

**Minutes of Special and Regular Meeting of May 28, 2019
One Twin Pines Lane**

SPECIAL MEETING

CLOSED SESSION [5:30 P.M., Suite 360]

- (1) **Conference With Real Property Negotiators (Govt Code Section 54956.8)
Property:1300 El Camino Real, 1365 Fifth Avenue, and 875 O’Neill Avenue in
the City of Belmont, APN 045-244-010, 045-244-150, and 045-244-160**
Agency negotiators: Greg Scoles and Scott Rennie
Negotiating parties: City of Belmont, Belmont Firehouse Square, LLC, and MidPen
Housing Corporation
Under negotiation: Price and terms for sale of City property

STUDY SESSION [6:10 P.M., City Council Chambers - to be televised]

Introduce FY 2020 Proposed Annual Budget

Finance Director Fil stated that goal of the budget is to thrive as an organization, being mindful of pressures from external sources. He noted that the focus of the budget is on core services and top priorities. He described the City’s aging infrastructure needs, notable upcoming CIP (Capital Improvement Program) projects, and the general fund investment in capital projects. He reviewed the staffing plan and pension obligations, and outlined the new service model for fire services through the recent consolidation.

Finance Director Fil reviewed budget assumptions based on demographics, revenues, operations and capital improvements, and provided a comparative analysis of revenues and expenditures from previous years; outlining expenditure changes primarily in infrastructure. He noted the increased revenues in TOT (transient occupancy tax) as well as from Measure I (sales tax). He provided projected PERS rate increases, and noted the need to set aside monies for the rebuilding of Fire Station 15.

(At this time, being 6:25 P.M., Councilmember Stone stepped off the dais and out of the room.
At this time, being 6:35 P.M. Councilmember Stone returned to the dais.)

Department heads provided an overview of their department’s staffing and work plan, major accomplishments, objectives, and contributions to the Council’s priorities.

Public Works Director Oskoui reviewed the proposed Capital Improvement Program for FY 2020.

Attended by: Councilmembers Mates, Lieberman, Stone, Kim, Hurt

ADJOURNMENT at this time, being 7:00 P.M.

Terri Cook
City Clerk

**REGULAR MEETING
CALL TO ORDER 7:10 P.M.**

ROLL CALL

Councilmembers Present: Mates, Lieberman, Stone, Kim, Hurt
Councilmembers Absent: None

PLEDGE OF ALLEGIANCE

Led by Mayor Hurt

REPORT FROM CLOSED SESSION

City Attorney Rennie stated that no action was taken in the Closed Session held earlier.

SPECIAL PRESENTATIONS

Recognition of Rethink Waste's Art Contest Winner

Emi Hernandez, Rethink Waste, described the art contest. Mayor Hurt presented a certificate of recognition.

Proclamation Honoring City Manager Greg Scoles upon his retirement

Councilmembers offered comments regarding City Manager Scoles.

Mayor Hurt read the proclamation.

City Manager Scoles noted that achievement is all about team, including the City Council.

Cathy Wright, Belmont resident/former City Councilmember, commented regarding City Manager Scoles' service.

Mary Morrissey Parden and Adele Della Santina, Belmont Chamber of Commerce, thanked City Manager Scoles for his leadership.

PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

David Carey, Belmont resident, thanked the City of Belmont for its support of Bike to Work Day.

Kathleen Beasley, Belmont Library, outlined upcoming activities and programs at the library.

Carolyn Sheperd, Belmont resident, advocated for people who are mentally ill or have other disabilities.

Alex Cooke, Belmont resident, invited the community to the American Legion's 100th anniversary celebration to be held at the Sports Complex.

Sam Hosmer, Belmont resident, Belmont Historical Society, provided an update on the newspaper archive program for the History Room. He thanked the City Council for its contribution that assisted in making this project happen.

