



STAFF REPORT

City Council

Meeting Date: 12/16/2019

Staff Report Number: 19-281-CC

Consent Calendar: Receive and file the quarterly update on the City Council adopted 2019-20 priorities and work plan

Recommendation

Staff recommends the City Council receive and file the quarterly update, as of December 5, 2019, on the City Council's adopted 2019-20 priorities and work plan.

Policy Issues

Staff provides periodic status reports on the City Council's adopted priorities and work plan. The City Council may amend or adjust the adopted priorities or work plan at their discretion; however, the budget document reflects the originally adopted priorities and work plan.

Background

On March 5, the City Council adopted its 2019-20 priorities and work plan for the organization. The priorities and work plan are an annual effort designed to set clear expectations of staff in the upcoming fiscal year. The most recent work plan report was transmitted to the City Council at their October 1 meeting.

Analysis

As the final quarterly update of 2019, this memorandum provides a status update on the City Council adopted work plan. A table summarizing the entire work plan on a single page is provided as Attachment A and is supplemented by the updates provided below.

Top priorities

The 2019-20 City Council adopted priorities and work plan designated five projects as top priorities for the year as listed below. The designation of individual work efforts as a "top priority" clarifies that staff may strategically realign limited resources to achieve the stated milestones for priority projects. All top priority projects have a published scope to provide greater transparency around the purpose of the project and major milestones, Attachment B.

- Transportation master plan (Ref #1). In September and October, the focus of the Transportation Master Plan efforts was on gathering community feedback on project priorities through online and in-person open houses reaching more than 1,200 participants. Staff anticipates developing the draft transportation master plan in early 2020, with approval by the City Council to follow. The transportation impact fee nexus study was accepted and first reading of the ordinance to update the fee program was completed in November 2019 with adoption of the ordinance changes and new fee rates scheduled for December 10, 2019. The fee program update is critically important to be complete before the end of 2019 in consideration of California Environmental Quality Act changes to the transportation impacts of new

development projects.

- Chilco Street improvement project (Ref #2). The project includes installation of new sidewalks, protected bike lanes, street restoration, landscaping, utilities, and stormwater bio-retention facilities on Chilco Street between Bayfront Expressway and Hamilton Avenue. Construction began in mid-May. In an effort to minimize traffic impacts, construction activity is limited to weekday nights from 8 p.m. to 6 a.m. and Saturdays from 8 a.m. to 5 p.m. The project has made substantial progress is expected to be completed by early 2020.
- Middle Avenue pedestrian and bicycle rail crossing planning (Ref #3). On August 27, the City Council approved a preferred location for the proposed pedestrian and bicycle undercrossing. Since that time, staff has continued preparation of the environmental documents and preliminary design plans. Staff anticipates returning to the City Council in January 2020 to certify the environmental document, approve design plans, and initiate the process to amend the 700-800 El Camino Real planned development permit to reduce parking requirements.
- Heritage tree ordinance update (Ref #4). The ordinance was adopted on November 19 with an effective date of July 1, 2020. Staff have been assigned to coordinate implementation efforts scheduled to begin in January 2020 for a period of six months.
- Belle Haven branch library site selection (Ref #5). This project is on hold pending additional information from Facebook, Inc. regarding an offer to build a new multi-generational community center and library in the Belle Haven neighborhood. The December 10 City Council agenda contains an informational update on the Facebook, Inc. offer.

Work plan projects

In addition to the top priorities, the City Council identified twelve additional projects for significant work in 2019 as listed below. The designation of an individual work effort as a “work plan project” indicates that the resources necessary to deliver the project scope and major milestones are properly budgeted through the City Council’s adopted budget. While budgeted resources may be available to complete the project, staff vacancies and unanticipated workloads may prevent staff from focusing on certain work plan projects.

- Transportation management association (TMA) formation (Ref #6). Following a kickoff meeting with the City in August 2019, the TMA feasibility study consultant, Steer Group, has been actively engaging local stakeholders and businesses. This outreach is comprised of interviews, in-person ‘drop-in’ chats with small downtown businesses, and sharing a survey link to gather information and opinions about current commute habits.
- Transportation impact analysis guidelines (ref #7). Staff is currently working to retain a consultant to assist with updating the City’s Transportation Impact Analysis (TIA) Guidelines. Level of service (LOS) is currently the threshold of significance for potential impacts under the California Environmental Quality Act (CEQA) as identified in the City’s General Plan Circulation Element and Transportation Impact Analysis guidelines. For Draft Environmental Impact Reports (EIRs) that will be released and circulated for public review after July 1, 2020, transportation impacts on the environment will be required to be analyzed based on vehicle miles traveled (VMT), as the threshold of significance, per the requirements of Senate Bill 743 and the Governor’s Office of Planning and Research, which sets CEQA guidelines. Several environmental analyses are underway whereby staff anticipates the Draft EIRs would likely be released after July 1, 2020; thus, necessitating the City’s Transportation Division to initiate an update to

