



CITY COUNCIL/REDEVELOPMENT/GVMID

MINUTES

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**DRAFT**

**CITY COUNCIL REGULAR MEETING**

**NOVEMBER 17, 2008**

*BRISBANE COMMUNITY CENTER/LIBRARY, 250 VISITACION AVENUE, BRISBANE*

**CALL TO ORDER/FLAG SALUTE**

Mayor Barnes called the meeting to order at 7:30 p.m. and led the flag salute.

**ROLL CALL**

Councilmembers present:

Staff present:

Bologoff, Conway, Richardson, Waldo, and Mayor Barnes

City Engineer/Public Works Director Breault,

Administrative Management Analyst Cheng, Finance

Services Director Cooper, City Manager Holstine, Deputy

Fire Chief Johnson, Police Commander Macias,

Community Development Director Prince, Acting City

Clerk Ricks, Deputy City Manager/Administrative Services

Director Schillinger, Assistant to the City Manager Smith,

Principal Planner Swiecki, City Attorney Toppel

**ADOPTION OF AGENDA**

Mayor Barnes proposed closing the meeting in memory of Brisbane Fire Marshall Angelina Ciucci and long-time Brisbane resident Alexander "Rocky" Bell.

CM Waldo made a motion, seconded by CM Conway, to adopt the agenda as amended. The motion was carried unanimously by all present.

**ORAL COMMUNICATIONS NO. 1**

Kevin McHenry, president, Altamar Homeowners Association Board, requested that the City renegotiate its water service billing agreement with Altamar Homeowners Association. He said that in past years, the City read residential meters and master meters, and then billed the Association for the difference, reflecting the water usage for common areas. He noted that the

past arrangement with the City required the association to take responsibility for paying delinquent water bills. Mr. McHenry added that the association has spent thousands of dollars paying water bills for homeowners as a result.

Mr. McHenry recommended that the City work with the association to shut off water service to delinquent homeowners as an incentive to encourage payment of water bills. He said homeowners are also billed for a portion of the charges for the City to read residential water meters, which amounts to about \$7,700 in revenues to the City. He asked the City Council to consider the proposed amendment to the water services agreement.

Mr. McHenry provided a cover letter explaining the association's situation and a packet of information.

Mayor Barnes said the proposal would have to be properly agendaized for the Council to discuss the matter. He suggested that Mr. McHenry provide a copy of his materials to the staff for review and further discussion.

Jamie Dunn, Brisbane resident, expressed concern about the public land swap being considered for Sierra Point. She said exchanging public land for a plaza or a commercial use makes no sense. She noted that big-box retail anchor stores are not likely to succeed at Sierra Point and provide jobs for members of the community. She pointed out that existing small businesses in town are having a difficult time in the current economy and advocated supporting those stores instead of inviting new ones. Ms. Dunn observed that Brisbane has a number of valuable natural assets that other towns would envy, such as the Baylands, Sierra Point, and San Bruno Mountain; she urged the City not to give them away.

Ms. Dunn objected to allowing any development at Sierra Point that would interfere with its use and enjoyment by residents of Brisbane. She said open space, land along the Bay front, and any other public land should remain in public ownership.

Mayor Barnes offered to talk with Ms. Dunn after the meeting to clarify what the City was considering. Ms. Dunn indicated she would welcome that opportunity.

## **CONSENT CALENDAR**

CM Bologoff asked to remove Item B.

- A. Adopt City Council Minutes of October 6, 2008**
- C. Approve Monthly Investment Report as of September 30, 2008**

CM Conway made a motion, seconded by CM Richardson, to approve Items A and C. The motion was carried unanimously by all present.

**B. Adopt City Council Minutes of October 20, 2008**

CM Bologoff noted the agenda refers to the minutes of "October 21," but the minutes in the packet were actually dated October 20.

Referring to Page 3, second paragraph from the bottom, CM Bologoff suggested deleting the reference to "the 'Old Business' header."

CM Bologoff made a motion, seconded by CM Conway, to adopt the October 20 minutes as amended. The motion was carried unanimously by all present.

**OLD BUSINESS**

**A. Receive report and provide direction regarding financing of City Hall**

Administrative Services Director Schillinger presented a summary of alternatives available to the City for paying the remaining portion of the City Hall remodel project. He said the City Council reviewed the \$7.9 million cost estimate in May of 2007 and adopted a resolution in September of 2007 giving the Council flexibility to wait until the end of the project to determine the financing method. He reviewed the purposes and scope of the City Hall remodel project.

Administrative Services Director Schillinger advised that there are three possible types of funding methods: paying cash, borrowing, or a combination. He drew attention to the Council's debt management policy. He noted that the factors to be considered in deciding a funding mechanism include the status of fund balances, existing debt levels, and marketing conditions. He discussed the pros and cons of paying cash, long-term financing, and a combination of paying and borrowing.

Administrative Services Director Schillinger directed the Council's attention to Attachment D for a more detailed analysis of the financing alternatives identified by the staff. He said Alternative 1 is complete funding of the project; Alternative 2 entails using \$895,000 from the facility fund and \$478,711 from the fringe benefit fund to pay for relocation costs, and financing the remainder; and the subsequent alternatives involve progressively borrowing more money, up to financing the entire \$2,350,000.

