarterly Economic Development Update has been very well received and has resulted in multiple positive media stories about the proactive planning and economic development efforts the City has undertaken.

In October, the City Council directed staff to review a proposal from then Mayor Pro Tem Mueller to identify the appropriate additional support that the City might offer to small businesses in or seeking to open in Menlo Park. Staff was asked to consider and seek input on establishing a Commission or other formal body as well as other economic development strategies.

Staff contracted with BAE Urban Economics (BAE) to assist with developing the necessary economic trends and opportunities analysis, conducting a Menlo Park business survey and acquiring the necessary employment data from the State of California Employment Development Department. In addition, BAE conducted 1-on-1 interviews with key stakeholders within the Menlo Park Business Community.

Staff and BAE have developed the attached presentation and background information for the City Council's review and comment. The City Council's input as well as public comment from this study session will be included in the final Economic Trends and Opportunities Report. This report will form the background and basis for the Draft Economic Development Strategic Plan. The Draft Economic Development Strategic Plan will be submitted for public review and revised before being submitted for City Council Approval.

ANALYSIS

What is Economic Development?

Economic Development is the proactive effort to retain and attract businesses, which improve the quality of life for all by expanding employment opportunities and strengthening our tax base.

This effort may focus on:

- Business support
- Marketing
- Assistance in resolving permitting issues
- Workforce development
- "Placemaking" and infrastructure
- Fiscal benefits to the City's General Fund

The attached presentation and background information provides a context for Menlo Park's position within the region and global economy. The presentation also includes Staff's recommended next steps.

IMPACT ON CITY RESOURCES

Depending on the recommendations of the City Council Staff may require additional consultant services.

POLICY ISSUES

The Economic Development Strategic Plan process will consider a number of policy issues.

ENVIRONMENTAL REVIEW

This is not a project requiring environmental review.

PUBLIC NOTICE

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

ATTACHMENTS

A. Economic Trends Presentation

Report prepared by:

Jim Cogan

Economic Development Manager

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PHASE 1: ECONOMIC TRENDS

MENLO PARK ECONOMIC DEVELOPMENT STRATEGIC PLAN

BAE URBAN ECONOMICS

INTRODUCTION

What is economic development?

- Retain and expand jobs to improve the quality of life for all
- Can focus on:
 - Business support
 - Workforce development
 - "Placemaking" and infrastructure
 - Fiscal benefits to City's General Fund
- In the Bay Area, economic development tends to focus on innovation (tech, start-ups, STEM education)
- In recent years, also focus on middle-income jobs (food, "maker economy," etc.)



MENLO PARK ECONOMIC DEVELOPMENT STRATEGIC PLAN

Planning Process:

- Analysis of economic, business, and demographic conditions
- Business survey and interviews
- City Council workshop
- Prepare report



ECONOMIC TRENDS

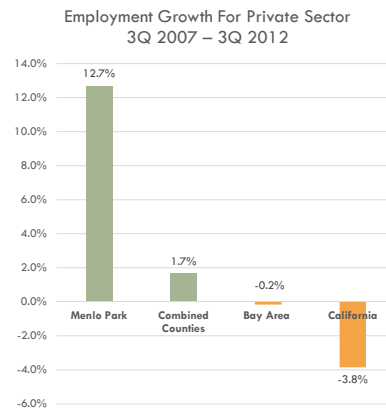
Sources:

- Employment by sector
 - Quarterly Census of Employment and Wages (QCEW) as published by CA Employment Development Department (EDD)
 - Confidential firm-by-firm reporting for Menlo Park
- Commute and demographic data
 - American Community Survey (US Census)
- Taxable sales data
 - State Board of Equalization (SBOE)
- Menlo Park Budget
- Business Survey
 - Sent to all businesses with business license
 - Responses online
 - 143 businesses responded
- Interviews
 - 10 interviews with local business owners, chamber, real estate developers
- Field observations

ECONOMIC TRENDS: EMPLOYMENT GROWTH

Employment Growth 2007 - 2012

- Menlo Park private sector employment grew by 12.7%
 - Added > 2,900 jobs during the period
- San Mateo/Santa Clara "Combined Counties" grew more slowly
- Bay Area relatively flat, and California declined by 3.8 %

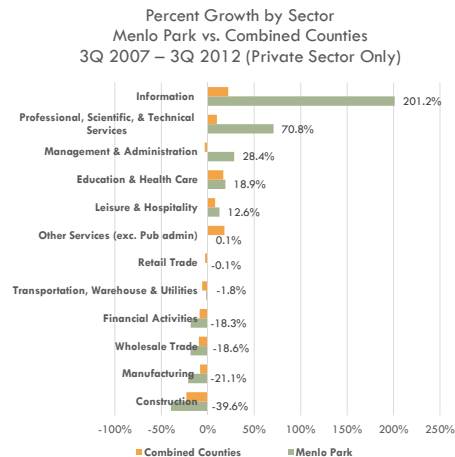


Sources: U.S. Department of Labor, Bureau of Labor Statistics QCEW Program; California Employment Development Department, 2014; BAE, 2014.

ECONOMIC TRENDS: EMPLOYMENT GROWTH BY SECTOR

Menlo Park grew differently than the San Mateo/Santa Clara County region ("Combined Counties")

- Menlo Park grew by > 200% in Information
- Menlo Park also grew by 70% in Prof/Tech Services (partially due to Facebook)



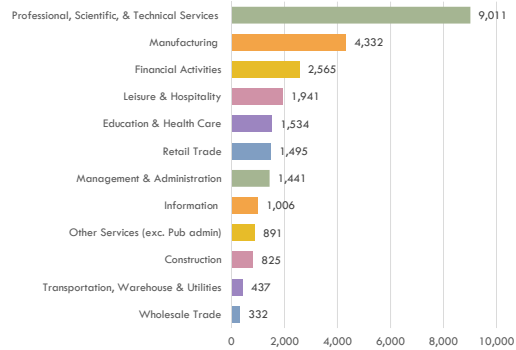
Sources: U.S. Department of Labor, Bureau of Labor Statistics QCEW Program; California Employment Development Department, 2014; BAE, 2014.

ECONOMIC TRENDS: EMPLOYMENT COMPOSITION

Menlo Park's Employment Composition:

- Dominated by Prof/Technical, Manufacturing, and Financial
- Facebook included in Prof/Technical category

Composition of Menlo Park Private Sector Employment 3Q 2012



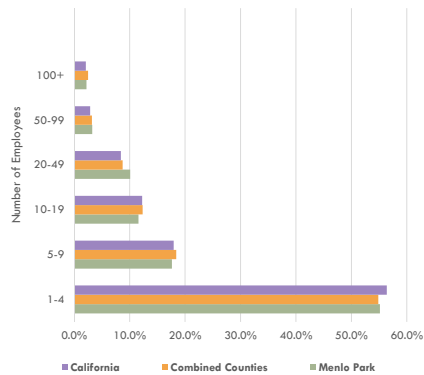
Sources: U.S. Department of Labor, Bureau of Labor Statistics OCEW Program; California Employment Development Department, 2014; BAE, 2014.

ECONOMIC TRENDS: ESTABLISHMENT SIZE

Menlo Park's establishment sizes follow similar patterns as "combined counties" and state

- Total private establishments in Menlo Park = 1,594
- More than 55% of Menlo Park's are 1 - 4 employees
- Another 18% of Menlo Park's are 5 - 9 employees
- Just over 2% of Menlo Park's have 100 or more employees

Private Establishments by Number of Employees 2011



Sources: U.S. Census Zip Code and County Business Patterns, 2011; BAE, 2014.

ECONOMIC TRENDS: LARGEST EMPLOYERS

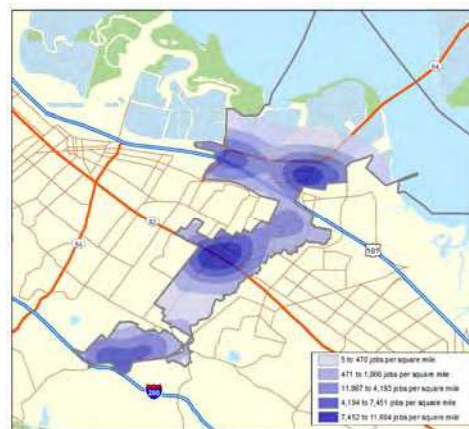
	Name of Employer	Number of Employees
1	Facebook	2,885
2	SRI International	1,421
3	Menlo Park VA Medical Center	837
4	TE Corporation	747
5	SHR Hotel LLC	458
6	US Geological Survey	454
7	E * Trade Financial Corporation	370
8	Evale Inc.	328
9	Pacific Biosciences of California	300
10	Safeway Stores	264

Sources: City of Menlo Park; California Employment Development Department, 2014; BAE, 2014.

ECONOMIC TRENDS: LOCATION OF EMPLOYERS

Most employers located in M-2, Downtown, or near I-280

- Densest locations have > 7,400 jobs per square mile

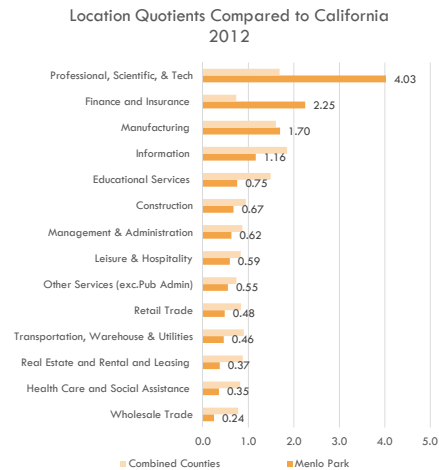


Source: ESRI; Longitudinal Employer-Household Dynamics, OnTheMap, U.S. Census Bureau; BAE, 2014.

ECONOMIC TRENDS: SPECIALIZATION

Location Quotient (LQ)

- Describes specialization in Menlo Park (higher concentration of jobs than benchmark economy)
 - Menlo Park compared to California
 - Sectors with > than 1.0 indicate specialization and strength
- Menlo Park LQs > 1.0 in 2012:
 - Prof/Tech – 4.03
 - Finance – 2.25
 - Manufacturing – 1.70
 - Information – 1.16

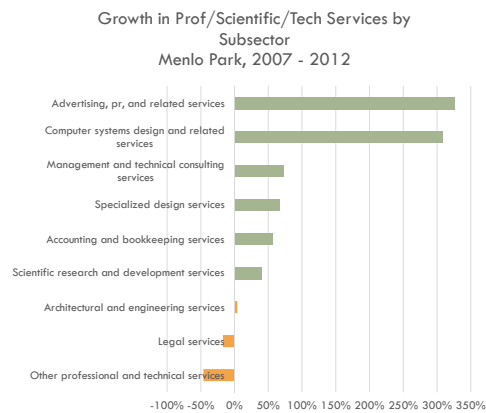


Sources: U.S. Department of Labor, Bureau of Labor Statistics QCEW Program, California Employment Development Department, 2014; BAE, 2014.

ECONOMIC TRENDS: SPECIALIZATION BY SECTOR

Professional/Scientific/Technical Services 2007 – 2012

- Examples:
 - Facebook
 - ETAK, Inc (Tele Atlas North America)
 - Lathan & Watkins (law firm)
 - Orrick, Herrington & Sutcliffe LLP (Law firm)
 - Arista Networks, Inc
- LQ of 4.03
- Net gain of 3,717 jobs for period
 - Gain of 3,943 jobs (about 1/3rd not Facebook)
 - Offset by loss of 226 jobs
- This sector is very strong in Menlo Park, and growing



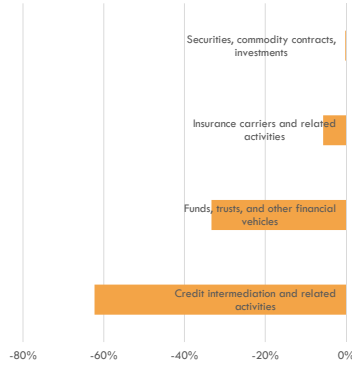
Sources: U.S. Department of Labor, Bureau of Labor Statistics QCEW Program, California Employment Development Department, 2014; BAE, 2014.

ECONOMIC TRENDS: SPECIALIZATION BY SECTOR

Financial Activities 2007 - 2012

- Examples:
 - Merrill Lynch
 - Kleiner Perkins Caufield & Byers LL
 - Citigroup Global Markets, Inc.
 - Morgan Stanley & Co., Inc.
 - Sequoia Capital Operations, LLC
- LQ of 2.25 in 2012
- Net loss of 370 jobs for period (-18%)
 - No subsectors had gains
- Means this is a strong sector needing support to reverse small decline

Growth in Financial Activities by Subsector
Menlo Park, 2007 - 2012



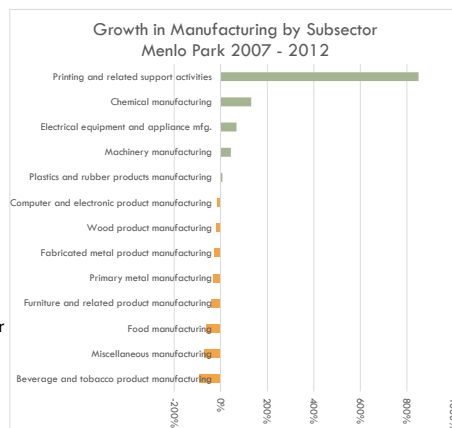
Sources: U.S. Department of Labor, Bureau of Labor Statistics QCEW Program, California Employment Development Department, 2014; BAE, 2014.

ECONOMIC TRENDS: SPECIALIZATION BY SECTOR

Manufacturing 2007 - 2012

- Examples:
 - Sun Microsystems
 - Data Domain, LLC
 - Infomage, Inc.
 - L-3 Communications
 - TEC (Raychem)
- LQ of 1.70 in 2012
- Net loss of 1,181 jobs for period
 - Gained 296 jobs (see chart)
 - Lost 1,465 jobs
- Means this is a competitively strong sector but experiencing overall decline
- Needs strategies to maintain competitive strength

Growth in Manufacturing by Subsector
Menlo Park 2007 - 2012

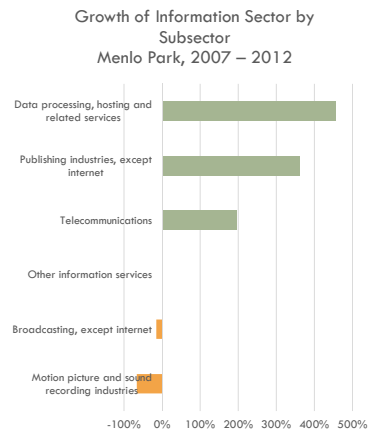


Sources: U.S. Department of Labor, Bureau of Labor Statistics QCEW Program, California Employment Development Department, 2014; BAE, 2014.

ECONOMIC TRENDS: SPECIALIZATION BY SECTOR

Information Sector 2007 – 2012

- Examples:
 - Comcast
 - Intuit
 - ReputationDefender
 - Boardvantage
 - Booyah, Inc.
- LQ of 1.16 in 2012
- Net gain of 672 jobs for period
 - Growth of 690 jobs
 - Loss of 18 jobs
- Means that this sector is rising, especially in subsectors shown



Sources: U.S. Department of Labor, Bureau of Labor Statistics QCEW Program, California Employment Development Department, 2014; BAE, 2014.

ECONOMIC TRENDS: COMMUTE FLOWS

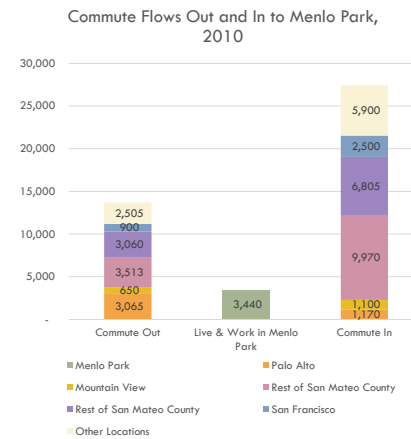
Menlo Park Residents

- Of the 15,450 Menlo Park residents who worked in 2010, just 22% (3,440 residents) stayed in Menlo Park for work
- The other nearly 13,700 residents commuted out to locations as shown

Menlo Park Workers

- Of the 30,900 jobs in Menlo Park, just 11% were held by the same 3,440 residents
- 27,500 Menlo Park workers commuted in from their residences elsewhere as shown

Economic development strategies could seek to address this flow to reduce traffic congestion



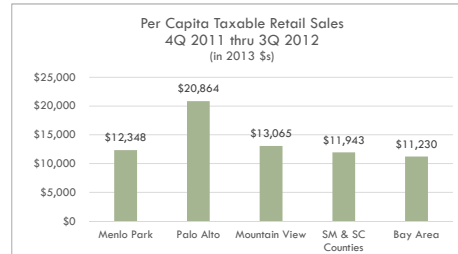
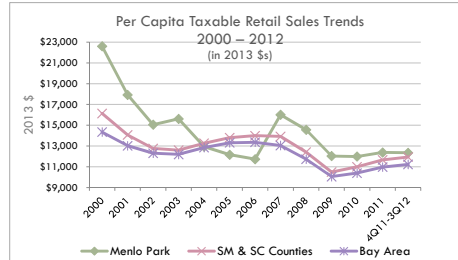
Sources: 2006-2010 Census Transportation Planning Package; ACS, 2006-2010; BAE, 2014.