the City's TIA Guidelines to include VMT and updates to the Circulation System Assessment (CSA) to be compliant with CEQA because of SB 743. Staff is scheduling a City Council study session for January 14, 2020 to provide background information on this topic and allow the City Council to provide general direction prior to preparing a draft update of the TIA guidelines for City Council consideration and approval. Other work priorities, including the near-term downtown parking strategies (Ref #8 below), will need to be delayed in order to meet this timeframe.

- Near-term downtown parking and access strategies (Ref #8). Work has been delayed by other project priorities, including a new work effort to update the City's Transportation Impact Analysis Guidelines as summarized in Ref #7 above.
- El Camino Real (ECR)/ Downtown specific plan update (Ref #9).
As part of the last quarterly update, staff outlined potential changes to the Specific Plan that could be processed within the 2019-20 fiscal year. At the October 1 meeting, the City Council did not direct staff to commence work on the proposed revisions. As a separate matter on November 5, the City Council authorized staff to apply for Senate Bill 2 grant funds, which are to be used to promote and accelerate the production of housing. One of the identified potential programs for the funds is to amend the existing regulations in the El Camino Real/Downtown Specific Plan Area that could be barriers to maximizing residential density and development. This work is more focused than the range of topics previously identified and would be consistent with recommendations made by the City Council Subcommittee for Districts 2 to 5. If awarded the funds, staff would return to the City Council in early 2020 with a timeline and next steps. The work would need to be completed/adopted prior to the end of the grant term on June 30, 2022.
- Market affordable housing preservation (Ref #10).
The Below Market Rate (BMR) – Notice of Funding Availability (NOFA) was amended to include the preservation of “naturally affordable” (private ownership) market rate housing as an eligible activity. This type of preservation is accomplished through the acquisition of market rate housing (that is listed for sale) and conversion to deed restricted affordable units. This would ensure that affordability is preserved, prevent displacement of existing lower income tenants and restrict occupancy to income qualified households that meet the City's BMR Guideline preferences. This work plan item was completed and will be supported on a continuing basis.
- Short-term rental ordinance (Ref #11).
The Housing Commission undertook an extensive community outreach process to obtain input on short-term rentals and regulations from July 2019 through November 2019. Due to new state legislation related to short-term rentals, the Housing Commission will need to consider how it would relate to any proposed regulations at their upcoming January meeting. The Housing Commission is expected to make a recommendation to City Council in early 2020.
- Single-Family residential design review (Ref #12).
Due to competing priorities and staffing resources, work has yet to commence work on this item. The ability to initiate this project will be dependent upon the prioritization of this work in relation to other land use review and/or zoning changes.
- Zero waste ordinance implementation (Ref #13).
Implementation of zero waste requirements for new development in Bayfront Area are expected to begin

first quarter of 2020 and will continue to require ongoing staffing resources from the Sustainability Division to implement. Two zero waste projects were delayed due limited sustainability staff resources that were directed to work on the Heritage Tree Ordinance update, Reach Codes, and implementing past City Council approved zero waste policies. The delayed projects include updating the solid waste ordinance for compliance with state mandates and to meet zero waste goals and updating the construction and demolition ordinance.

- Local minimum wage ordinance (Ref #14).

The City Council adopted the local minimum wage ordinance on September 24. Staff has sent letters to all employers in Menlo Park and the local minimum wage webpage has been updated to provide the ordinance and the official notice required of employers. Staff has received three complaints from small business owners regarding the implementation of the ordinance effective January 1, 2020.

- City Council procedures update (Ref #15).

The City Council adopted procedure #CC-19-010 “City Council powers and responsibilities” on November 19. The subcommittee continues its work and is expected to complete their review of current City Council procedures in March 2020.

- Local energy reach code ordinance (Ref #16).

The energy reach code was adopted in September. Education, administrative guide, and implementation preparation to be complete first quarter 2020. City Council to determine the appointed body that will be reviewing appeals with regards to exceptions for gas stoves in restaurants by February 2020.

- Information Technology Master Plan implementation, year 2 (Ref #17).

Firewall replacement project has been completed; printer replacement project has been completed. Cyber security vulnerability assessment results have been reviewed with consultant; next steps are in progress and will continue through June 30, 2020. Land management system replacement is now live, allowing access to online permitting through a soft launch, and all addresses are being validated by GIS. Asset management system has kicked off and information gathering continues.