ITEMS APPROVED ON CONSENT CALENDAR

Ordinance 2019-1141 which amends Belmont Zoning Ordinance (BZO) Sections 2 (Definitions), 5A (Corridor Mixed Use (CMU) & Regional Commercial (RC) Districts), and 8A (Parking Standards). The proposed amendments: 1) modify Personal Services Use definitions, 2) amend hotel and commercial office parking standards in the CMU & RC Districts, and 3) clarify text and correct drafting errors

Ordinance 2019-1142 approving a Development Agreement between the City of Belmont and Windy Hill PV Fourteen MF LLC

Resolution 2019-053 authorizing the City Manager to execute a Master Service Agreement for audio visual system upgrades in the Council Chambers, including a one-year support agreement with Spinitar for a total amount not to exceed \$80,000

Resolution 2019-054 which 1) Adopts a Tenant Relocation Plan; 2) Adopts a Replacement Housing Plan (HSC 3341); 3) Determines General Plan Consistency; 4) Determines that the action is categorically exempt from CEQA for City-owned Properties (APNs 040-500-170, 106-190-070, 106-270-060 and 044-222-180); and 5) Authorizes Execution of Related Documents and Issuance of Relocation Benefits by the City Manager

Resolution 2019-055 approving a revised Memorandum of Understanding between the City of Belmont and the American Federation of State, County, and Municipal Employees (AFSCME)

ACTION: On a motion by Councilmember Stone, seconded by Councilmember Kim, the Consent Agenda was unanimously approved.

City Attorney Rennie read the title of the ordinances.

OTHER BUSINESS (Item taken out of order on agenda)

Silicon Valley Clean Water (SVCW) Water Infrastructure Finance and Innovation Act (WIFIA) Loan and 2019 Notes Issue

Finance Director Fil explained that this action is the last formal step for the loan agreement to fund a large capital project for Silicon Valley Clean Water. He reviewed the debt service and clarified that rates will not need to be raised to finance the debt.

Robert Poor, Silicon Valley Clean Water's Financial Advisor, outlined the terms of the loan.

Councilmember Lieberman pointed out that the City of Belmont will save money as a result of the proposed action.

ACTION: On a motion by Councilmember Stone, seconded by Councilmember Lieberman, **Resolution 2019 056** authorizing the City to obligate its Wastewater Enterprise to pay its allocable share of debt service on the Silicon Valley Clean Water (SVCW) 2019 Wastewater Revenue Notes (the 2019 Notes) and the Water Infrastructure Finance and Innovation Act Loan (WIFIA) and

authorizing certain related matters not to exceed \$25,000,000 million for the 2019 Notes and \$25,000,000 million for the WIFIA Loan was unanimously approved.

PUBLIC HEARINGS

Firehouse Square Project- 1300 El Camino Real and 875 O'Neill Avenue

Community Development Director de Melo described the proposed project and entitlements being sought for the project known as Firehouse Square at El Camino Real and O'Neill Avenue, and he clarified actions to be taken tonight and at the June 11 hearing.

Contract Planner Adam Peterson provided background on the adoption of General Plan (GP) and the Belmont Village Specific Plan (BVSP) which governed the planning of Firehouse Square. He described the location and setting and provided an overview of the project. He noted that the project is subject to CEQA (California Environmental Quality Act) but further CEQA review is not required due to fact that the project is located in a transit priority area. He explained that the project is consistent with the BVSP, proposed use, density and policies in a sustained communities strategy. He described the affordability component. He explained the proposal for back-in parking which would result in a loss of 16 on-street spaces. He explained that this component is discretionary. He outlined the Conditional Use Permit (CUP) request and other entitlements and described the Planning Commission's review and public comments received at the Planning Commission meeting. He noted that the Commission voted unanimously in favor of the project.

In response to Councilmember Kim, Mr. Peterson confirmed that a new CUP would be required if the proposed retail space is converted to housing.

In response to Councilmember Stone, Community Development Director de Melo confirmed that prevailing wage would be required on this project. He explained that retail space at the corner of El Camino Real and O'Neill Avenues has been planned since 2013, and any change to that would delay existing proposed entitlements.

In response to Councilmember Lieberman, Mr. Peterson stated that studies are inconclusive as to whether or not reverse angle parking is safer. He outlined the pros and cons of such an arrangement.

(At this time, being 8:30 P.M., Councilmember Stone stepped off the dais and out of the room.)

Discussion ensued regarding reverse angle parking.