ECONOMIC TRENDS: TAXABLE SALES

Menlo Park has experienced a dramatic decline in taxable retail sales since 2000

- All data adjusted to 2013 dollars
- Menlo Park declined from almost \$23,000 per capita in 2000, to just under \$12,300 per capita in 2012
 - Likely due in part to loss of auto dealers
- OfficeMax warehouse included in this data

Sources: 2000 & 2010 U.S. Census; State Dept. of Finance; State Board of Equalization; U.S. Bureau of Labor Statistics; BAE, 2014.

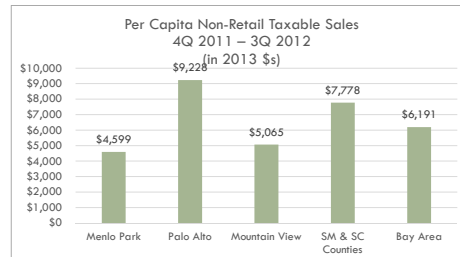
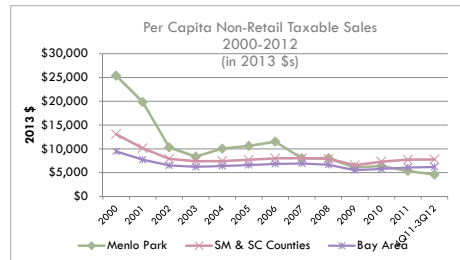


ECONOMIC TRENDS: NON-RETAIL TAXABLE SALES

Menlo Park has also experienced a dramatic decline in non-retail taxable sales since 2000

- All data adjusted to 2013 dollars
- Menlo Park declined from over \$25,000 per capita in 2000, to \$4,600 per capita in 2012
- Currently, non-retail taxable sales in Menlo Park are below Bay Area and Combined Counties
- Likely due to loss of Sun, also other B2B sales occurring in Menlo Park
- Further analysis needed to identify target companies that would increase this factor

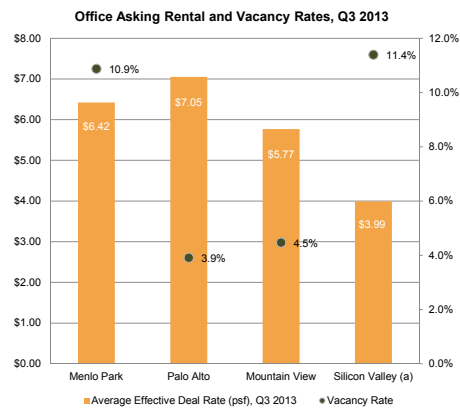
Sources: 2000 & 2010 U.S. Census; State Dept. of Finance; State Board of Equalization; U.S. Bureau of Labor Statistics; BAE, 2014.



ECONOMIC TRENDS: REAL ESTATE MARKET

Office Market

- Menlo Park has relatively high average asking rents (\$6.40+ per square foot per month)
- Menlo Park had modest vacancy rates
 - Most analysts look for 10 percent as healthy office market
 - Reportedly, Menlo Park's vacant space is largely due to developers/owners holding space off the market for future improvements
- Development pipeline ~ 1 M sf of new space

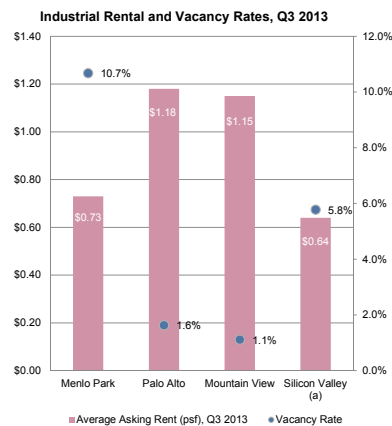


a) Silicon Valley includes Santa Clara County, Fremont, and Menlo Park.
Sources: Cassidy Turley; BAE, 2014.

ECONOMIC TRENDS: REAL ESTATE MARKETS

Industrial Market

- Menlo Park has relatively low rents and higher vacancy rates than peer cities
 - Most analysts consider 10% vacancy as a balanced industrial market
 - May indicate trend towards higher uses to fit Menlo Park's economic base

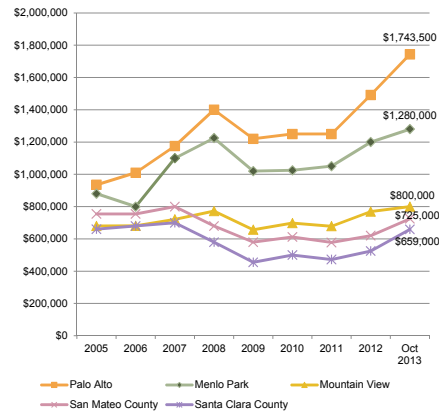


a) Includes all of Santa Clara County, Menlo Park, and Fremont and Newark, per Cassidy Turley.
Sources: Cassidy Turley; BAE, 2014.

ECONOMIC TRENDS: REAL ESTATE MARKETS

Housing Market

- Menlo Park has very strong house prices
- In 2013 (through Oct), Menlo Park's median sale price was \$1.28 M
- Only Palo Alto was higher, at \$1.74 M
- Approximately 1,000 new units in the pipeline

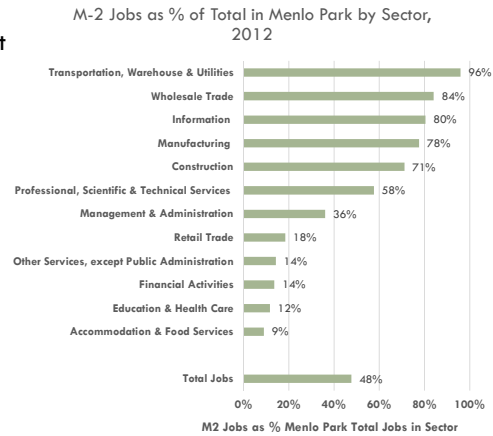


Sources: Dataquick; BAE, 2013.

ECONOMIC TRENDS: M-2

The M-2 area plays an important role in Menlo Park's economy

- Overall, M-2 contains 48% of Menlo Park's total jobs (2012)
- M-2 has majority of City's jobs in Transportation, Wholesale, Manufacturing, Construction, and Prof/Technical
- M-2 also has substantial number of Management jobs
- Economic Development Strategic Plan and upcoming General Plan update need to carefully consider changes to this area that fit evolving Menlo Park economy



Sources: U.S. Department of Labor, Bureau of Labor Statistics QCEW Program; California Employment Development Department, 2014; BAE, 2014.

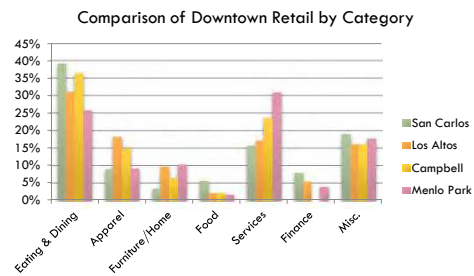
ECONOMIC TRENDS: DOWNTOWN COMPARISON

Evaluated Menlo Park and comparison downtowns Peninsula/Valley downtowns:

- San Carlos, Los Altos, Campbell
- Similar size: ~ 30,000 – 40,000 residents

Menlo Park has more Downtown retail & services

- Proportionately, Menlo Park has less eating & dining places
- Proportionately, Menlo Park has more services



Sources: Menlo Park Business Directory, Other business directories, BAE, 2014.

ECONOMIC TRENDS: DOWNTOWN COMPARISON

Menlo Park restaurants tend to be:

- Somewhat more chain/franchise oriented than comparison cities
- Fewer dinner service restaurants
- Considerably less sidewalk dining
- Less clustering of restaurants

Menlo Park downtown has:

- Longer but narrower streets
- More side street frontage, which impacts merchant visibility
- El Camino Real separates eastern end

Other downtowns have:

- More streetscape improvements such as modern landscaping and lighting



BUSINESS SURVEY: PROFILE OF RESPONDENTS

Survey sent by City to all firms with a Menlo Park address and business license

- 1,751 Menlo Park businesses were notified by mail twice
- Downtown businesses were notified a 3rd time by hand delivery
- Received 143 responses (8% response rate)
- Survey provides valuable insight, although not statistically representative of all businesses



BUSINESS SURVEY: NEAR-TERM BUSINESS PLANS

Most firms (80%) have a single location and have been in business for 6 or more years (82%)

Most firms (55%) experiencing growth of 0% to 9% per year

- A significant number (23%) are experiencing strong growth of 10% per year or more
- These firms are most likely to experience near-term space needs

Most firms (76%) plan to stay where they are, in the same space

- Only a few plan to expand (6%), move elsewhere in Menlo Park (3%), or move to another City (5%)

One-third of firms plan to expand their workforce (33%)

- Since most plan to stay in the same space, this means greater utilization of existing space (less sf per person)

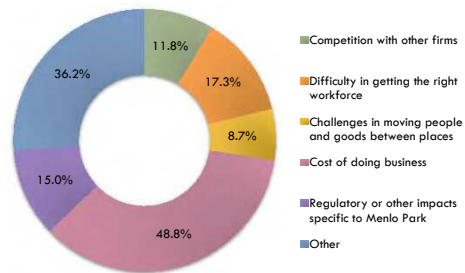
BUSINESS SURVEY: WHAT ARE YOUR MOST SIGNIFICANT ISSUES?

Cost of business identified by just under one-half (49%)

“Other” is next biggest (36%)

- Of 46 responses, 15 identified various parking-related issues; 4 identified City permitting issues
- Rest are a variety of firm- or site-specific issues

Most Significant Issue

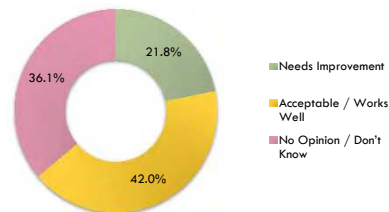


BUSINESS SURVEY: SATISFACTION WITH CITY SERVICES

Slightly less than half (42%) feel that City services in general work well or are acceptable

- Second biggest answer is don't know or no opinion
- Minority see need for improvement (22%)
- For similar question about code enforcement, similar responses received

Satisfaction with City Services
(exc. Planning, Permitting, and Code Enforcement)

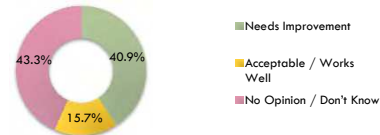


BUSINESS SURVEY: SATISFACTION WITH CITY PLANNING & PERMITTING

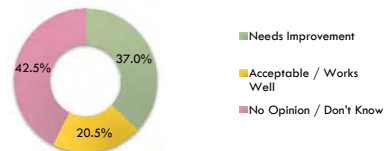
In contrast to other City services, more respondents identified need for improvement

- 41% for planning & entitlements
- 37% for building permits & inspections

Survey Responses
Planning and Entitlement Approval Process



Survey Responses
Building Permits & Inspections



BUSINESS SURVEY: WHAT SHOULD THE CITY DO?

To attract and retain start-up firms:

- Support creation of affordable, flexible space (54%)
- Support the creation of affordable incubators or accelerators (23%)

To enhance Downtown retail, attract more:

- Dining (40%)
- Entertainment (26%)
- Apparel (15%)



BUSINESS SURVEY: ENHANCING CITY / BUSINESS COMMUNICATIONS

Small business events or promotions most selected (24%)

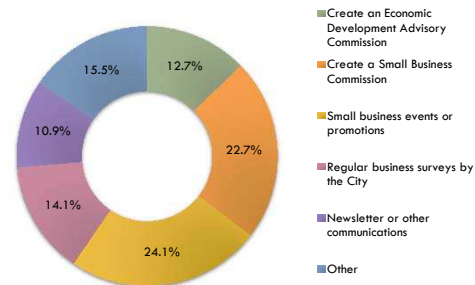
Establishing a City commission slightly more than one-third of the choices

- Economic Development Advisory Commission (13%)
- Small Business Commission (23%)

Other choices 16% or less

- Other, surveys, newsletters

Measures to Enhance City / Business Communications



INTERVIEWS

10 interviews to date: Menlo Park retailers; developers/investors; City representatives; business groups

Done to provide additional insight

Primary topics identified from the interviews:

- Downtown's competitive position, strengths and challenges, potential approaches
- Parking issues and the need for a new approach
- Choices for how the City should approach the M-2 area
- Planning and permitting challenges

The interview discussions present expert opinions, as well as perceptions – but do not necessarily capture all dimensions of an issue

INTERVIEWS: DOWNTOWN OPPORTUNITIES

Downtown has considerable strengths and is evolving

- Strong demographics
- A number of strong tenants in various sectors
- Lack of available space in Palo Alto, lower rents increases interest
- Visionary retail developers and investors are looking to buy Downtown properties
- The El Camino Real / Downtown Specific Plan is correct in its focus on new housing, mixed-use projects, some parking structures while preserving surface parking
- Proposed mixed-use projects will attract new retailers, help spark more interest

Downtown, based on current trends, is positioned for substantial transformation over the next decade

INTERVIEWS: DOWNTOWN CHALLENGES

Current ownership patterns and lagging investment

- Long-term owners, fragmented ownership, lack of willingness to invest in properties
- City needs to update streetscape, improve lighting and cleanliness, enforce sign rules

Need to refresh and update retail mix

- Focus on strong retailers from other strong Peninsula, Valley downtowns
- Attract more local orientated, family-oriented, rather than trying to compete with Palo Alto
- Dining a key to create energy and attract people – more places that serve dinner

Parking system (e.g., 2 hour rule and permit system) may need review

- High cost of permits – especially compared to other cities – limits retailer use
- Employees end up moving their cars every 2 hours
- For shoppers, 2 hours isn't long enough to combine lunch and shopping – an incentive to leave

INTERVIEWS: M-2 AREA

There are a limited number of property owners, and a limited number of sites for development. Current zoning doesn't match market demand

- Need density to build 4 – 6 story buildings

Property owners are already creating incubators (Tarlton Properties for bioscience), leasing to start-up tenants

City should focus on rapidly growing companies, who create more jobs, more value, and more fiscal benefits than start-ups

- Better strategy than keeping old buildings as-is for cheap start-up space
- Without larger spaces, won't be able to hold start-ups that do grow rapidly

Need to have space that is available and can be rapidly developed, renovated to attract rapidly growing firms

INTERVIEWS: PLANNING & PERMITTING

Interviewees indicated City's planning & permitting process as an impediment to growth and revitalization

- Respect for professionalism and ability of most staff – City seen as unable to execute on timely permit processing even for uses it accepts, unlike other nearby cities
- Insufficient staffing believed to be a factor
- Excessive rules, much overlap from previous "fixes," and too inflexible application
- Too many items require Planning Commission review that would be more appropriately dealt with by staff
- Brokers reportedly caution clients considering Menlo Park locations that permitting risks are greater than with other cities
- City needs to understand financial cost of permit delay. Desire to see timelines set and met for planning approvals and permit processing
- Sidewalk dining a particular frustration point for some restaurateurs
- Need to bring together business community and residents – divergent views

RECENT & CURRENT CITY INITIATIVES

- Implementing El Camino Real / Downtown Specific Plan
- Conducting targeted outreach to local businesses
 - Attracted Off the Grid
 - Supported opening of 2 new restaurants
- Resolving permitting issues (especially for smaller businesses)
- Preparing Quarterly Economic Update
- Conducting outreach for General Plan Update



SUMMARY: OPPORTUNITIES

Menlo Park has numerous economic strengths to build on:

- High quality of life for residents and businesses
- Rapid growth in total employment
- Competitive advantage in key sectors (Prof/Technical, Manufacturing, Financial Activities, Information)
 - Identify manufacturing opportunities that link with life sciences and other R & D
- Also growth opportunities in Lodging and Retail
- Each of these sectors should be reviewed further for fiscal benefits and opportunities within subsectors (e.g., bio-medical device manufacturing, additional hotel development)
- Both M-2 and Downtown have opportunities for further development capacity
- Adding “cool” features (mixed use urban housing, Off the Grid, destination restaurants)

SUMMARY: CHALLENGES

Menlo Park has several challenges that can be addressed through the Economic Development Strategic Plan:

- Declines in taxable retail and non-retail sales
- Entitlement and permitting delays (especially for smaller businesses seeking to meet market demand for sidewalk dining, minor building improvements, etc.)
- Downtown parking regulations that do not support customers
- Need to further define “public benefits” for Specific Plan projects (Downtown)
- Need to consider a range of development and improvement incentives to encourage investment that meets City goals
- Need to balance inexpensive space in M-2 with demand for intensifying uses
- Need to fine-tune staff resources devoted to economic development and related functions

NEXT STEPS

1. Obtain input today from City Council and audience
2. Finalize Trends and Opportunities Report
3. Convene Advisory Group to formulate goals and strategies
4. Obtain public input to refine goals and strategies
5. Formulate Economic Development Strategic Plan and Implementing Actions
6. Bring to City Council for Adoption





PUBLIC WORKS DEPARTMENT

Council Meeting Date: February 25, 2014
Staff Report #: 14-030

Agenda Item #: SS-2

STUDY SESSION: Provide Direction on Proposed City Hall Improvements

RECOMMENDATION

Staff is seeking City Council direction on how to proceed with proposed City Hall Improvements.