Carryover work plan projects from prior year

As part of the annual goal setting session, the City Council received a report of certain projects from previously approved City Council priorities and work plan that were expected to wrap up by June 30, 2019. The following projects remain outstanding and reflect a demand on resources at the expense of other work plan items.

- Citywide communication program development (Ref #18).

The City Manager’s Office is recruiting to fill an existing vacancy that will support the communications function. Initial priorities from the communication plan update include a website redesign/replacement, improved email marketing tool and interdepartmental communications coordination and training.

- Public works and community development organizational study (Ref #19). The consultant team, Matrix Consulting, that performed the organizational reviews presented to the City Council on October 29. Staff is expecting the finalized reports from the consultant in mid-December.

- Stanford University 2018 general use permit (GUP) Review (Ref #20). The City Council subcommittee on the Stanford GUP (Nash, Taylor) have been monitoring the progress of the GUP application. The City Council authorized submittal of a letter to the Santa Clara County Board of Supervisors on October 15. Subsequently, Stanford University withdrew its application for the General Use Permit update.
- Parks and recreation facilities master plan (Ref #21). The City Council accepted the Master Plan at their meeting on October 15, 2019. City Council directed staff to identify programmatic and straightforward projects to be included in future budgets, retain a cost estimator to determine costs and design and construction for projects listed as priority recommendations, provide a proposal for issuance of third phase of Measure T bonds as a possible funding strategy for priority recommendations and authorized the City Manager and City Attorney to work with Facebook to prepare an agreement to come back to City Council for approval regarding Facebook's offer to build a multigenerational community center and library.

Study Sessions

As part of the annual goal setting session, the City Council identified certain topics for additional exploration by the City Council at a noticed meeting. At the time it was envisioned that the study session would help to scope the project and solicit community feedback.

- Housing element and new housing law (Ref #22).
On November 5, the City Council conducted a study session to receive an overview of the recently adopted housing legislation and the upcoming 2020 Housing Element process. Council provided general direction to staff to bring back more detailed information regarding the following long range/housing programs as part of the 2020 goal setting session: 1) amend the secondary dwelling unit ordinance for compliance with State law, 2) modify the El Camino Real/Downtown Specific Plan to reduce the barriers of housing production while maintaining the residential capacity specified in the Plan, and 3) commence the 2022 Housing Element update and related work.
- Annexation procedures (Ref #23).
On November 5, the City Council received an informational item outlining staff's work on annexation procedures. Staff is scheduled to meet with San Mateo County officials in December 2019 to begin discussions about the reallocation of property taxes to offset operational and capital expenditures resulting from the incorporation of County pockets, specifically the proposed West Menlo Triangle Annexation. Staff will report out to City Council early in 2020 regarding next steps.
- Equity in Education Joint Powers Authority (Ref #24).
This study session is on hold pending definition of scope by the City Council.
- Charter city initiative (Ref #25).
This study session is on hold pending definition of scope by the City Council.
- Creation of public amenities fund (Ref #26).
This study session is on hold pending definition of scope by the City Council.

Referral to advisory body

As part of the annual goal setting session, the City Council identified certain topics for referral to advisory bodies to develop a project scope. The City Council retains full control over the project scope and timing.

- Middle Avenue Caltrain access, San Mateo bike bridge, Olive (Ref #27). Staff has received a petition to consider time limited parking restrictions on Middle Avenue which will require review by the Complete Streets Commission and the City Council for consideration. Staff will be working with the petitioner, coordinating dates for the Commission and City Council meetings, and identifying the next steps on the paving work on Middle Avenue between Olive Street and San Mateo Drive scheduled for summer 2020.

New/anticipated work plan efforts

The City Council has provided direction, or is expected to provide direction, on the following items for staff to develop a project scope and return to the City Council for prioritization and budget amendments as necessary. The work load resulting from these additional efforts are expected to far exceed what is reasonably manageable given current work load, service level demands/expectations, and existing staff and contract services. As part of the annual goal setting process, the City Council will be asked to authorize adjustments to current service levels or staffing levels in order to make progress on the new/anticipated work plan efforts in 2020.

