



**MILLBRAE CITY COUNCIL
AGENDA
September 25, 2012**

CALL TO ORDER MILLBRAE CITY COUNCIL

Mayor Colapietro called the meeting to order at 7:05 p.m.

ROLL CALL: Mayor Marge Colapietro, Vice Mayor Gina Papan, Councilmembers Nadia V. Holober, Wayne J. Lee, and Robert G. Gottschalk.

PLEDGE OF ALLEGIANCE TO THE U.S. FLAG

1. CEREMONIAL/PRESENTATION

- Commendation Presented to Millbrae Golden Gaters Cooperstown Team

Mayor Colapietro presented the team players and coaches with certificates of appreciation.

Coach Carney thanked the Mayor and provided Council with a brief history of the team.

- Deaf Awareness Week Proclamation Presented to Mills High School Deaf Club

Mayor Colapietro presented Jessica Liang, Founder and President of the Mills Deaf Club, with a Proclamation.

Ms. Liang presented an update on the activities of the Deaf Club.

- Update Report from the Millbrae Historical Society and Presentation of Commendation

Mayor Colapietro presented Millbrae Historical Society President John Muniz with a Commendation.

Mr. Muniz presented an update report on the Historical Society.

- Update Report from the Millbrae Library and Presentation of Commendation

Mayor Colapietro presented Millbrae Library Branch Manager Sandy Wee with a Commendation

Ms. Wee presented Council with the San Mateo County Library 2012 Annual Report.

- Police Bureau Quarterly Update Report

Mayor Colapietro announced that this item will be rescheduled to a future Council meeting.

2. AGENDA OVERVIEW/STAFF BRIEFING

- Informational Report Regarding Bills and Claims

City Manager Marcia Raines reviewed the agenda items. She requested that if there is any discussion on the Consent Calendar item, that it be pulled and heard after the Old Business discussion items.

- Report out from Closed Session of September 11, 2012

City Attorney Joan Cassman stated that the Council had met in Closed Session and discussed three matters. Regarding the matter of Labor Negotiations, no reportable action was taken, regarding the matter of Existing Litigation, Council authorized a settlement of the claim, and regarding the matter of the Public Employee Performance Evaluation, that matter is continued to this evening.

3. APPROVAL OF MINUTES

- Regular Meeting September 11, 2012

Councilmember Lee noted that under Council Comments, he stated that the “Vice Mayor has a good idea regarding displaying art in vacant properties”, and requested the correction.

Council provided the City Clerk with other minor corrections to the minutes; no substantive changes were made.

Upon a motion/second by Holoher/Papan the minutes were unanimously approved.

4. ORAL REPORT FROM CITY COMMITTEE/COMMISSION CHAIRS

- Report from the Japanese Cultural Festival Committee
 - Announcing the October 7th Japanese Culture Festival

Kathleen Kimura and Masami Saisu of the Japanese Cultural Festival Committee announced the October 7th Festival. Ms. Kimura noted that sponsorship for this year’s event is up from last year and that all booths had sold out. She announced that Vic Lee from ABC News will be the Master of Ceremonies and that the Consul General of Japan and his wife will be in attendance. Ms. Kimura thanked the City, the Chamber of Commerce, and all of the sponsors for helping out with this event. She invited the community to come and enjoy the festival.

PUBLIC COMMUNICATION

Wynn Grcich, Hayward resident, spoke on the detrimental health effects of fluoride in the drinking water and the dangers of fracking.

CONSENT CALENDAR

5. Appointments to City Commissions and Committees

Mayor Colapietro requested this item be pulled for discussion.

City Clerk Angela Louis presented the report.

Mayor Colapietro stated that there were still 12 applicants who need to be interviewed for Commission and Committee vacancies and that one more interview date needs to be scheduled so that these applicants can go through the process that everyone else went through.

Councilmember Holoher inquired if this were a full list of everyone interviewed because they were all excellent candidates. Ms. Louis confirmed that the list was complete.

No public comment for this item.

Upon a motion/second by Papan/Lee the appointments to City Commissions and Committee were unanimously approved.

PUBLIC HEARING

NONE

OLD BUSINESS

6. Economic Development Strategic Planning Process

City Manager Marcia Raines introduced Economic Development Consultant Bill Kelly.

Mr. Kelly presented a power point on economic development for the City of Millbrae. He stated that Millbrae is being proactive in addressing the issue. It is important for the City to grow sales tax and TOT (Transient Occupancy Tax). He went on to state:

- the City needs to grow its local economy;
- attract residents to spend more in Millbrae;
- implement a General Plan with Economic Development.

If a program can be put in place now, Economic Development can be accomplished in 6 months.

A clear mission and goals and must be set; some concepts for a plan include:

- commercial real estate considerations – what do you have and what are you missing;
- Economic Development tool kit – streamline project approval process;
- fee modifications;
- staff development and training – every employee is part of the process;
- business improvement district;
- grants and loans - what is available;
- code updates and amendments;
- infrastructure improvement;
- broker meetings;
- public outreach and marketing – shop Millbrae;
- development and conferences.

Council noted that they had been briefed on the presentation prior to the meeting and expressed their desire to move this forward quickly. They are encouraged by what was presented and endorse the process. It was also noted that Millbrae has outstanding residents with many talents and the City should reach out to those individuals.