BACKGROUND

On February 12, 2013, staff presented the outlook of having an unprecedented number of large and highly complex development projects being processed through the City. Staff was concerned on how to provide efficient and quality customer service to development projects, while maintaining basic quality service. Staff presented plans to augment existing staff and make improvements to City Hall. The City Council appropriated \$300,000 and authorized a new capital improvement project for City Hall improvements to create efficiencies and staff augmentation. The City Council also authorized the City Manager to award any contracts associated with City Hall improvements not to exceed the budgeted amount. Based on City Council priorities it is necessary to increase staff resources (contract/provisional/temp) to meet the needs related to increases in building and development. This requires re-designing the 1st and 2nd floors of the Administration Building to improve existing work stations and increase the number of work stations.

The key goals of the project are to provide

- quality work space for employees,
- strategic location of departments to foster inter and intra department communication, and
- to provide better public service through efficiencies.

Staff hired Group 4 Architecture, Research + Planning who specialize in space planning. Group 4 was the architect who designed the remodel of the Administration building in 1998. The key phases and tasks performed by Group 4 are summarized below:

Needs Assessment. The Needs Assessment, or information gathering phase of the project, was a multi-pronged approach that included an existing facility analysis, department surveys, and technical meetings with each City department.

The purpose of this phase was to quantify current and projected staff and space needs and identify opportunities to improve staff workflow, collaboration, department adjacencies, and customer service. The process was highly participatory, with key personnel from each department providing valuable input on both the needs of their department and also the holistic, long-term needs of City Hall.

Building Program. From the information gathered in the Needs Assessment, Group 4 synthesized the data into a draft building program and adjacency diagrams that were reviewed in a staff workshop with department heads and key staff. In the building program, Group 4 also included opportunities to incorporate standard best practices for City facilities and operations, from collaboration spaces and public/staff interaction to staff work stations and storage/equipment needs. Group 4 further refined the building program based on the input from City staff.

Conceptual Options. From the building program, Group 4 developed multiple conceptual floor plan options for both the first and second floors, and a budget range for each option. Meetings were held with each department to determine the conceptual option that best fit the need and aligned with the budget.

Recommendations. Group 4 refined the conceptual floor options into a base option "A" that meets with the targeted budget and also additional "B" and "C" options that better meet the needs of City staff, align with industry standards, and improve customer service and other goals identified during the Needs Assessment and goal-setting phase.

Carpet Replacement

Included in the 2014-15 Capital Improvement Plan (CIP) is a budget to replace the existing carpet in the Administration Building. The existing carpet is over 15 years old and travel paths are wearing into the carpet and stains have occurred which are not removable. The normal life of carpet is 10-15 years. Staff plans to purchase tile carpets similar to tiles placed in the library and the police area. The carpet tiles provide greater flexibility to maintain and repair carpet stains. Carpet tiles are also easier to install in sections, creating less overall disruption to staff workflow than traditional broadloom carpet. However, the replacement of the carpet is a significant and disruptive undertaking in that it includes numerous contractors that need to be coordinated and requires staff support in packing/unpacking their workstations. The process includes employees boxing up all their office supplies, movers moving boxes and partitioned office furniture, disconnecting electrical connections, MIS removing computer equipment, existing carpet being removed and new carpet installed. Then, partitions are reinstalled and employees' boxes are returned to each work station before the following day. This project is time consuming and takes significant amount of coordination. Linking these projects together provides better economies of scale and increased efficiency.

ANALYSIS

The key outcomes from the space need analysis are as follows:

- The print shop should be relocated to the Administration Building in order to improve accessibility and staff efficiency in developing Council and Commission packets and public noticing.
- Human Resources should be moved to 2nd floor closer to the Administration Department to improve the communication within the department.
- Existing space allocations for Community Development and Public Works are inadequate and impact staff functionality due to adjacency and acoustical conflicts.
- Additional conference rooms are needed on the first and second floors in order to accommodate customers at the counter and employee meetings.
- The central counter needs to be updated to improve efficiencies and incorporate new technologies for optimum customer service and staff workflow.

Given the above objectives, Group 4 developed four to six floor plans for each floor. Staff reviewed the plans and narrowed the plans down to two floor plans for each floor. Group 4 further developed and prepared cost estimates. One plan for each floor met the city budget. The second plan, although not the most expensive, was the plan that better met the needs of each department on each of the floors and improved customer service interaction and efficiency. The floor plans for Option A and Option B are included as attachments.

Option A – First Floor

- Relocate Human Resources to the second floor.
- Relocate Building staff to Human Resources space.
- Add a small conference room in the public counter area that can be used for staff/public interactions.
- Expand Planning into space presently occupied by Building staff.

Pros

- Improves space for Planning and Building divisions.
- Adds a small conference room.

Cons

- Separates Building from Planning.
- Space needs of all departments not met.
- First floor counter staff space not improved.
- Provides limited surge spaces for additional contract staff for Planning (one) and Public Works (two).

Option A – Second Floor

- Relocate print shop (currently off-site) to space previously occupied by Economic Development (which was originally designed to be a Print Shop in 1998).
- Relocate Economic Development to an area in Finance.
- Expand MIS space into mail processing area.
- Relocate Human Resources to the second floor and add an office and small conference room.
- Divide City Council office to create a second office space.
- Remove partition wall and counter between City Clerk area and Finance department for improved access and flow between the spaces.

Pros

- Human Resources adjacent to other Administrative functions (such as the Finance Department).
- Increased space for MIS and to allow for a secure staging area.
- Print shop more accessible to departments.
- Adds a small conference room.

Cons

- Space needs of all departments not met.

Option B – First Floor

- Relocate Human Resources to the second floor.
- Remove hallway walls between Public Works and current Human Resources area for improved flow between divisions and more efficient staff workspace.
- Add a small conference room in the public counter area that can be used for staff/public interactions.
- Add a public access service-point with a gate at reception counter.
- Expand Planning and Building into the space presently occupied by Transportation. Relocate Transportation to the area presently occupied by Human Resources.
- Expand the lobby area and add kiosks for customer self-service.

Pros

- Space needs are mostly met by departments.
- Good adjacencies within departments.
- More efficient use of space for workstations by removing walls.
- Added conference room adjacent to counter area to improve customer service interactions.
- Central public access service-point provides improved public interface.
- Kiosks provide self-service, empower public, and allows staff to focus on public interactions that provide the most value to the customer.

Cons

- Cost

Option B – Second Floor

- Relocate print shop (currently off-site) to space previously occupied by Economic Development.
- Relocate Economic Development to an area in Finance.
- Expand MIS space into mail processing area.
- Relocate Human Resources to the second floor and add an office and small conference room.
- Divide City Council office to create a second office space.
- Remove partition wall and counter between City Clerk area and Finance department for improved access and flow between the spaces.
- Remove the counters in the Finance areas and reallocate the reclaimed space for staff workstations. Reduce the counter in the Administration area and reallocate the reclaimed space for workstations. Enclose part of the lobby at the second floor. (Since the first floor will include a central service counter and serve as the single public service point for the entire facility, the majority of the counters on the second floor are no longer necessary).

Pros

- Human Resources adjacent to Administration.
- Increased space for MIS.
- Print shop more accessible to departments.
- Adds a small conference room.
- Updated service model and reallocated space for Administration and Finance.

Cons

- Cost

The cost of Option A is within the \$300,000 budget. The cost of Option B will require an increase to the budget in the amount of \$500,000.

The most recent remodel of City Hall was fifteen years ago and reflected the service model of that era. Since that time, the City has downsized and the City's service model, as well as standard best practice, has evolved with changing times to the point where the facility no longer supports the current operations. Major advances in technology, such as the transition to online forms and payments, as well as consolidated service points and cross-trained staff, render multiple service points obsolete. With the City no longer operating with multiple public service counters, there is a great opportunity to reclaim valuable space to meet current staff needs and to better delineate staff and public zones. With a central service point, self-service kiosks, and an adjacent conference room, staff can focus on public interactions that add significant value to the customer.

Although Option B would require additional funds, this concept best supports a design that provides an improved customer service experience with clear wayfinding, a central service point, and better efficiencies for staff and addresses long term needs. In addition the coordination of the carpet project into the City hall improvement project is a significant effort and now would be the time to remodel for the long term.

Implementation of Improvements

Based upon City Council direction, staff will return to the City Council with an implementation plan. The plan would be to move forward the funding planned for FY 14-15 for the carpet replacement project to this fiscal year in order to incorporate the carpet project with the City Hall improvement project and authorize the City Manager to award any contracts associated with City Hall improvements not to exceed the budgeted amount.

Staff has already began the moving of the print shop to the administration building by April 1st. This is due to the end of the lease on the print shop copier and staff plans to lease a new printer.

IMPACT ON CITY RESOURCES

Staff is seeking direction and there is no impact to City resources.

POLICY ISSUES

The recommendation does not represent any change to existing City policy.

ENVIRONMENTAL REVIEW

The project is categorically exempt under Class I of the current State of California Environmental Quality Act Guidelines, which allows minor alterations and replacement of existing facilities.

PUBLIC NOTICE

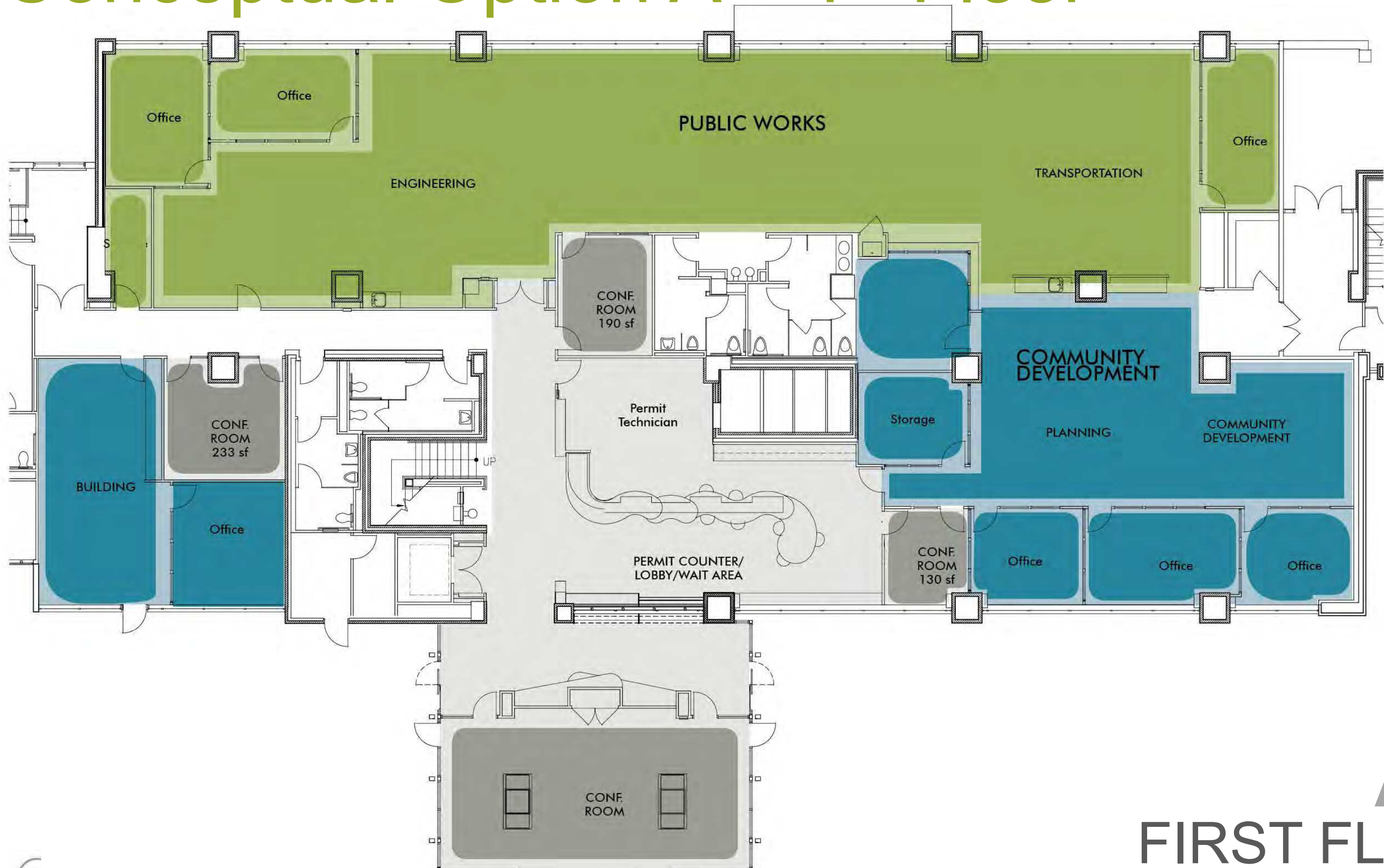
Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Option A floor plan
- B. Option B floor plan