- Belle Haven multi-generational community center and library. While details of the offer from Facebook Inc. have yet to be presented to the City Council, it is anticipated that the new facility will require significant resources from almost every department to conduct public engagement on the new facility as well as complete the entitlements and permitting processes, identify interim services during construction, and prepare for future operations.
- Community Development-Planning and Housing – These efforts will require significant resources from the planning and housing divisions with support from the City Attorney's Office:
 - Education series on the development and environmental review processes
 - ConnectMenlo community amenities list update
 - Development incentives for housing in the El Camino Real/Downtown Specific Plan area
 - Secondary dwelling unit ordinance update
 - Affordable Housing and Sustainable Communities (AHSC) grant opportunity
 - 2022 Housing Element, zoning code update and related work (e.g. preparation of an Environmental Justice Element, Land Use Element amendments, rezonings, etc.)
- City Manager's Office-Sustainability – These efforts will require significant resources from the City's sustainability staff, with support from the City Attorney's Office, Community Development, and Public Works.
 - Climate Action Plan 2.0
 - Community Electric Vehicle Infrastructure Master Plan
 - Consider a reusable food ware ordinance to reduce and divert waste from landfill
 - Update the Solid Waste Ordinance (State mandates and Zero Waste Plan)
 - Update the Construction and Demolition Ordinance (Zero Waste Plan)

Impact on City Resources

The City Council adopted budget for fiscal year 2019-20 provides sufficient resources necessary to deliver the milestones outlined in each project description in the adopted work plan.

Environmental Review

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting.

Attachments

A. 2019-20 City Council Priorities and Work Plan, December 5, 2019 update

Report prepared by:

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2019-20 City Council Priorities and Work Plan December 5, 2019 update			10	20	30	40	50	60	70	80	90	100
Ref #	Priority projects	Lead Department	0	--	% Complete	--	100					
1	Transportation master plan (TMP)	Public Works	█	█	█	█	█	█	█	█	█	█
2	Chilco Street improvement project	Public Works	█	█	█	█	█	█	█	█	█	█
3	Middle Avenue pedestrian & bicycle rail crossing planning	Public Works	█	█	█	█	█	█	█	█	█	█
4	Heritage tree ordinance update	City Manager's Office	█	█	█	█	█	█	█	█	█	█
5	Belle Haven Branch Library site selection	Library	█	█	█	█	█	█	█	█	█	█
Ref #	Work plan projects	Lead Department	0	--	% Complete	--	100					
6	Transportation management association (TMA) formation	Public Works	█	█	█	█	█	█	█	█	█	█
7	Transportation impact analysis guidelines	Public works	█	█	█	█	█	█	█	█	█	█
8	Near-term downtown parking and access strategies	Public Works	█	█	█	█	█	█	█	█	█	█
9	El Camino Real (ECR) / Downtown specific plan update	Community Development	█	█	█	█	█	█	█	█	█	█
10	Market affordable housing preservation	Community Development	█	█	█	█	█	█	█	█	█	█
11	Short-term rental ordinance	Community Development	█	█	█	█	█	█	█	█	█	█
12	Single-Family residential design review	Community Development	█	█	█	█	█	█	█	█	█	█
13	Zero waste ordinance implementation	City Manager's Office	█	█	█	█	█	█	█	█	█	█
14	Local minimum wage ordinance	City Manager's Office	█	█	█	█	█	█	█	█	█	█
15	City Council procedures manual update	City Manager's Office	█	█	█	█	█	█	█	█	█	█
16	Local energy reach code ordinance	City Manager's Office	█	█	█	█	█	█	█	█	█	█
17	Information Technology Master Plan implementation, year 2	Administrative Services	█	█	█	█	█	█	█	█	█	█
Ref #	Carryover work plan projects from prior year	Lead Department	0	--	% Complete	--	100					
18	Citywide communication program development	City Manager's Office	█	█	█	█	█	█	█	█	█	█
19	Public works & community development organizational study	City Manager's Office	█	█	█	█	█	█	█	█	█	█
20	Stanford University 2018 general use permit (GUP) review	City Manager's Office	█	█	█	█	█	█	█	█	█	█
21	Parks and recreation facilities master plan	Community Services	█	█	█	█	█	█	█	█	█	█
Ref #	Study session topics	Lead Department	Notes									
22	Housing element and new housing law	Community Development	11/5/2019									
23	Annexation Procedure - West Menlo Triangle & Menlo Oaks	City Manager's Office	11/5/2019									
24	Equity in Education Joint Powers Authority	City Manager's Office	TBD									
25	Charter City Initiative	City Manager's Office	TBD									
26	Creation of Public Amenities Fund	Administrative Services	TBD									
Ref #	Referral to advisory body	Lead Department	Notes									
27	Middle Ave Caltrain access, San Mateo bike bridge, Olive	Public Works	Draft scope under review									
			Complete									
			In progress / Implementation phase									
			On hold, pending City Council direction									