No public comment for this item.

Council received the report.

7. Update by BART Staff Regarding their Proposed Project on Land Adjacent to the Existing Station and Parking Garage. City Consideration of Support for a Multi-Use Development Project Including a Hotel

Community Development Director Farhad Mortazavi introduced Jeff Ordway, BART Property Manager.

Mr. Ordway introduced BART Director James Fang. Mr. Fang stated that he is very familiar with Millbrae and is aware of issues in the City. His purpose this evening is to express BART's legal position with the hotel project. BART took a vote last year to select and enter into exclusive negotiations with Justin Development, who want to build a hotel on the BART site. Mr. Fang stated that he is looking for official direction from the City in joining with BART to build a hotel. The City has been clear in that there will be no TOT sharing for the project. Revenue will be generated from this project and there will be revenue to share with the City.

Councilmember Gottschalk stated that he was not in favor of a new hotel and that building a new hotel anywhere in Millbrae would shift occupancy from current hotels with no net gain for anyone.

Mr. Fang stated that there would be no TOT rebate for this project, that BART would work with their developer to determine ways to get additional revenue, and that there will be a lot of revenue for everyone to share. Mr. Fang also noted that he did not believe that BART asked for the City's tax dollars; this was not the intention of BART. He also stated that some would argue that a hotel brings 12%, almost a million dollars a year, in revenue.

Lawrence Lui, Justin Development stated that their proposal consists of a mixed-use development, which includes: 1) a 200 room select service hotel with meeting space and restaurant, 2) 180,000 square feet of office space, 3) 40,000 square feet of retail space, and 4) 200 corporate service apartments. Mr. Lui stated that they currently operate a 400 room hotel in Burlingame, and that all hotels in the area compete against each other for occupancy. The BART site project area is great for a hotel because of its location and proximity to both BART and Caltrain.

Begin public comment.

Barry Ongerth, Dylan Hotel and Chairman of the Millbrae Tourism Committee, stated that tonight's presentation is vague. The other 1,250 rooms in Millbrae would also like to share in this creative revenue sharing.

Art Schwass, El Rancho Inn, stated that he attended the meeting when PKF presented their report. At that presentation, PKF stated that TOT forgiveness would be needed; and asked what has changed since that report. He stated that they would welcome competition on a fair playing field but would also like to participate in any creative revenue sharing with the City.

End of public comment.

Council received the report and expressed that they would like more information from BART regarding the proposal and requested that a date be arranged for BART to return to Council.

It was the Consensus of the Council that Mr. Fang can return to the BART Board and indicate that the Millbrae City Council is in favor of development on sites 5 and 6, and it was the consensus of the Council that the City will work with BART and their developer for a project that will benefit both the City and BART.

Mayor Colapietro presented Mr. Fang with a certificate honoring BART's 40th Anniversary.

8. Resolution Authorizing the City Manager to Execute a Second Amendment of the Property Transfer Agreement with the Millbrae School District and the Millbrae Lions Club and the Use and License Agreement for a Six Month Extension of the Funding Deadline for the Millbrae Community Youth Center

Public Works Director Ron Popp presented the report.

Begin public comment.

Daniel F. Quigg, Millbrae Lions Club, stated that the agreement was to raise the funds and then turn the project over to the City. At this time, the Lions Club feels that they have significant funds to complete the project and then turn over the building to the City.

Randy Sahae, Millbrae Lions Club, stated that the Lions Club is still receiving donations and is able to continue working on the project. The funds that come in can go further with the Lions Club than if they were turned over to the City, as the Lions are not bound by the bid process that the City would have to go through in order to complete the project.

End of public comment.

Upon a motion/second by Lee/Papan Resolution No. 12-36 authorizing the City Manager to execute a Second Amendment of the Property Transfer Agreement with the Millbrae School District and the Millbrae Lions Club and the Use and License Agreement for a six month extension of the funding deadline for the Millbrae Community Youth Center was unanimously adopted.

9. Adding Chapter 2.50 to the Millbrae Municipal Code Establishing City Facility Naming
 - Waive 1st Reading
 - Introduce Ordinance

Councilmember Lee requested that in the interest of time, this item be moved to a future meeting for discussion. Council stated that they would provide their comments to the City Clerk and requested that these be incorporated into the report.

Upon a motion/second by Holober/Papan Council unanimously moved to continue this item to a future meeting.

NEW BUSINESS

NONE

COUNCIL COMMENTS

It was the consensus of Council to forgo their comments in the interest of time.

Councilmember Holober wished the City's Jewish residents and friends a Happy Yom Kippur.

RECESS CITY COUNCIL

There being no further regular business to discuss, the City Council recessed at 10:02 p.m.

RECONVENE CITY COUNCIL

10. **CLOSED SESSION**

Public Employee Performance Evaluation
Closed Session held pursuant to Government Code §54957
Title: City Manager

ADJOURN CITY COUNCIL

There being no further business to discuss, the City Council adjourned at 11:00 p.m. in memory of Dorothy Williamson and Yole Correa Zoli.

/s/ Angela Louis
City Clerk

/s/ Marge Colapietro
Mayor