Report prepared by:
Ruben Niño
Assistant Director of Public Works

Conceptual Option A – 1st Floor



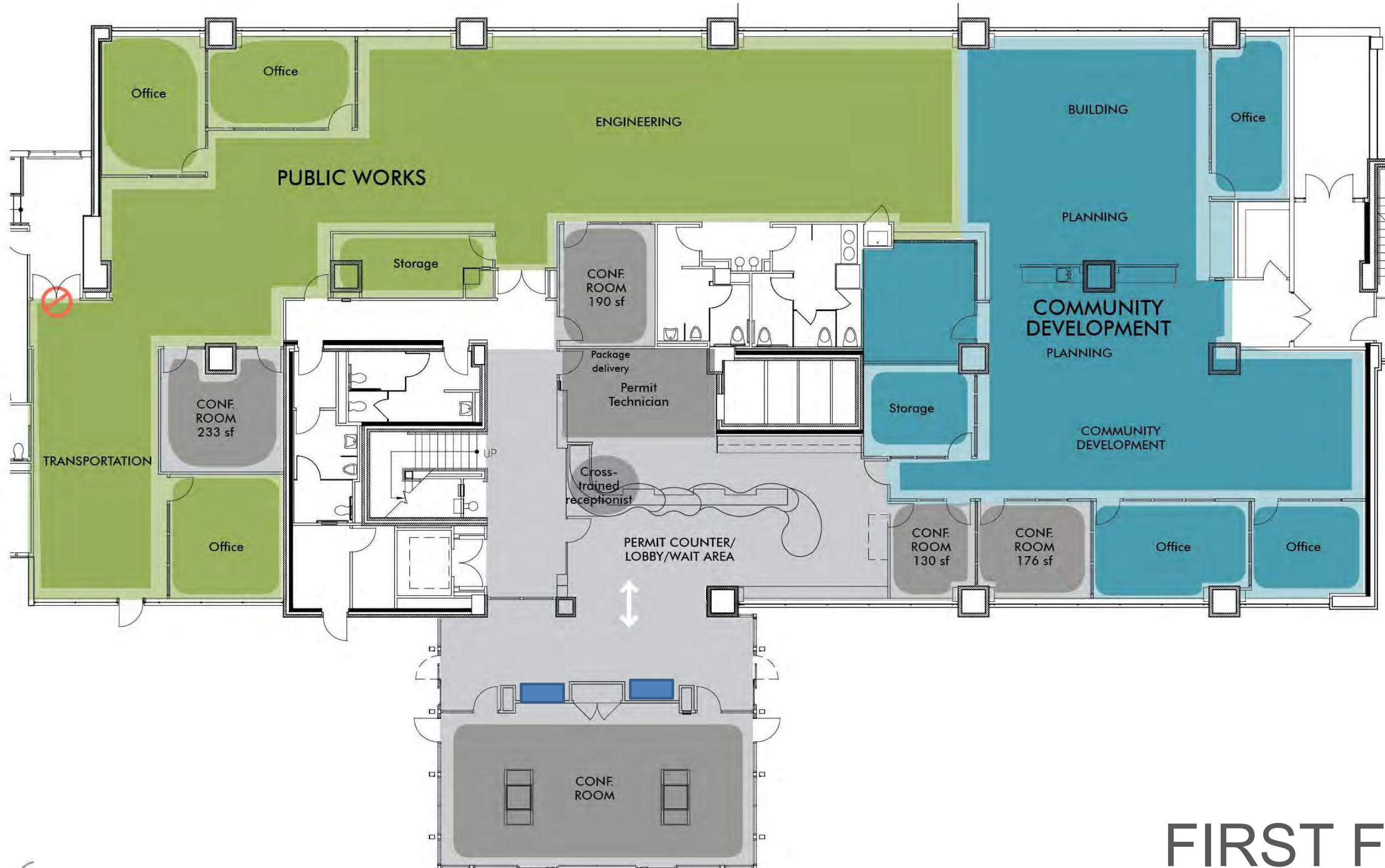
A
FIRST FLOOR

Conceptual Option A – 2nd Floor



A SECOND FLOOR

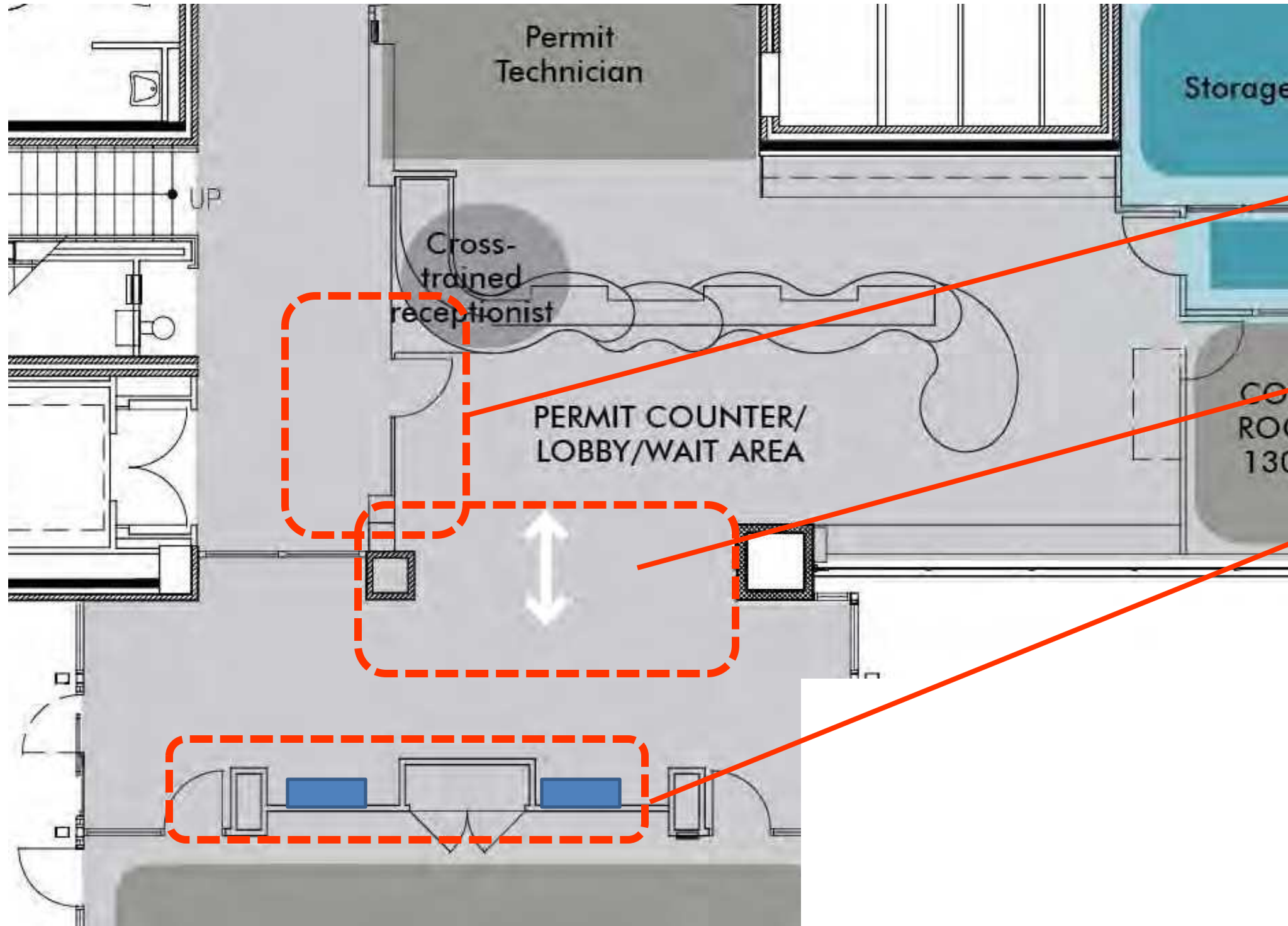
Conceptual Option B – 1st Floor



B
FIRST FLOOR

Option B – Preferred Option

Priority – Customer service improvements

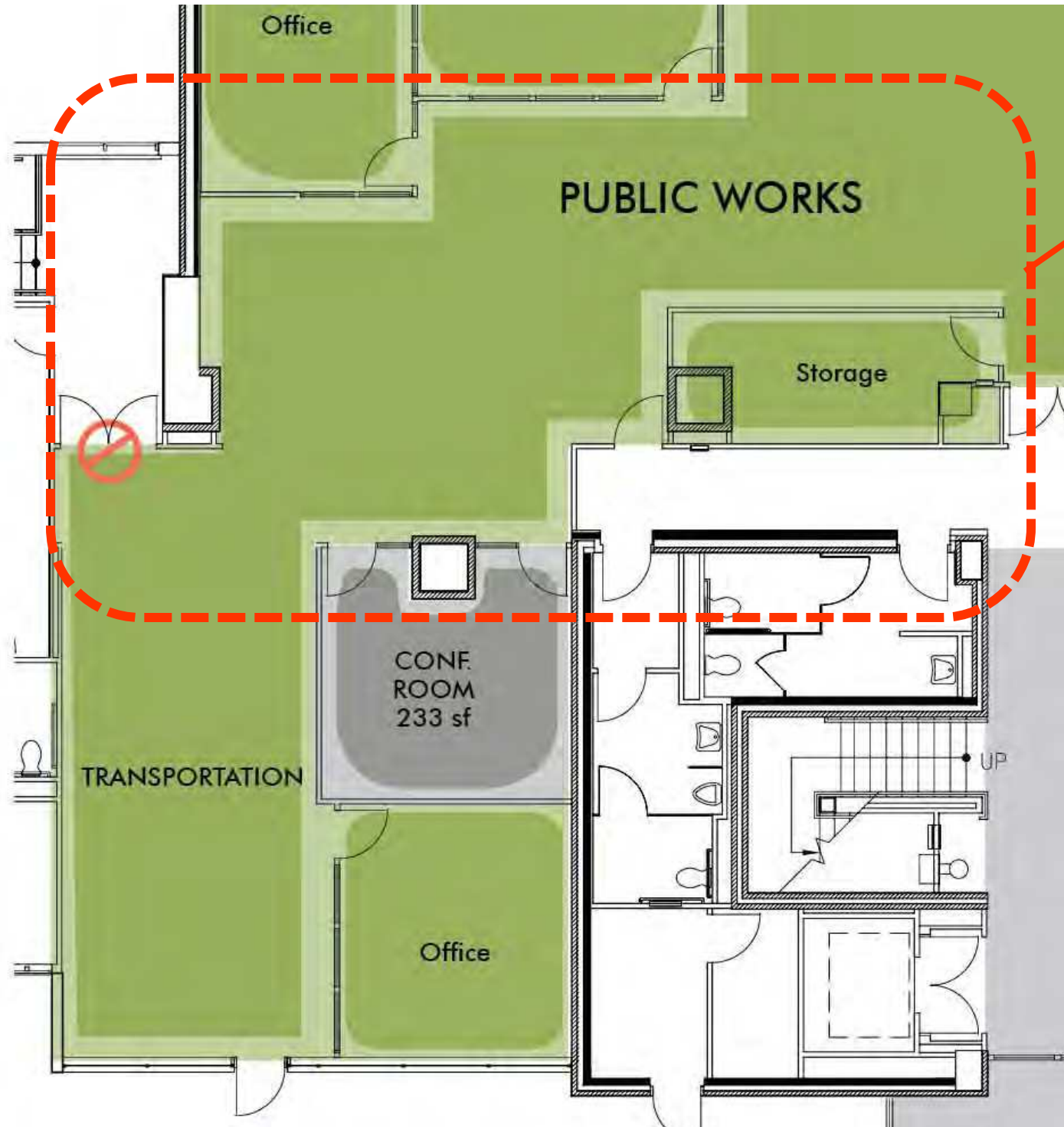


- Public access check-point (cross-trained receptionist) with gate
- Direct access to reception
- Kiosks for self-service

OPTION **B**
FIRST FLOOR
(LOBBY)

Option B – Preferred Option

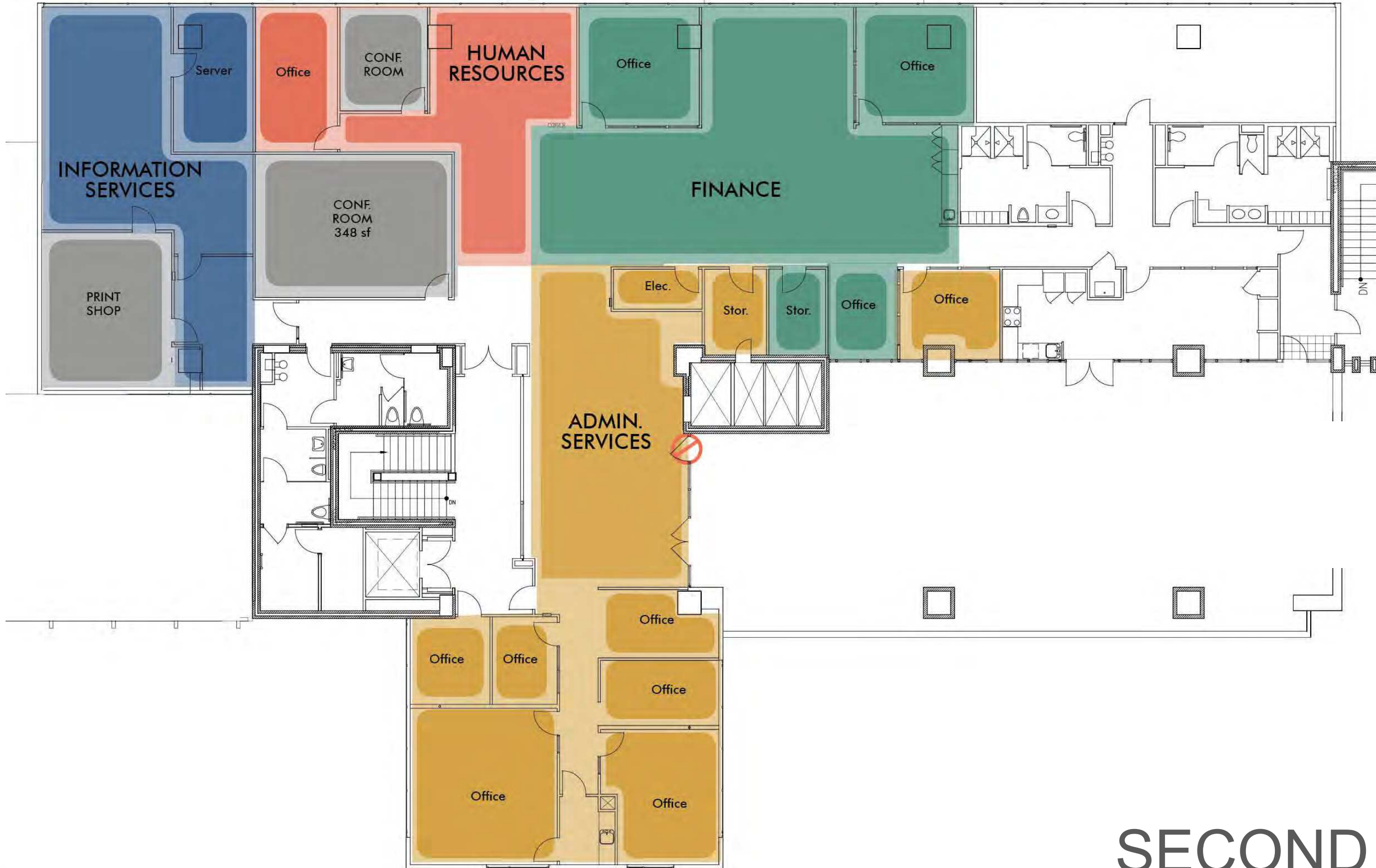
Priority – Staff functionality and efficiency



Open up staff space by eliminating corridor and conference room in this location; relocate storage area

OPTION **B**
FIRST FLOOR
(STAFF AREA)

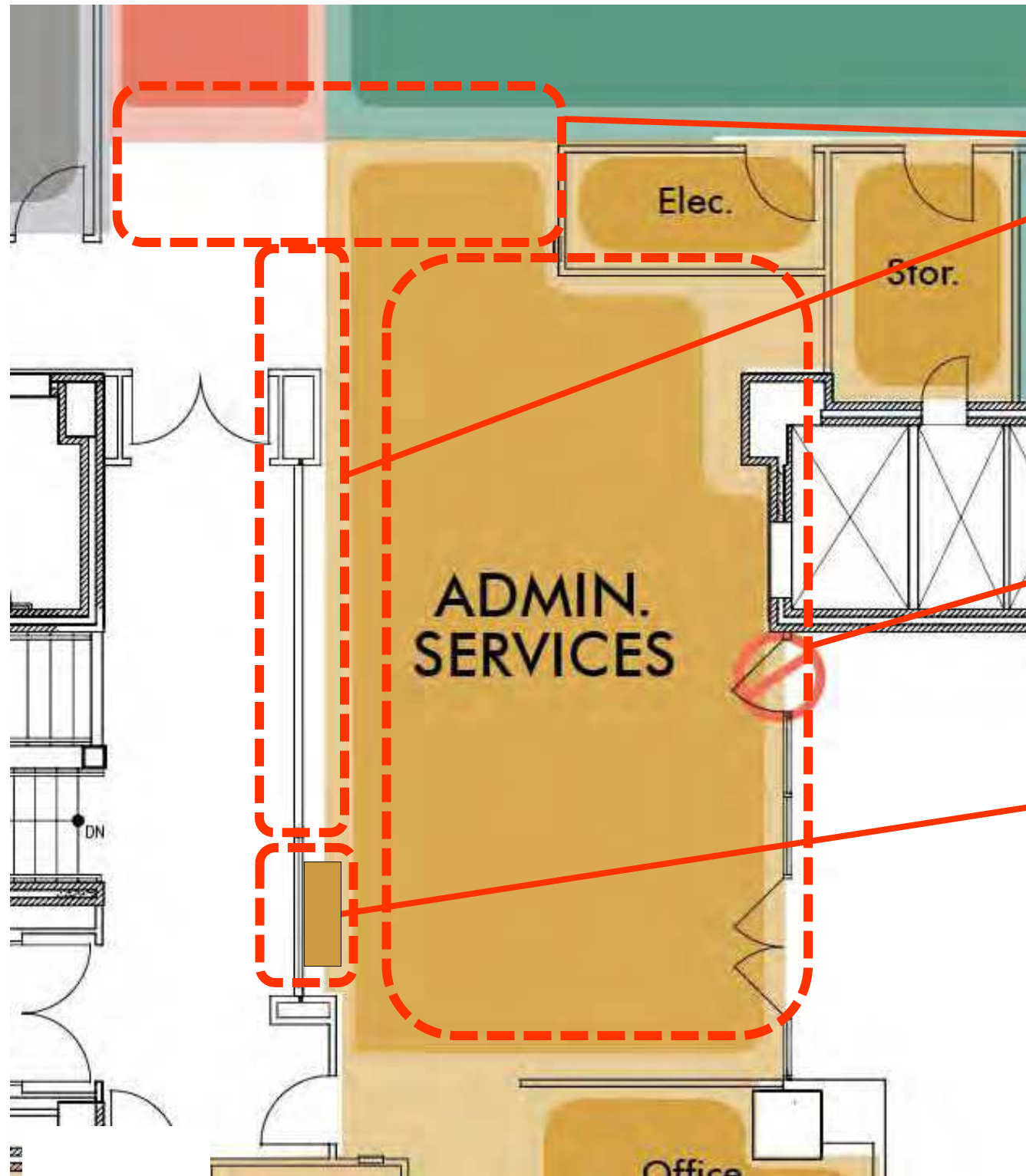
Conceptual Option B – 2nd Floor



B SECOND FLOOR

Option B – Preferred Option

Priority – Customer service improvements



Remove unused counter space from previous service model; separate staff area from public space

- Reconfigure workstations to improve functionality and efficiency
- Install new service counter window

OPTION **B**
SECOND FLOOR (ADMIN AREA)

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PUBLIC WORKS DEPARTMENT

Council Meeting Date: February 25, 2014
Staff Report #: 14-029

Agenda Item #: D-1

CONSENT CALENDAR: **Adopt a Resolution Approving a Water Service Priority Policy for the Menlo Park Municipal Water District**

RECOMMENDATION

Staff recommends that the City Council adopt a resolution approving a Water Service Priority Policy for the Menlo Park Municipal Water District (District).