(At this time, being 8:35 P.M. Councilmember Stone returned to the dais.)

Jeff Smith, project applicant (Sares Regis), outlined other Sares Regis projects completed or under construction on the Peninsula. He described the four components of the project and noted that MidPen Housing joined the project in early 2018.

Serena IP, MidPen Housing, described the mission of the nonprofit organization and provided

examples of other MidPen Housing projects in Belmont and neighboring cities. She described the community outreach that was utilized for this project. She reviewed the historic preservation of the fire station façade and outlined the vehicle management plan. She explained that the project is requesting concessions in the CUP regarding retail parking. She explained that free Sam Trans passes would be provided to residents, and she described the lottery process for applicants.

In response to Councilmember Mates, Mr. Peterson noted that the public space exceeds the minimum required in the BVSP. He noted that Parks and Recreation Commission review is required for the project.

In response to Councilmember Lieberman, Nevada Merriman of MidPen Housing stated that many large employers provide Caltrain monthly passes, but that MidPen Housing is not a big enough entity to be able to offer this benefit, as it is not cost effective. She and Mr. Smith confirmed that the project is not financially dependent on the parking configuration.

In response to Councilmember Stone, Ms. Merriman explained that a commercial broker has not yet been engaged relative to the retail space, and that space has been designed for a variety of potential uses.

In response to Councilmember Kim, Ms. Merriman clarified that MidPen Housing and Sares Regis have different economics and different permitting requirements, and she confirmed they are not tied together.

In response to Mayor Hurt, Mr. Smith explained that Civic Lane will remain a public alley and that O'Neill Avenue will not likely be reconfigured.

The following people spoke in favor of the project:

Adele Della Santina, Belmont Chamber of Commerce

Brian Schmidt, Greenbelt Alliance and Belmont resident

Diane Bailey, Belmont resident

Alexander Melendrez, Housing Leadership Council

Mary Morrissey Parden, Belmont Chamber of Commerce

Karyl Eldridge, Faith in Action Bay Area

Councilmember Lieberman expressed support for the project.

Councilmember Mates stated that she recognizes the intent of back-in parking but is concerned regarding the resulting loss of 16 spaces. She pointed out that the largest benefit of this project is the affordability component and that the project provides an anchor for a new downtown.

Councilmember Kim expressed support for project and noted that he will comment at the next meeting regarding the entitlements being sought. He commented regarding the inclusion of three-bedroom units and expressed support for the conversion of commercial space to residential. He pointed out this is a small space with few options for use, that tenant improvements are expensive,

and the retail has no dedicated parking. He pointed out that five additional units could be realized with this conversion at no additional cost to the City.

Councilmember Stone expressed support for the project, and he does not support the loss of 16 parking spaces for back-in parking. He noted that although a requirement, he supports the use of prevailing wage. He acknowledged that Sares Regis will be making a contribution to School Force.

Mayor Hurt stated that she spoke regarding the need for housing at her State of the City address earlier in the year. She commented regarding the affordability component, the proximity to transit, and that the project serves various constituencies. She supports the neighbors' concerns regarding loss of parking.

RECESS: 10:45 P.M.
RECONVENE: 10:50 P.M.

ACTION: On a motion by Councilmember Stone, seconded by Councilmember Mates, Resolution 2019-057 finding the project exempt from the California Environmental Quality Act (CEQA) pursuant to State Public Resources Code Section 21155.4(a) was unanimously approved

COMMISSION, COMMITTEE, AND COUNCIL INTERGOVERNMENTAL ASSIGNMENT UPDATES, AND STAFF ITEMS

Verbal report from Councilmembers on Intergovernmental (IGR) and Subcommittee Assignments

Councilmember Stone reported on a recent San Mateo County Library meeting.

Councilmember Lieberman reported on recent San Mateo County Pre-Hospital, Silicon Valley Clean Water, and Economic Subcommittee meetings.

Verbal report from City Manager

City Manager Scoles noted that the City Council has approved several major projects in past few meetings.

ADJOURNMENT at this time, being 9:50 P.M.

Terri Cook
City Clerk

Meeting televised, recorded, and webstreamed.