BACKGROUND

The City of Menlo Park's certified Housing Element contains program H.1.L requiring compliance with Section 65589.7 of the Government Code. Government Code Section 65589.7, as amended January 1, 2006, requires each public agency or private entity providing water or sewer services to adopt written policies and procedures, not later than July 1, 2006 and at least once every five years thereafter, for granting a priority in the provision of water and sewer services to proposed developments that include housing units affordable to lower income households.

ANALYSIS

The Menlo Park Municipal Water District provides water service in the City of Menlo Park. The District does not currently have a policy granting priority in the provision of water services to proposed developments that include housing units affordable to lower income households. To comply with State law, the District must adopt a written policy that grants priority for service allocations to proposed housing developments that include housing units affordable to lower income households.

The proposed Water Service Priority Policy applies to new applications for water service or applications for upgrades to water service; it does not create an entitlement to service. In addition, as required by the Government Code the policy identifies the specific written findings required to deny, condition or reduce service.

By adopting this policy, the District will be in compliance with the requirements of the Government Code and the City of Menlo Park will be in compliance with the certified Housing Element.

Upon approval of this policy, Staff will forward a copy to the O'Connor Tract Cooperative Water Co., which provides water to a portion of the Willows neighborhood, for its use in adopting a similar policy for their water company. The California Water Company, which provides water to the remainder of the City, is regulated by the California Public Utilities Commission which is required by the Government Code to impose the same requirements.

IMPACT ON CITY RESOURCES

No impact on City Resources.

POLICY ISSUES

This action would create a new policy consistent with State law and the requirements of the Housing Element.

ENVIRONMENTAL REVIEW

Adoption of the Water Service Priority Policy is not subject to the provisions of the California Environmental Quality Act ("CEQA") because the activity is not a project as defined by Section 15378 of the CEQA Guidelines; it has no potential for resulting in physical change to the environment either directly or indirectly.

PUBLIC NOTICE

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

ATTACHMENTS

A. Resolution

Report prepared by:
Roger K. Storz
Senior Civil Engineer

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO
PARK ADOPTING A WATER SERVICE PRIORITY POLICY FOR THE
MENLO PARK MUNICIPAL WATER DISTRICT**

WHEREAS, California law, as set forth in Government Code Section 65589.7, requires each public agency or private entity providing water or sewer services to adopt written policies and procedures for granting a priority in the provision of water and sewer services to proposed developments that include housing units affordable to lower income households; and

WHEREAS, the City of Menlo Park's certified Housing Element contains program H.1.L requiring compliance with Government Code Section 65589.7; and

WHEREAS, the Menlo Park Municipal Water District ("District") provides water service in the City of Menlo Park and desires to adopt a written policy that grants priority for service allocations to proposed housing developments that include housing units affordable to lower income households as required to comply with State law.

NOW, THEREFORE, BE IT RESOLVED that the City Council of Menlo Park hereby adopts the Menlo Park Municipal Water District Water Service Priority Policy attached hereto as Exhibit A.

I, Pamela Aguilar, City Clerk of Menlo Park, do hereby certify that the above and foregoing Council Resolution was duly and regularly passed and adopted at a meeting by said Council on the twenty-fifth day of February, 2014, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this twenty-fifth day of February, 2014.

Pamela Aguilar, MMC
City Clerk

Exhibit A

MENLO PARK MUNICIPAL WATER DISTRICT WATER SERVICE PRIORITY POLICY

I. Purpose

The purpose of this Water Service Priority Policy (“Policy”) is to provide the written policy for the Menlo Park Municipal Water District (“District”) in accordance with Government Code Section 65589.7 granting priority for the provision of water service to proposed developments that include units for lower income households.

II. Application

This Policy applies only to new applications for water service or applications for upgrades to water service submitted to the District for proposed projects in the City of Menlo Park (“City”) for which the City must issue a building or other development permit.

As further evidenced by Sections 10635(c) and 10914 of the Water Code, and Section 66473.7(m) of the Government Code, nothing in this Policy is intended or shall be construed as creating a right or entitlement to water service or any level of water service, nor shall this Policy be construed to either impose, expand or limit any duty concerning the District’s obligation to provide service to its existing customers or to any potential future customers.

III. Priority Policy

Taking into account regulations and restrictions regarding water shortage emergencies and the availability of water supplies pursuant to an adopted urban water management plan, it is the policy of the District to prioritize water service to proposed developments that include units for lower income households.

For purposes of this Policy, a “proposed developments that include units for lower income households” shall be developments that include dwelling units to be sold or rented to lower income households, as defined in Health & Safety Code Section 50079.5, at an affordable housing cost, as defined in Health & Safety Code Section 50052.2, or an affordable rent, as described in Health & Safety Code Section 5003.

IV. Findings for Denial. The District shall not deny or condition approval of an application for water services to, or reduce the amount of such services applied for by, a proposed development that includes units for lower income households, unless the District makes specific written findings that the denial, condition or reduction is necessary due to the existence of one or more of the following:

1. The District does not have sufficient water supply as defined in Government Code Section 66473.7(a)(2) or is operating under a water shortage emergency as defined in Water Code Section 350, or does not have sufficient

- distribution capacity to serve the needs of the proposed development that includes units for lower income households as demonstrated by a written engineering analysis and report.
2. This District is subject to a compliance order issued by the Department of Public Health that prohibits new water connections.
 3. The applicant fails to agree to reasonable terms and conditions for water service from the District which is generally applicable to other development projects seeking water service from the District, including, but not limited to, payment of any fee or charge authorized by Government Code Section 66013.

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COMMUNITY SERVICES DEPARTMENT

Council Meeting Date: February 25, 2014
Staff Report #: 14-032

Agenda Item #: D-2

CONSENT CALENDAR: **Approve the Parks and Recreation Commission
2-Year Work Plan Goals for Years 2014-2016**

RECOMMENDATION

Staff recommends that the City Council approve the Parks and Recreation Commission 2-Year Work Plan Goals for Years 2014-2016.

BACKGROUND

The Parks and Recreation Commission approved their current work plan on December 15, 2010 which was later approved by the City Council on January 24, 2011. The Commission commenced work shortly afterward culminating in a long list of achievements of the next three years. The summary of achievements was presented at the City Council meeting on December 17, 2013 by the Commission Chair Tom Cecil which is included in Attachment A – 2-Year Work Plan Update and Proposed Goals for 2014-2016 Memo.

ANALYSIS

At their meeting on December 17, 2013, the City Council received the Parks and Recreation Commission's quarterly report of their work plan and a request for approval of the Commission's proposed 2-Year Work Plan Goals for Years 2014-2016. The report was received by the Council with an acknowledgement and general support of the proposed work plan goals but no action to approve the goals was taken. At this time, staff is requesting that a formal action to approve the Commission's 2-Year Work Plan for 2014-2016 be considered.

IMPACT ON CITY RESOURCES

There is no impact on City resources associated with this action.

POLICY ISSUES

The proposed action is consistent with current City policy.

ENVIRONMENTAL REVIEW

The proposed action does not require an environmental review.

PUBLIC NOTICE

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

ATTACHMENTS

- A. 2-Year Work Plan Update and Proposed Goals for 2014-2016 Memo presented on December 17, 2013

Report prepared by:
Derek Schweigart
Assistant Director Community Services



Date: December 17, 2013
 To: Menlo Park City Council
 From: Tom Cecil, Parks and Recreation Commission Chair
 Re: 2-Year Work Plan Update and Proposed Goals for 2014-2016 Work Plan

Recommendation

The Parks and Recreation Commission recommends that the City Council accept the Commission's quarterly report of their current work plan and approve the goals of their proposed 2-Year Work Plan that will cover the period January 1, 2014 to January 1, 2016.

Current Work Plan Goals and Achievements

The Commission approved their current 2-Year Work Plan on December 15, 2010 which was later approved by the City Council on January 24, 2011. The Commission commenced work shortly afterward culminating in a long list of achievements over the next three years.

The following are the 2011-13 Commission goals and a summary of achievements:

1. Develop a plan for better working relationships with the school districts in Menlo Park.

Achievements:

- Review Joint Use Agreements with local schools (April 2012)
- M-A Performing Arts Center Joint Use Agreement (May 2012)
- M-A Performing Arts Center Study Session (September 2012)
- Belle Haven Visioning Process (2013)
- Belle Haven After School Program evaluation (2013)
- Belle Haven Community School and Beechwood School Feedback (2013)

2. Develop and implement a Communications Plan with the user groups, including an annual report from those user groups.

Achievements:

- Field User Group (annually in November)
- Aquatics User Group (annually in January)
- Comprehensive list of all user groups provided to Commission (May 2011)
- Gender Policy Updates/Youth Basketball Coordinator & Users (Spring 2011)
- Collaboration with Friends of Bedwell Bayfront Park regarding park's contract review (March 2012)
- Survey of PAC users completed (September 2012)

- Belle Haven After School Program evaluation & parent feedback (2013)
3. Research and complete outreach to determine how the City is doing in terms of satisfying community needs for recreation programs. The research should include what the City's cost recovery is.

Achievements:

- User Group Feedback (See Item #2)
 - Monthly program presentations including Cost Recovery statistics (2011 ongoing)
 - Emerging Trends Presentations (2010-2013)
 - 5-Year Cost Recovery Analysis of all Community Services programs presented to Commission (April 2012)
 - Community-Wide Biannual Survey & Department program survey results presented to Commission (February 2012)
 - Gymnastics Business Plan (October 2012)
 - Customer Service Standards for Community Services (May 2013)
4. Investigate and evaluate the use of public/private partnerships including identifying the pros and cons. Research should include contacting other cities for their experiences.

Achievements:

- Aquatics Contract Renewal (March 2011) and Review Process (annually February)
- Increase utilization of Belle Haven Pool (2012-2013)
- Monthly program presentations including contractors information (2011 on-going)
- 80+ contractors used at various recreation facilities to provide community programming and classes (Updates provided to commission on-going)
- Rental vs. Contractor vs. City programs business model presentation to Commission (April 2013)

At their September meeting this year, the Commission began their discussion on developing a new 2-Year Work Plan as required by the City Council for all advisory bodies and commissions. During the meeting, the Commission referred to the Work Plan Guidelines which were approved by the City Council and Commissions in 2010.

The purpose of the Parks and Recreation Commission, as defined by the Menlo Park Council Policy CC-01-004, is to:

Advising the City Council on matters related to City programs and facilities dedicated to recreation, i.e., those programs and facilities established primarily for the participation of and/or use by residents of the City. This general charge includes advising on:

- Adequacy and maintenance of such facilities as parks and playgrounds, recreation buildings, facilities, and equipment.
- Adequacy, operation, and staffing of recreation programs.
- Modification of existing programs and facilities to meet developing community needs.
- Long range planning and regional coordination concerning park and recreation facilities.

Through their discussions, the Commission determined that much had been accomplished with their current work plan goals, which has resulted in new business practices and guiding principles that will strengthen communication with user groups; increased community engagement and outreach to satisfy community needs; and maximized use of the various service delivery models in terms of revenue generation and community benefit. Many of these strategies have become ingrained in the routine operations of the Community Services Department and they are expected to have a lasting impact long into the future.

In developing their new 2-Year Work Plan goals, the Commission took under consideration the changes that may have occurred in the community over the past two years, the Commission's long term vision for the community, the deliverables necessary to achieve the desired results, and a prioritization of their goals based on what was most important given the available resources. After much discussion, the Commission developed three new goals for their new 2-Year Work Plan for the City Council's consideration and approval.

Parks & Recreation Commission Work Plan Goals Proposed for 2014-2016

1. Research and evaluate the social services and recreation opportunities in the Belle Haven neighborhood in support of the Belle Haven Visioning and Neighborhood Action Plan resulting in diverse, high quality programs meeting the needs of neighborhood residents. Ongoing to January 1, 2016.
2. Research and evaluate opportunities to support and increase arts program offerings for the community resulting in residents having a greater exposure to the arts and improved partnerships with new and existing arts groups and venues. Ongoing to January 1, 2016.
3. Study and evaluate City operated parks to ensure their short and long term vitality resulting in park structures and flora being properly maintained; parks being utilized by the community with greater frequency; and ensuring a proper balance of park usage and long term conservation. Ongoing to January 1, 2016.

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ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: February 25, 2014
Staff Report #: 14-033

Agenda Item #: D-3

CONSENT CALENDAR: **Affirm the Guiding Principles for the 2014-15 Budget Process**

RECOMMENDATION

Staff recommends affirmation of the Operating and Budget Development Principles for the 2014-15 budget process.

BACKGROUND

The City of Menlo Park provides an array of services at an approximate cost of \$70,000,000 per fiscal year with 230 full time equivalents (FTE) benefitted employees approved for 2013-2014. In addition, the City uses temporary workers plus contract services to bolster staffing during peak work periods.

Staff is seeking affirmation from Council regarding a set of operating and budget principles to provide guidance in developing an operating budget which reflects the services and activities of greatest importance to the City Council. These budget principles were presented at the January 27, 2014 Council Goal workshop.

ANALYSIS

Staff recommends the following statements for adoption as **City Operating Principles**:

1. Provide services and programs meeting the current and future needs of the community.
2. Recognize staff capabilities and capacity.
3. Operate efficiently but always with an eye toward quality and accuracy.
4. Provide professional, safe and secure public spaces, infrastructure and facilities.
5. Maintain strong budget reporting and management accountability.
6. Value our City employees and the experience and skill they bring to the organization.
7. Treat all employees and employee groups fairly and respectfully.
8. Provide services that are at least minimally compliant with federal, state and local laws.
9. Re-build operational and institutional depth in the organization.
10. Recognize the need for ongoing and meaningful community engagement.

11. Create a courageous environment supporting good decision making.
12. Annually review the unfunded long term liability of the CalPERS retirement plan, and the reserve intended to help balance the annual financial obligation.

Based on these operating principles, staff recommends the Council adopt the following budget principles to be applied to upcoming budget decisions about optimal funding for services and activities supporting achievement of Council goals, to be presented for Council review at the June, 3, 2014 Council meeting:

Budget Development Principles

1. The City will invest in baseline City services and City Council adopted goals.
2. Invest in programs, services, and capital promoting long-term prosperity.
3. Look for opportunities to leverage existing resources and consolidate services within and across government agencies.
4. Move toward recovering the full cost of any fee-based service except where the Council sees a clear public interest in providing a subsidy.
5. Seek operational efficiencies and revenue enhancement opportunities.
6. Invest in employee performance and/or production.
7. Maintain existing infrastructure and invest in proven technologies to support the organization.
8. Invest in the implementation of Council-adopted plans and strategies (e.g., El Camino Downtown Specific Plan, Housing Element, and the Belle Haven Visioning Process, etc.).
9. Evaluate one-time revenues for highest and best investment and/or use.
10. Align and adjust work program with staff capacity.
11. Develop a budget format that is more useful for public consumption and internal control.

IMPACT ON CITY RESOURCES

Setting budget principles has an overall impact on the allocation of City resources by specifying the Council's priorities for the coming year so that they may be reflected in the City Manager's proposed budget for Fiscal year 2014-15 to be presented for review in May and June of 2014.

POLICY ISSUES

Identifying Council's operating and budget principles as a first step in the budget development process ensures that the City Manager's Proposed budget is aligned with Council approved goals and to overall priorities.

Similarly, identification of appropriate use of one-time revenues in support of these principles, goals and priorities will ensure the City's reserves remain strong while addressing pressing needs.

ENVIRONMENTAL REVIEW

Environmental review is not required.

PUBLIC NOTICE

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

ATTACHMENTS

None

Report prepared by:

Alex McIntyre

City Manager

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**CITY COUNCIL
SPECIAL MEETING **DRAFT** MINUTES**

Monday, January 27, 2014

1:00 P.M.

700 Alma Street, Menlo Park, CA 94025
Arrillaga Family Recreation Center, Oak Room

1:00 P.M. GOAL SETTING SESSION

Mayor Mueller called the meeting to order at 1:16 p.m. with all members present.

Staff present: City Manager Alex McIntyre, Assistant City Manager Starla Jerome-Robinson, City Attorney Bill McClure, Police Chief Bob Jonsen, Public Works Director Chip Taylor, Community Development Director Arlinda Heineck, Community Services Director Cherise Brandell, Finance Director Drew Corbett, Human Resources Director Gina Donnelly, Economic Development Manager Jim Cogan, City Clerk Pam Aguilar, Assistant to the City Manager Clay Curtin

1. Welcome and introductions

Mayor Mueller, City Manager McIntyre and Facilitator Jan Perkins all gave brief opening remarks

2. Public Comment

- Steven G. Sidlovsky, Secular Franciscan Order, spoke regarding citizen overlay life peace zones
- Fran Dehn, Chamber of Commerce, spoke regarding working together with the city to retain businesses

3. Review workshop agenda

At the start of the workshop, Facilitator Perkins reviewed the agenda and suggested several ground rules to help the group have a successful workshop and achieve the results they intended to achieve through the goal setting process.

- Seek consensus
- Focus on creating realistic and achievable priorities
- Have candid conversations
- Listen to and respect others' opinions
- Don't text or answer email

4. Celebrating our accomplishments

Facilitator Perkins reviewed a partial list of City accomplishments that had been identified in her interviews with Councilmembers. Council and staff also identified the key factors that contributed to the accomplishments.

The highlighted accomplishments included:

- Affordable Housing projects
- Housing Element
- Greenhouse reduction goal
- Downtown Specific Plan confirmed
- Sustainable budget
- Stanford project

- Greenheart project (El Camino)
- Sobrato project
- Employee labor groups contracts
- Tree lighting event
- Well-attended recreation programs
- General Plan Update
- Christmas activities
- Facebook construction
- St. Anton project
- Payroll upgrade underway
- Downtown beautification
- Police improvements (substation, advisory group, technology and others)
- Median landscape contract
- Renegotiated contracts saved money
- Belle Haven Visioning
- EIR for San Francisquito Creek between counties
- Public Records Act software – greater efficiencies
- Letter of credit approval by Successor Agency saved \$450,000/year
- Improved coordination of development processes
- Preferred Alternative for Willow and 101 freeway interchange
- Filled key management positions

Factors that contributed to the City's success with these accomplishments were:

- Good planning
- Teamwork: staff and City Council
- Professional staff responses to inquiries from Council
- Improved trust
- Balanced budget, stronger fiscally
- Dedicated staff and commission volunteers
- Communication with staff
- Collaborations
- Combination of experienced and new staff
- Well prepared Councilmembers

5. Discussion of priorities

Council participated in a dot-voting activity designed to identify a clear list of priorities for which resources (primarily staff and time) are available or could be made available.

At approximately 5:15 p.m., Mayor Mueller left the meeting.

6. Confirm consensus on priorities

Council identified sixteen goals consisting of some projects as new initiatives and those with prior direction.

- Enhance economic efforts, particularly in the downtown and industrial areas
- Explore shared services with other agencies
- Improve public communication
- Explore modifying parking in the downtown
- Evaluate the City's water policy
- Strengthen internal administrative systems
- Make gains in the City's Climate Action Plan

- Conduct more community events
- Process and/or complete development projects
- Improve traffic flow on El Camino Real
- Establish and maintain positive employee-employer labor relations
- Create long term strategy for dealing with methane at Bedwell Bayfront Park
- Continue work on the General Plan Update
- Enhance citywide public safety, including the Belle Haven neighborhood
- Adopt operating and budget development principles
- Collaborate with schools on Safe Routes to School

7. Staying focused on agreed upon priorities

Council and staff discussed the process for handling emerging issues and the types of progress reports staff will make to the Council. As new ideas arise, they will be gathered and considered by Council on a quarterly basis. No new projects (other than emergencies) will be approved except through the quarterly discussion process. This will enable staff to stay focused on Council priorities established in this goal setting session.

8. Next steps

City Manager McIntyre will return to Council with a proposed work plan that identifies tasks, timelines and resources required for each of the priority items. Council will consider this list and modify or confirm it, which will then become the focus of the City's work plan and upcoming budget.

The meeting adjourned at 6:40 p.m.

HANDOUTS

1. [Staff Report: Update on 2013 City Council Goals](#)
2. [Staff Report: Guiding Principles for the 2013-14 Budget Process](#)
3. [Proposed Council Goals](#)
4. [City Council Procedures Manual](#)

Pamela Aguilar
City Clerk

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CITY COUNCIL REGULAR MEETING **DRAFT** MINUTES

Tuesday, February 11, 2014
7:00 P.M.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers

7:00 P.M. REGULAR SESSION

Mayor Mueller called the meeting to order at 7:09 p.m. with Councilmembers Carlton, Keith, Ohtaki and Mueller present. Councilmember Cline was absent.

Mayor Mueller led the pledge of allegiance.

ANNOUNCEMENTS - None

A. PRESENTATIONS AND PROCLAMATIONS

A1. Proclamation recognizing the Friends of the Library
Wayne Bonde and Jackie Drew accepted the proclamation on behalf of the Friends of the Library ([Proclamation](#))

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

C. PUBLIC COMMENT #1

- Art Roose spoke regarding the sign ordinance ([handout](#))
- Vicky Rubledo spoke regarding the dog leash requirements at Bayfront Park and requested the City to consider a fine for violations. She also spoke regarding the status of affordable housing on Hamilton Avenue
- Pat Giorni thanked the City for its position on High Speed Rail

D. CONSENT CALENDAR

- D1. Adopt a resolution authorizing the Mayor to execute the First Amended Joint Exercise of Powers Agreement for the San Mateo Operational Area Emergency Services Organization ([Staff report #14-025](#))
- D2. Authorize the Public Works Director to accept the work performed by W. Bradley Electric, Inc., for the traffic signal modification at the intersection of Sand Hill Road and Branner Drive ([Staff report #14-021](#))
- D3. Adopt a resolution authorizing the City Manager to execute an updated Maintenance Agreement with the State of California for the Ringwood Pedestrian Overcrossing ([Staff report #14-020](#))
- D4. Authorize the City Manager to submit supplemental revisions on the Draft Housing Element to the State Department of Housing and Community Development ([Staff report #14-024](#))
- D5. Accept Council minutes for the meeting of January 28, 2013 and accept Errata to correct minutes for the meeting of June 4, 2013 ([Attachment](#))

Mayor Pro Tem Carlton requested Item D1, *Adopt a resolution authorizing the Mayor to execute the First Amended Joint Exercise of Powers Agreement for the San Mateo Operational Area Emergency Services Organization*, be pulled from the Consent Calendar for discussion.

ACTION: Motion and second (Keith/Carlton) to approve items D2-D5 on the Consent Calendar passed 4-0-1 (Cline absent)

In response to Mayor Pro Tem Carlton's inquiry, Councilmember Ohtaki responded that the Menlo Park Fire Protection District Fire Chief is included in the San Mateo County Fire Chief's Association, a non-voting member participant of the JPA.

ACTION: Motion and second (Carlton/Ohtaki) to adopt **Resolution #** authorizing the Mayor to execute the First Amended Joint Exercise of Powers Agreement for the San Mateo Operational Area Emergency Services Organization passed 4-0-1 (Cline absent)

E. PUBLIC HEARINGS – None

F. REGULAR BUSINESS

F1. Consideration to rename the San Mateo Drive Bike Bridge in Honor of Mike Harding ([Staff report #14-026](#))
Staff presentation by Clay Curtin, Assistant to the City Manager.

Public Comment: ([presentation](#))

- Andrew Harding spoke regarding his father, Mike Harding
- Steve Schmidt spoke in support of renaming the bridge after Mike Harding
- Colin Heyne, Silicon Valley Bike Coalition, spoke in support of renaming the bridge after Mike Harding
- Paul Wendt, Western Wheelers, spoke in support of renaming the bridge after Mike Harding
- Richard Melnicoff spoke in support of renaming the bridge after Mike Harding
- Steve Vonderlip spoke in support of renaming the bridge after Mike Harding
- Cindy Asrir spoke in support of renaming the bridge after Mike Harding
- David Alfano, C/CAG Bicycle Commission, spoke in support of renaming the bridge after Mike Harding
- Pat Giorni spoke in support of renaming the bridge after Mike Harding

The Council expressed appreciation for the contributions of Mike Harding and were supportive of working with the City of Palo Alto to continue the process.

ACTION: Motion and second (Keith/Carlton) to approve the request to rename the San Mateo Drive bike bridge in honor of Mike Harding and directed staff to contact and work with the City of Palo Alto to obtain its concurrence passed 4-0-1 (Cline absent).

F2. Authorize staff to proceed with the preparation of the Request for Proposal (RFP) for consultant services for the General Plan update and M-2 Area Zoning Update ([Staff report #14-028](#))

Staff presentation by Justin Murphy, Community Development Services Manager ([presentation](#))

Staff responded to Council questions and discussion ensued regarding community character concept, time lines, sustainable practices, urban water management, enhanced east-west connectivity and OBAG grants, streamlining, and utilizing the Council subcommittee.

ACTION: Motion and second (Carlton/Ohtaki) to authorize staff to proceed with the preparation of the Request for Proposal (RFP) for consultant services for the General Plan update and M-2 Area Zoning Update passed 4-0-1 (Cline absent).

G. CITY MANAGER'S REPORT – None

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS

- I1. Economic Development Quarterly Update ([Staff report #14-027](#))
- I2. Quarterly Financial Review of General Fund Operations as of December 31, 2013 ([Staff report #14-023](#))
- I3. Review of the City's investment portfolio as of December 31, 2013 ([Staff report #14-022](#))

J. COUNCILMEMBER REPORTS

Councilmember Keith gave an update regarding the SFCJPA EIR on the Pope-Chaucer bridge and stated that all alternatives will be studied and all comments will be responded to.

Mayor Mueller spoke regarding holding a study session on the topic of funding sources for a capital improvement program for the Ravenswood School District. There was also discussion on how to present ideas for future consideration by the full Council.

Mayor Pro Tem Carlton stated she will be submitting a letter of interest for a vacancy on the C/CAG legislative committee and that this appointment is not made by the Council.

K. PUBLIC COMMENT #2

- Michael Francois spoke regarding the Domini Hoskins Museum and black history month and water wars ([handout](#))
- Wynn Grcich spoke regarding BAWSCA, increasing water rates and chemical trails

L. ADJOURNMENT at 9:00 p.m.

Pamela Aguilar
City Clerk

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COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: February 25, 2014
Staff Report #: 14-031

Agenda Item #: F-1

REGULAR BUSINESS: Authorize Staff to Issue the Request for Proposal (RFP) for Consultant Services for the General Plan Update and M-2 Area Zoning Update

RECOMMENDATION

Staff recommends the Council consider the staff report, presentation and public comment and authorize staff to issue the request for proposal (RFP) for consultant services for the General Plan Update and M-2 Area Zoning Update.

BACKGROUND

[Click here to enter text.](#)

ANALYSIS

On February 11, 2014, the Council authorized staff to proceed with the preparation of the Draft RFP for consultant services. A draft RFP is included as Attachment A. The proposed schedule is as following:

- Release RFP: Friday, February 28, 2014
- Submittal Deadline: Monday, March 31, 2014
- Interviews: Week of April 7, 2014
- Council Contract Approval: Tuesday, April 29, 2014

Embedded in the RFP are some statements related to the Consultant Selection process. Staff is recommending the formation of a Selection Advisory Panel comprised of the Council members, Planning Commissioners and staff as follows:

- Mayor Mueller (General Plan Update Subcommittee Member);
- Council Member Ohtaki (General Plan Update Subcommittee Member);
- Planning Commission Chair Kadvanly (As recommended by the Planning Commission on January 27, 2014);
- Planning Commissioner Riggs (As recommended by the Planning Commission on January 27, 2014);
- City Manager McIntyre;
- Community Development Director Heineck; and
- Public Works Director Taylor.

Staff will proceed with the formation of this Panel unless directed otherwise by Council.

Staff would welcome comments on the Draft RFP prior to the Council meeting. If comments are received, staff will evaluate the comments and recommend edits to the RFP at the meeting. In considering its action, the Council has the following options:

- Authorize staff to issue the RFP as amended at the Council meeting, subject to minor edits if needed for clarification before release of the RFP;
- Authorize the Council Subcommittee to finalize the RFP with staff by February 28, 2014; or
- Continue the item to the next Council meeting on March 4, 2014 for further refinements. (This option would affect the proposal schedule outlined above).

IMPACT ON CITY RESOURCES

The proposed work program would require both staff resources dedicated to the project, as well consultant services. The Council has budgeted \$2,000,000 for Fiscal Year 2013-14 for the General Plan Update for consultant assistance and staff time. Dependent on the scope of the work program, additional funding may be necessary in future years. Similar to the El Camino Real/Downtown Specific Plan, staff will explore options for a potential fee that could be imposed as a way to reimburse the City for the expenditure related to a specific geographic area.

POLICY ISSUES

The General Plan and M-2 Zoning update process will consider a number of policy issues.

ENVIRONMENTAL REVIEW

The General Plan and M-2 Zoning update is subject to the California Environmental Quality Act (CEQA) and an Environmental Impact Report (EIR) will be prepared at the appropriate time in the process.

PUBLIC NOTICE

Public notification was achieved by posting the agenda, at least 72 hours prior to the meeting, with this agenda item being listed. In addition, the City sent an email update to subscribers of the General Plan Update project page. This page provides up-to-date information about the project, allowing interested parties to stay informed of its progress and allow users to sign up for automatic email bulletins, notifying them when content is updated or meetings are scheduled. The page is currently available at the following location: http://www.menlopark.org/projects/comdev_gp.htm (Note: this project page address may be modified as part of the pending City web site update.)

ATTACHMENTS

- A. Draft Request for Proposal (RFP) for General Plan Update and M-2 Area Zoning Update (without Attachments)

Report prepared by:

Justin Murphy

Development Services Manager

Report Reviewed by:

Arlinda Heineck

Community Development Director

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2/20/14 DRAFT



Request for Proposal (RFP)
for General Plan (Land Use & Circulation)
Update and M-2 Area Zoning Update

Issued: Friday, February 28, 2014

Submittal Due: Monday, March 31, 2014 at 5:00 p.m.

Section 1: Introduction

The City of Menlo Park invites proposals from qualified firms who participated in the Request for Qualifications (RFQ) process for the City of Menlo Park General Plan Update. Proposals should consist of a prime consultant, and one or more sub-consultants. Team formation should be arranged by the prime consultant, and sub-consultants may propose with more than one team.

The General Plan Update and M-2 Area Zoning Update (Update) is of critical importance to the City, and will require substantial commitment by staff and investment of time of the community and financial resources. A proposal that comprehensively addresses the scope, demonstrates technical expertise, effective communication skills, provides an open and inclusive process, innovative vision, and a schedule that maintains momentum and participation will be essential to the success of the Update and will be the most successful candidates.

Responses must conform to the requirements of this Request for Proposal (RFP). The City reserves the right to reject any proposal which does not comply with this RFP.

All proposals for the General Plan Update and M-2 Area Zoning Update shall be received no later than **5:00 p.m. on March 31, 2014.**

Section 2: Background

About Menlo Park

The City of Menlo Park is a general law City located on "The Peninsula", between San Francisco and Oakland on the north and San Jose on the south. The City has access from both US 101 and Interstate 280, as well as a direct connection to the East Bay via the Dumbarton Bridge (State Route 84). The City borders the communities of Atherton, Redwood City, Woodside, East Palo Alto, and Palo Alto, as well as unincorporated San Mateo County and unincorporated Santa Clara County. In addition, the City is adjacent to Stanford University, along the City's southeastern border. The City has a population of approximately 32,000 and approximately 29,000 people are employed within its boundaries.

The City's residential neighborhoods are complimented by a number of active commercial areas, most notably the El Camino Real and Sand Hill Road corridors, the central downtown district along Santa Cruz Avenue, and the M-2 (General Industrial) zoning district near Bayfront Expressway (State Route 84) and US 101. Menlo Park has an active citizenry and high level of community involvement.

Adopted Plans

Menlo Park's current General Plan elements, available on the City web site, are comprised of three documents as follows:

<http://www.menlopark.org/departments/pln/gp/>

- Land Use and Circulation Elements, adopted in 1994 with amendments through May 2013;
- Open Space/Conservation, Noise and Safety Element, adopted in May 2013, and
- Housing Element (2007-2014 planning period), adopted in May 2013.

The update of the Housing Element for the 2015-2023 planning period is nearing completion. The City has received a comment letter from the California Department of Housing and Community Development, and is targeting adoption in April 2014. Extensive information regarding this Housing Element is available at the following web site:

<http://www.menlopark.org/athome>

In addition, the City adopted the El Camino Real Downtown Specific Plan in June 2012, and has recently conducted a review of the Plan. Extensive information regarding this Specific Plan is available at the following web site:

<http://www.menlopark.org/specificplan>

Objective, Givens and Parameters

The City Council has established a high priority on updating the General Plan and the zoning for the M-2 Area. The Update is intended to build upon and knit together a number of existing studies and plans that have been developed over the years or are currently underway. The Update is meant to provide a user-friendly and coherent policy document and implementation tools to guide the City as it faces opportunities and challenges over the next quarter century.

On December 17, 2013 and February 11, 2014, the City Council reviewed a set of "givens" or principles that would guide the overall development of the Update as follows:

- Community outreach and engagement will be an integral and robust component of the process to develop the plan;
- Focus will be given to the M-2 (General Industrial) zoning district, especially the evolution of the area and the appropriateness of land uses, intensity of uses, development standards, project review procedures, and use of hazardous materials;

- Throughout development of the General Plan Update, pursue opportunities to establish goals and policies that will support streamlining of the development review process where appropriate;
- Inclusion of new concepts and strategies to address emerging needs, including Greenhouse Gas Reduction, Sea Level Rise, Complete Streets, and Transportation Management Associations;
- Land use and traffic projections for potential growth would be to the Year 2040 for general consistency with other local and regional plans; (e.g., Urban Water Management Plan, City/Council Association of Governments (C/CAG) Traffic Model, etc.);
- Development of the General Plan will be informed by an Environmental Impact Report and a Fiscal Impact Analysis; and
- General Plan will comply with State law.

On February 11, 2014, the City Council reviewed the following set of parameters, which would be used in preparing this RFP:

- The Circulation Element update would be Citywide, but the focus would be east of El Camino Real.
- The General Plan would comply with the Complete Street Act of 2008.
- Potential changes to measuring transportation impacts (Vehicle Level of Service vs. Multi-Modal Level of Service) and the City's roadway classification systems (arterials, collectors, etc., as shown in Attachment C) should be considered.
- Material/substantive changes to the Land Use Element would be limited to M-2 Area for this phase of the General Plan Update [understanding there may be future phases of updates].
- Increased intensities in the M-2 Area (as shown in Attachment D) in terms of Floor Area Ratios (FAR) and opportunities for a mix of land use in select locations would be considered through the process with the criteria to be established through the process.
- Zoning Ordinance Amendments applicable to the M-2 Area would be considered concurrently with the General Plan Update, and would include potential changes to the process for reviewing the use and storage of hazardous materials.
- Themes of sustainability, integration, connection should be pursued and environmental circumstances should be considered prior to preparation of the Environmental Impact Report.
- The Open Space/Conservation, Noise and Safety Elements would be updated as needed for consistency or another compelling reason.
- The Housing Element would only be updated if needed for consistency.
- The "stretch" goal is to complete adoption of the General Plan Update and Zoning Ordinance Amendments two years after award of contract with the understanding that this may result in impacts to other City projects.
- The City is interested in partnering with a consultant team that is knowledgeable in best practices, has a proven track record, is innovative and creative, and is tuned into the needs of the community.

Staff also conducted outreach with various City Commissions and major M-2 property owners in order to help inform this RFP. The feedback is available on City's website created for the Update.

Section 3: Scope of Services

The City of Menlo Park is requesting proposals from firms interested in collaborating on the Update. The remainder of this section identifies major tasks that shall be considered in the proposal. Additional tasks may be proposed as well, but should be presented as discreet line items in the budget.

In addition to the tasks outlined below, the following components should be incorporated throughout the Update process:

- *Identification of Opportunities for Accelerated Implementation:* While the project is intended to result in a comprehensive Update, the consultant should be prepared to identify and enable opportunities for parallel processing of project elements as well as earlier implementation of key elements, if appropriate.
- *Coordination with City on other Initiatives:* Recognize the need to coordinate with the City on other projects and activities, such as the City's Update to the Urban Water Management Plan for the Menlo Park Municipal Water District, which will be occurring on a parallel track.
- *Innovative Graphics:* Use of innovative graphics to relay ideas and concepts.
- *Data Management and Mapping:* Maximize the use of Geographic Information System (GIS) technologies in terms of analysis and presentation of concepts. All GIS and related data shall be shared with the City and structured in a manner that allows for continued City use after the conclusion of the Update.

Task 1: Project Start-Up and Background Material

Conduct preliminary administrative tasks, such as review of the General Plan, Zoning Ordinance, Community Engagement Model, Comprehensive Bicycle Plan, Climate Action Plan, Urban Water Management Plans, 1994 General Plan EIR, Housing Element and General Plan Consistency Update Environmental Assessment, recent project specific Environmental Impact Reports, Commercial Zoning Ordinance Update, Willow Business Area Charrette, 5-Year Capital Improvement Plan, and other background materials. Meet with staff to discuss issues such as the project goals, opportunities and constraints, information needs, roles and responsibilities, expectations, and logistical issues.

Task 2: M-2 Area Visioning

The output of this task will be a *Vision Statement* that clearly articulates the community's current impressions of, and goals for, the M-2 Zoning District. The visioning exercise should be tailored to Menlo Park and should include a variety of techniques to engage and elicit input from the community. Proposals should describe in detail the techniques that would be used, including but not limited to a combination of some/all of the elements listed below. Proposals should clearly articulate how the selected techniques achieve the overall project goals and meet the unique needs of Menlo Park. Additionally, proposals should address opportunities for

modifications to the approach based on community input during the visioning process.

- *Kick-Off Event*: Initial meeting to educate and energize community members about the overall visioning process. The kick-off event may include presentations and initial workshop-type activities.
- *Educational Speaker Series*: Create and organize an Educational Speaker Series to help inform the community and decision makers on latest trends and topics related to land use, transportation, environment and the economy, including best practices from comparable/relevant communities;
- *Community Workshops*: Interactive public events that help community members reach common ground on key issues;
- *Mobile Workshop*: A structured tour of nearby communities to view representative projects and discuss options in an informal setting;
- *Alternative Outreach*: Supplements to the community workshops that reach groups (such as seniors and parents of young children) that may have difficulty making evening events;
- *Stakeholder Interviews*: Interviews with key stakeholders, such as: residents, business and property owners, architects, developers, community activists, and public officials;
- *Surveys*: A mail, internet, phone, and/or intercept survey to help establish community opinion and/or identify areas for further discussion;
- *Advisory Body*: An advisory body (e.g., working group, steering committee, task force, etc.) to regularly review the progress of the project and provide input to the consultant and staff within a public forum, as well as to provide outreach to the broader community. Please state clearly your recommendations for the membership of the advisory body, with consideration of residents, elected/appointed officials, staff, and other stakeholders, and whether the body would have jurisdiction over process, content, or both, along with the basis for the recommendations. The consultant may consider the potential for one or more working groups with various focuses such as process oversight, policy, and/or technology;
- *Project Web Site*: Assist with enhancements to the existing project page, which will include all relevant information about the project, including: staff reports, presentations, meeting materials, project schedule, and related documents;
- *Newsletter*: Regular print and electronic newsletters to inform the community of the progress of the project. Printing/mailing may be handled directly by the City;
- *City Council Outreach*: Regular individual or group meetings with the City Council to review the progress of the project and to provide input;
- *Commission Outreach*: Depending on the composition of the Advisory Body above, regular individual or group meetings with the Planning Commission and the Bicycle, Transportation, Environmental Quality, and Parks & Recreation Commissions to review progress and to provide input;
- *Discussion and Coordination with Major M-2 Property Owners*: Five entities control approximately two-thirds of the M-2 Area land. The process should continue to engage these Major M-2 Property Owners in the overall process and include outreach to the remaining owners; and
- *Other Activities*: The consultant should include other activities that would provide the opportunity for an informed and meaningful community dialogue.

The techniques above should be incorporated into all of the individual phases, as needed. The final product will be a document that clearly and succinctly states the community's vision for the M-2 Area, along with a complete description of the visioning process by which the plan was created. The *Vision Statement* should provide a foundation for the subsequent Update that may include changes to the current development regulations.

Task 3: Development of Draft General Plan Update, Draft M-2 Area Zoning Ordinance Update, Draft Environmental Impact Report, and Fiscal Impact Analysis

Prepare the General Plan Update and the Environmental Impact Report in an integrated fashion and consistent with upcoming updates to the State General Plan Guidelines and California Environmental Quality Act (CEQA) Guidelines (especially related to SB 743) expected in the Summer of 2014. The individual tasks are itemized below to assist in budgeting purposes.

Task 3.1 Circulation Element Update

The update to the Circulation Element shall include the following:

- Recommend policy updates/modifications, including analysis methods and standards of significance;
- Assess implementation programs and recommend updates;
- Evaluate the current Street Classification System and recommend potential revisions;
- Prepare an existing conditions report and analysis in 2014 based on updated traffic counts in Fall 2014;
- Update the City's Circulation Assessment Model based on the Vistro model currently being prepared for the SRI Campus Modernization project;
- Develop traffic projections comprised of the following:
 - Background/regional growth west of El Camino;
 - Background/regional growth plus traffic from potential new M-2 Area uses east of El Camino;
- Assess future year (2040) circulation networks for deficiencies based on current and new standards;
- Digitize and evaluate existing Plan Lines (Willow Road, Middlefield Road, Garwood Way, and Oak Grove Avenue) and future ROW easements (Burgess Drive and Hamilton Avenue) in regard to the potential need for future right-of-way extensions and/or widenings;
- Assess the Comprehensive Bicycle Development Plan and other relevant County and Regional bike and trail plans relevant to Menlo Park and include recommendations for updating the City's Bicycle Plan as an implementation program;
- Identify needed improvements and implementation mechanisms, including recommendations for updating the 2009 Transportation Impact Fee Nexus Study as an implementation program;
- Collect information on all existing public and private transit options in the City including stop locations, frequency of service, etc.;
- Refine the current VTA/CCAG Model for application as a Citywide Travel Demand Forecasting Model during the Update process and develop the following:

- Forecasting methods for non-auto travel;
- Methodology/assumptions for trip distribution patterns to replace the Circulation System Assessment-survey based data;
- Standards for calculating vehicle miles traveled (VMT);
- Develop a Transportation Management Association (TMA) Policy and Implementation Program for one or more geographic areas within the City; and
- Evaluate current off-street and on-street parking policies and requirements in the M-2 Area as it relates to providing an appropriate supply of parking and regulating the intensity of land uses.

In addition, the Circulation Element Update shall include the following optional (i.e., Add Alt) tasks:

- Conduct an intersection operational analysis of signalized intersections, except for those in the El Camino Real corridor, to create baseline conditions regarding right-of-way, geometry, alignment, bicycle and pedestrian facilities, peak hour queuing, and turning lane lengths, jurisdiction, control and maintenance. For budgeting purposes, assume the analysis for 10 intersections and provide a per intersection cost for additional intersections; and
- Prepare right-of-way data (e.g., back of ROW, inside curb, outside curb, etc.) and cross-sections for any potential transportation improvements (bike lanes and/or sidewalks) along following corridors and include pricing for additional corridors on a per corridor basis using linear feet:
 - Marsh Road from Bay Road to Bayfront Expressway;
 - Chilco Street from Bayfront Expressway to the Dumbarton Rail Corridor;
 - O'Brien Drive from Willow Road to University Avenue;
 - Willow Road from Bay Road to O'Keefe Street;
 - Middlefield Road from Willow Road to Palo Alto Avenue.

Task 3.2 Land Use Element Update

At a minimum, the update to the Land Use Element shall include the following:

- Update the text to eliminate obsolete and/or updated information;
- Assess the current Land Use Map and recommend changes and/or updates;
- Report on the status and progress of implementing programs;
- Report on the status and progress of growth since the 1994 General Plan adoption;
- Assist in the creation of a land use inventory and the development of land use growth projections to the year 2040;
- Revising the element for all legislative or legal updates since the 1994 General Plan adoption; and
- Identify topics and issues that should be considered as future implementation programs.

Task 3.3 General Plan Consistency Updates

Based on the potential changes to the Land Use and Circulation Elements and the associated environmental review, there may be a need to update the recently adoption Open

Space/Conservation, Noise and Safety (OSCNS) Elements, which are currently published as a single-document. The proposal should include recommendations as to whether or not the OSCNS should remain a standalone document, which may be subject to minimal amendments for consistency or whether the OSCNS Element should be integrated into the updated Land Use and Circulation Elements document or remain a standalone document. The proposal should assume that the Housing Element will remain a standalone document.

Task 3.4 Optional Community Character Element

As an optional task, the proposal should identify the marginal cost and additional time required to prepare a Community Character Element as a concurrent activity. Although not part of the short term focus of the City Council, consideration should be given to the potential creation of a Community Character Element as a policy document to incorporate community issues such as aesthetics, residential design guidelines, potential historic resources, various type of frontage improvements (i.e., sidewalks vs. parking strips), street tree canopies, street lighting, overhead utility lines, neighborhood serving retail, etc. The character would be examined on a neighborhood-by-neighborhood basis to understand existing conditions and trends. These various topics reflect topics that have been raised in various forums including the Capital Improvement Plan. By including this concept in the RFP, there may be potential efficiencies in terms of data gathering and preparation of the Environmental Impact Report.

Task 3.5 M-2 Area Zoning Ordinance Update

At a minimum, the update to the Zoning Ordinance shall include the following related to the M-2 zoning district:

- Assess and recommend amendments to the permitted, administratively permitted and conditionally permitted uses;
- Assess and recommend amendments to the development regulations and off-street parking requirements;
- Consider the inclusion of a purpose statement;
- Consider the establishment of design standards (required) and design guidelines (optional) in order to provide certainty in the development review process; and
- Assess and recommend amendments to process for regulating the storage and use of hazardous materials;

In addition, the proposal should include consideration of certain properties in the M-2 Study Area that are currently not zoned M-2. The range of districts includes the following:

- C-4 (General Commercial)
- C-2-S (Neighborhood Commercial, Special)
- C-2-B (Neighborhood Commercial, Restrictive)
- FP (Flood Plain)
- U (Unclassified)

No material/substantive change should be assumed for the R-4-S (High Density Residential, Special) or M-3 (Commercial Business Park) properties.

Task 3.6 Environmental Review

The Update shall include the preparation of an Environmental Impact Report with the following considerations:

- Assess mitigation measures that have been applied to recent projects in the City and recommend potential “uniformly applicable development standards” to substantially mitigate potential impacts for the M-2 Area at a minimum, and potentially Citywide;
- Prepare guidelines for how future projects would be evaluated based on the environmental review conducted for the Update;
- Prepare a technical report on the Federal, State, County and Local regulation of the use, storage, transport and disposal of the hazardous materials;
- Conduct a Historic Resource Assessment for the M-2 Planning Area. As optional tasks, include the cost and time to conduct a Historical Resource Assessment for 1) the El Camino Real/Downtown Specific Plan Area, and 2) the remainder of the City.
- Prepare a Water Supply Assessment if required by State law;
- For budgeting purposes, assume the preparation of two (2) administrative draft EIRs and one screen check draft, and the basis for determining additional review; and
- For scheduling purposes, assume that the Notice of Preparation will be released in October 2014.

Task 3.7 Fiscal Analysis and Economic/Financial/ Market Reports

The Update shall include the preparation of Fiscal Impact Analysis to assess the projected revenues to the City and other agencies derived from the Update and the costs for providing services over a 25-year period in a net annual and on a cumulative basis. Additionally, the Fiscal Impact Analysis will establish a baseline of current revenue generation from the M-2 Area and evaluate the potential impacts of the proposal on that revenue generation.

The Update shall also include the preparation of other economic, financial, and market information related to land use development, and coordinate the City’s Economic Development plans and activities. In addition, the Update shall include a study of the relationship between development incentives/density bonuses for community/public benefit.

Section 3: Proposal Content

The City is seeking a qualified consultant team to provide all of the services necessary to complete the General Plan Update and M-2 Zoning Area Update for the City of Menlo Park. The proposal must clearly demonstrate an understanding of the City’s goals and objectives for the Update. The proposal shall including the items outlined in the sub-headings below.

Cover Letter

Please begin with a letter introducing your firm and summarizing your general qualifications and areas of expertise and an executive summary of the specific approach to completing the Updates. Please identify a single point of contact for the RFP process. This section should indicate the length of time for which the proposal is effective (minimum of 60 days).

Work Program

Please submit a detailed plan for the services to be provided. Identify items and tasks that City staff are expected to provide and/or complete and the relevant timing.

Schedule

The proposal shall include a preliminary project schedule that identifies milestones and completion dates by task from the beginning through formal review and adoption of the Updates by the City Council. Initial project work should commence in May 2014 and is anticipated to last approximately 24 months.

Key Personnel

Please include names of key personnel, their respective titles, education, work experience, and periods of service with the firm. Identify the project manager and any team member who would interact with City staff or the public. If sub-consultants would be used to perform work, please identify team members and experience working with the firms. Please submit qualifications for any team member that did not submit qualifications as part of the previous RFQ for this project.

Availability

Please include a brief statement of the availability of key personnel of the firm to undertake the proposed project. (Incorporate under "Key Personnel").

Budget and Fees

Please provide a fee estimate, on a task-by-task basis including extra meetings costs if required. The proposal shall include a spreadsheet identifying personnel, hourly rates, and project responsibilities and estimated amount of time expected for each task, expressed in person-hours. The proposed budget is to be presented as not-to-exceed, with all overhead/expenses included in the figure. The consultant should outline the terms of payment, based on monthly billings to the City.

Project List

Please include a list of similar or related projects completed by the firm, along with all relevant background information, including project timeframe and major milestones (*maximum of 10 examples*). For projects that were completed by a team of consultants, please clarify the specific contribution of your firm. Please provide at least one example of a work product that you believe would be most relevant to this RFP.

References

Please include names, emails and telephone numbers of at least three (3) people whom City staff may contact for references regarding the past performance on similar projects of the firm,

project manager, and any team member that would interact directly with City staff or the public.

Disclosure

Please disclose whether your firm and/or any personnel or sub-consultants to be considered as part of this RFQ have previously performed work for a Menlo Park property owner or developer over the past 10 years. Please identify for whom such work was performed and the type and timeframe of the work performed. In addition, please disclose any work currently being performed for any jurisdiction or substantial property owner/developer within a five (5) mile radius of Menlo Park.

Section 4: Submittal Details

Please submit eight (8) bound copies and one (1) unbound, single-sided copy on standard-weight paper (no heavy-weight paper or tabbed dividers), and one (1) CD-R/DVD including a PDF copy of the statement of qualifications at your earliest convenience, but no later than **Monday, March 31, 2014 at 5:00 p.m.** to:

Justin Murphy, Development Services Manager
Community Development Department
City of Menlo Park
701 Laurel Street
Menlo Park, CA 94025

Section 5: Selection Process

A *Selection Advisory Committee* comprised of City staff (3) and members of the City Council (2) and Planning Commission (2) will review the proposals received and select the most qualified firm(s) based on the following criteria:

- Demonstrated ability to deliver creative options, and to perform the specific tasks outlined in the Request for Proposal.
- Qualifications of the specific individuals who will work on the project.
- Amount of time key personnel will be involved in the project.
- The specific method or techniques to be employed by the consultant on the project.
- Reasonableness of the schedule to complete each task element and complete the project.
- The overall cost of the proposal.

After the review of the proposals, staff will notify all consultants of their status in writing. Interviews of selected consultants by the Selection Advisory Committee will be scheduled thereafter, if necessary. It is anticipated interviews will be held the week of April 7, 2014. Key

members of each consultant project team should be present for the interview. Staff will contact each selected consultant team and indicate the format of the interview and discussion topics along with the interview time, date and location. The consultant interviews will be public meetings at which public comment will be permitted, and copies of the proposals will be made available to interested members of the public.

The Selection Advisory Committee will rank the consultants after the interviews. City staff will negotiate the scope of work and final terms of agreement with the selected consultant for approval at City Council meeting.

The City of Menlo Park reserves the right to reject any of the proposals, to select more than one consultant, and/or accept that proposal or portion of a proposal which will, in its opinion, best serve the public interest.

Section 6: Attachments

- A. [Location Map](#)
- B. [Generalized Land Use Map](#)
- C. [Circulation Map](#)
- D. [M-2 Area Map](#)

If you have any questions during the preparation of your Statement of Qualifications, please contact Justin Murphy, Development Services Manager, by phone at (650) 330-6725 or by email at jicmurphy@menlopark.org. Questions and responses may be made available to all potential bidders.



OFFICE OF THE CITY MANAGER

Council Meeting Date: February 25, 2014
Staff Report #: 14-034

Agenda Item #: F-2

REGULAR BUSINESS: **Adopt the 2014 City Council Goals**

RECOMMENDATION

Staff recommends the City Council discuss, prioritize, and adopt the 2014 City Council Goals.

BACKGROUND

The City Council held a Special Meeting on January 27, 2014, at the Arrillaga Family Recreation Center. The public meeting was an opportunity for the City Council to discuss important City issues and identify the priority goals for the year. The workshop was facilitated by Jan Perkins, Senior Partner with Management Partners, and included public comments and input from several members of the public. Executive staff participated in order to provide expert advice where needed.

In the weeks prior to the meeting, the facilitator conducted individual interviews with each Councilmember and held a meeting with the Executive staff in order to obtain input about City accomplishments, challenges and priorities and to hear comments about what would constitute a productive workshop and what they hoped to accomplish during the meeting. Each Councilmember and the Executive staff were asked the following questions:

- What accomplishments over the past year are you most pleased about?
- What key challenges is the City facing?
- What are your top goals for achievement during the next year?
- What did you like about last year's goal setting workshop? What do you hope will be different at this year's session?
- How would you suggest staff be involved in this year's workshop?
- What information do you think will be helpful in preparing for the goal setting workshop?

This information was organized and presented to the City Council for its consideration during the workshop.

ANALYSIS

The City Council identified several ongoing and new goals for 2014. These included items that have received prior City Council direction and are in progress, and others added to the list at the City Council's direction during the workshop.

Attached is a list of goals and a proposed work plan that identifies tasks, additional resources required, and milestones for each of the items. The City Council should review this list and modify or affirm it, which will then be used to plan the upcoming Fiscal Year 2014-2015 budget. More defined information will be developed for consideration once the 2014 goals have been adopted by City Council.

After identifying the list of 2014 goals, the City Council and Executive staff discussed how they plan to deal with new issues as they emerge and the types of progress reports the City Council will receive. It was agreed during the meeting that as new ideas or needs arise, they will be gathered and then considered at the time of the quarterly reports. No new projects (other than emergencies) will be approved except through this quarterly discussion process. The intent is to enable staff to stay focused on the identified City Council priorities established during this meeting.

IMPACT ON CITY RESOURCES

Several of the proposed goals have a substantial impact on City resources. However, the proposed action of adopting the 2014 City Council Goals does not have an immediate impact on City resources. Related requests for appropriations will be included when the individual item is considered or as part of the 2014-2015 budget process.

POLICY ISSUES

It has been the City Council's policy to adopt City Council goals annually. Any policy issues that may arise from the implementation of individual goals will be considered at that time.

ENVIRONMENTAL REVIEW

The proposed action does not require environmental review.

PUBLIC NOTICE

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

ATTACHMENTS

- A. Proposed 2014 City Council Goals

Report prepared by:

Clay J. Curtin

Assistant to the City Manager

Proposed 2014 City Council Goals

The top goals from each Councilmember were identified, consolidated and discussed during the January 27, 2014, workshop. The following table summarizes the results of discussion surrounding each proposed goal.

Item	Goal Description	Department	Key Next Steps /Initiatives	Additional Resources Needed	Milestone Dates / Tasks
1.	Continue work on the General Plan update.	Community Development / Public Works / Economic Development (Heineck – Lead)	<ul style="list-style-type: none"> • Focus on an M-2 Area plan, including Zoning Ordinance amendments. • Consider circulation, including roadway classifications, Complete Streets, the City’s Transportation Impact Analysis Guidelines (multi-modal level of service), and transportation management associations on a citywide basis. • Develop and consider ways to streamline the development review process, including flowcharting of the current process, identification of administrative improvements, and identification of policy and/or ordinance changes. • Develop and implement a community outreach and engagement plan, including ways to “tell the story” of the General Plan. • Work with the Council Subcommittee to help guide the process and keep focus on the General Plan. • Themes of sustainability, integration and connection will be included. • Consider an optional element for Community Character, on which future work related to residential neighborhoods would be based, assuming the work would not impact the completion of an M-2 Area plan. 	<ul style="list-style-type: none"> • Additional funding will likely be required in future years for Lead and Sub Consultants. • Requires resources from every City department, which may require shifts from other goals. 	<p>Broad milestones for which dates will be established at a later date include:</p> <ul style="list-style-type: none"> • Consultant selection; • Data collection/ analysis; • Visioning; • Prepare draft Plan; • Environmental and fiscal review; and • Review by the public, Commissions, and City Council.

Item	Goal Description	Department	Key Next Steps /Initiatives	Additional Resources Needed	Milestone Dates / Tasks
2.	Enhance economic development efforts, particularly in the downtown and industrial areas.	Economic Development / Community Development / Public Works (Cogan – Lead)	<p>Update the Economic Development Strategic Plan, which will include the following elements:</p> <ul style="list-style-type: none"> • Business Retention/Expansion: <ul style="list-style-type: none"> ➤ Promotion of existing businesses. ➤ Assistance for small businesses. ➤ Business Retention meetings. • Business Attraction: <ul style="list-style-type: none"> ➤ Identify desirable new types of businesses. ➤ Identify appropriate business types for the Eight (8) Economic Activity Centers in Menlo Park. ➤ Assess potential incentives necessary for attracting desired businesses. • Reinstate Quarterly Economic Development Subcommittee Meetings. 	<ul style="list-style-type: none"> • Reinstatement of the 0.5 FTE. • Additional funding for Contract services. 	<ul style="list-style-type: none"> • Quarterly Economic Development Newsletter. • Continue to seek promotional opportunities for Menlo Park companies. • May 2014 City Council approval of Updated Economic Development Strategic Plan.

Item	Goal Description	Department	Key Next Steps /Initiatives	Additional Resources Needed	Milestone Dates / Tasks
3.	<p>Process and/or complete development projects, including:</p> <ul style="list-style-type: none"> • Facilitate completion of Facebook project. • Implement Stanford development plans. • Implement Greenheart development plans. • Implement Bohanan/Gateway project. • SRI Project. • Commonwealth Project. • Implement various residential projects including: CORE Housing & Mid Peninsula Willow Road Projects. 	<p>Community Development / Public Works / Economic Development (Heineck – Lead)</p>	<p>Key next steps vary depending on the status of each project.</p> <ul style="list-style-type: none"> • For projects in plan check or under construction (Facebook, Anton Menlo/Haven), the primary focus is on ensuring ongoing progress by: <ul style="list-style-type: none"> ➢ Phasing building permit review; ➢ Reviewing offsite construction improvements; ➢ Coordination with Caltrans; ➢ Quick resolution of issues; ➢ Timely issuance of permits; and ➢ Continuous inspection services. • For projects undergoing development review and located on R-4-S zoned property (Greenheart/Hamilton, Greystar/Haven, and Mid Peninsula/Willow) key steps include: <ul style="list-style-type: none"> ➢ Staff review for compliance with R-4-S Design Standards; ➢ Review and coordination of offsite construction plans; ➢ Advisory review by the Planning Commission; and ➢ Final determination of compliance by the Community Development Director. <p>(continued below)</p>	<ul style="list-style-type: none"> • 4 limited term (minimum three year terms) Planners/Permit Technicians (4.0 FTE total) • 2 Community Development interns (1.0 FTE total, 0.5 FTE each). • 3 limited term (minimum three year terms) Public Works Engineers (1 transportation; 2 development review). (3.0 FTE total) • Funding for Master Agreements with contract planning firms, plan check and building and construction inspection firms, and specialized services (environmental, design, arborist, historic, etc); costs would be paid by project applicants. 	<p>Schedules and tasks are unique to each project.</p> <p>The schedules reflect the applicant’s time to prepare proposals and respond to comments, community interest and staff resources.</p>

Item	Goal Description	Department	Key Next Steps /Initiatives	Additional Resources Needed	Milestone Dates / Tasks
3.	(continued)	(continued)	<ul style="list-style-type: none"> • For projects undergoing development review and located within the Specific Plan Area (500 ECR, Derry/1300 ECR) and other projects being considered in the area (612 College, 840 Menlo, 115 ECR, 1400 ECR, Park Theater and Roger Reynold's) key steps include: <ul style="list-style-type: none"> ➢ Environmental review to determine compliance with Specific Plan EIR (may require supplemental environmental review, traffic analysis), including Mitigation Measures; ➢ Architectural Control Review by the Planning Commission to verify full compliance with detailed standards/guidelines and overall compatibility; ➢ May require negotiation of public benefit and/or other permits ; ➢ May require public outreach or other unique process (i.e., public process for design of the Middle Avenue plaza); ➢ Implementation of Plan related elements to improve project processing (incorporation of Council-directed changes, establishment of a LEED auditor program, and Mitigation Measure compliance reporting). <p>(continued below)</p>		

Item	Goal Description	Department	Key Next Steps /Initiatives	Additional Resources Needed	Milestone Dates / Tasks
3.	(continued)	(continued)	<p>Additionally, the Specific Plan requires the implementation time to implementation Council-directed changes.</p> <ul style="list-style-type: none"> • For projects undergoing general development review (Commonwealth, SRI), key steps include: <ul style="list-style-type: none"> ➢ Environmental review, including traffic and other technical studies; ➢ Community outreach; ➢ Planning Commission review; ➢ May include negotiation of public benefit; and ➢ City Council review. <p>Two of the projects are unique:</p> <ol style="list-style-type: none"> 1. CORE housing due to its location on Federal land. 2. Menlo Gateway since the review process will depend on the project submittal. 		
4.	Explore modifying parking in the downtown.	Public Works (Taylor – Lead)	<ul style="list-style-type: none"> • Analyze and report on parking plan implemented in 2011 and consider modifications. 	<ul style="list-style-type: none"> • Additional funding and/or staff resources, if a CIP is approved. 	<ul style="list-style-type: none"> • April 2014 Report on Downtown parking modifications.
5.	Evaluate the City’s Water Policy, including sources, uses, and conservation.	Public Works (Taylor – Lead)	<ul style="list-style-type: none"> • Provide information to the public about the current local and regional water policy, including status of large, regional, and long-term issues. 	<ul style="list-style-type: none"> • Additional funding and/or staff resources, if a CIP is approved, to analyze water policy further. 	<ul style="list-style-type: none"> • May 2014 Study Session.

Item	Goal Description	Department	Key Next Steps /Initiatives	Additional Resources Needed	Milestone Dates / Tasks
6.	Enhance citywide public safety, including the Belle Haven neighborhood.	Police / Community Services (Jonsen – Lead)	<ul style="list-style-type: none"> • Open Neighborhood Services Center. • Strengthen Neighborhood Watch. • Implement Belle Haven Action Plan. • Implement Surveillance cameras. • Implement License Plate Readers. • Deploy motorcycle traffic officers. 	<ul style="list-style-type: none"> • 1 Community Safety Officer (1.0 FTE) via funding agreement with Facebook. 	<ul style="list-style-type: none"> • April 2014 Grand Opening of Neighborhood Service Center. • June 2014 Review crime statistics as part of the budget.
7.	Improve traffic flow on El Camino Real.	Public Works / Planning / Police (Taylor – Lead)	<ul style="list-style-type: none"> • Traffic studies of vehicle, bicycle, and pedestrian flow are underway. 		<ul style="list-style-type: none"> • By May 2014 Data Collection. • By August 2014 Identify Alternatives. • Through Dec. 2014 Facilitate Comm. Engagement & Outreach Process.
8.	Improve public communications.	All Departments (McIntyre – Lead)	<ul style="list-style-type: none"> • Update the communications plan to enhance proactive communications. • City Manager dialogue with reporters. • Proactive communication coaching session for City Council and staff. 	<ul style="list-style-type: none"> • Consultant to identify gaps and review / update and implement the plan. (~\$100,000). • Staff and/or consultant to execute the plan. 	<ul style="list-style-type: none"> • April 2014 Hire consultant to develop/update the plan. • Plan implementation to follow.

Item	Goal Description	Department	Key Next Steps /Initiatives	Additional Resources Needed	Milestone Dates / Tasks
9.	Strengthen internal administrative systems.	Administrative Services (Jerome-Robinson – Lead)	<ul style="list-style-type: none"> • Implement the completed Administrative Services study. • Establish a modern human resources system that meets legal & efficiency requirements (needs major updates, many old policies). • Develop an IT Master Plan. 	<ul style="list-style-type: none"> • Consultant and temporary workers to build Human Resource and Finance Systems and policies to replace the 20 to 30 year old systems. Cost to be determined. 	<ul style="list-style-type: none"> • Ongoing. • Ongoing. • September 2014.
10.	Conduct more community events.	Economic Development / Community Services / Public Works (Cogan – Lead)	<ul style="list-style-type: none"> • Increase number of community events (For example: movies in the park, additional PAC events, block parties, downtown events, and activities in the Belle Haven Action Plan). 	<ul style="list-style-type: none"> • 1 program attendant / staff (0.5 FTE) • \$5,000-\$10,000 per event/per day. 	<ul style="list-style-type: none"> • June 2014 Review as part of the budget.
11.	Maintain positive employee-employer relations.	Human Resources (Donnelly – Lead)	<ul style="list-style-type: none"> • Complete SEIU and POA contract negotiations. • Initiate Police Sergeants contract. 		
12.	Explore shared services with other agencies.	All Departments (McIntyre – Lead)	<ul style="list-style-type: none"> • Update the current list of contract services. • Look for opportunities to: <ul style="list-style-type: none"> ➢ Contract out ➢ Provide contract services to other agencies, or ➢ Share services. 	<ul style="list-style-type: none"> • Staff and/or outside resources. 	<ul style="list-style-type: none"> • June 2014 Review as part of the budget.
13.	Make gains in our climate action plan, reducing greenhouse emissions.	Public Works (Taylor – Lead)	<ul style="list-style-type: none"> • Consider approval of strategies from the Climate Action Plan to meet the greenhouse gas reduction target. 	<ul style="list-style-type: none"> • 1 environmental staff member. (1.0 FTE) • \$150,000 to \$250,000 in consultant services, incentive programs, and contract services. 	<ul style="list-style-type: none"> • June 2014 Review as part of the budget.

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