Administrative Services Director Schillinger noted that the staff report discusses issues to

consider, including the future direction of interest rates. He expressed his opinion that inflation and interest rates are likely to increase gradually. He advised that the fringe benefit fund is available for the City to use for stabilizing the general fund; he said the City has both borrowed and paid back money from the fringe benefit account in the past.

Administrative Services Director Schillinger discussed the alternatives and their relative costs and benefits. He welcomed the City Council's direction regarding financing of short-term expenses for a long-term period. He observed that Alternatives 2 and 5 seem to be the most logical and consistent choices, but noted there may be good reasons for selecting some other option.

CM Conway asked what the City paid annually in debt service for the existing bond. Administrative Services Director Schillinger said he did not recall the exact figure but estimated approximately \$450,000.

CM Richardson asked if it would be prudent for the City to keep cash available. Administrative Services Director Schillinger advised that having cash available is beneficial during a recession or downturn in the economy, and said the City will make sure enough cash is available to cover expenses. He added that spending too much cash can put the City in a precarious financial position if interest rates and market conditions change.

CM Richardson expressed concern about impacts of future state budget cuts, and recommended maintaining adequate cash reserves to help cushion these uncertainties. She questioned whether the City should finance current operating expenses like relocation costs over a long term.

CM Waldo asked for clarification of the one-time relocation costs. Administrative Services Director Schillinger replied that one-time costs include \$150,000 in rent for the space at 140 Valley Drive, the costs of moving out of City Hall, and then the costs of moving back to 50 Park Place. He said Alternative 4 shows the City paying cash for the one-time expenses and obtaining long-term financing for the remaining \$1,880,000.

Administrative Services Director Schillinger noted that once the City Council decides an amount to be financed, the staff will come back with options for a negotiated sale or competitive bids. He added that the staff will probably recommend using the Piper Jaffray firm for a negotiated sale.

CM Conway asked about the deadline for using the facility funds. City Manager Holstine recalled that an expiration date was discussed during the negotiations. He said the staff will check on the fund status and conditions. CM Conway indicated he would like that information before making a decision involving use of the funds.

CM Conway asked about the status of current reserves. Administrative Services Director Schillinger stated that the general fund has about \$7 million in reserves, the fringe benefit fund has an unallocated reserve of about \$1.1 million, and the City also has about \$2.7 million in a special fund. He estimated that total reserves were about \$11 million, an amount expected to decline to about \$8.5 million over the next five years.

CM Conway asked when the City Council needs to make a decision on financing. Administrative Services Director Schillinger responded that the reimbursement resolution allows 18 months from the time the project is completed. He suggested that the staff come back with more information in early December; he added that if the City intends to finance some or all of the costs, it would be best to get that process underway soon.

City Manager Holstine noted the staff can confer with Brookfield Homes about other possible uses of the facility fund. He said the City Hall project was one of the specific uses identified when the agreement was negotiated in the early 1990's.

Mayor Barnes recommended finding out if there is a sunset date for the facility fund.

CM Waldo proposed financing the capital portions of the City Hall remodel project and paying current expenses from the facility fund, if that money is available. He asked the staff to identify the exact amount of non-capital expenses. Administrative Services Director Schillinger drew attention to Alternative D, which calls for paying \$470,000 in one-time relocation expenses and financing the remaining \$1,880,000.

CM Conway observed that the Alternative D indicates the fringe benefit fund would be used for one-time expenses. CM Waldo clarified that the source of funds did not matter to him as much as the amounts paid and financed.

Administrative Services Director Schillinger suggested that the staff investigate the possibility of using the facility fund.

CM Conway expressed support for paying the \$470,000 in operating funds and financing the remainder, as advocated by CM Waldo. CM Conway said he would prefer to use the fringe benefit fund.

Mayor Barnes requested that the staff provide information on the current balance in the general fund reserve, unallocated reserve fund, fringe benefit fund, and any other reserves, as well as information on how the proposed financing plan would affect the fund balances.

Councilmembers agreed to continue this matter to the December 15 meeting.

## **NEW BUSINESS**

### **A. Approve firebreak behind Kings and Trinity Roads and approve a supplemental appropriation of \$15,000 for the project**

CM Waldo stated that he would not participate in the discussion or voting on this matter because his property was affected, and he departed from the dais.

Deputy Fire Chief Johnson advised that Fire Chief Myers was unable to attend the meeting due to the fires in southern California and has asked him to make the presentation. He said the requested supplemental appropriation would be used to hire County crews to reduce vegetation in an approximately 100-foot-wide zone behind the private homes on Kings and Trinity Roads at the boundary of the State and County Park lands.

Deputy Fire Chief Johnson stated that an analysis of the devastating wildfire in July that burned about 300 acres in Owl and Buckeye Canyons determined that a second line of protection and vegetation reduction would be desirable to better protect the houses along that portion of Kings and Trinity Roads. He noted the firebreak proposal calls for removal of tall grass and brush, and to thin and trim trees in the designated area. He reported that North County Fire Authority staff met with CalFire and FireSafe representatives in October, and they agreed that the proposed project would be feasible and effective.

Deputy Fire Chief Johnson indicated that the project would require a site activity plan by the Habitat Conservation Plan (HCP) operator, San Mateo County, which will be done prior to the commencement of any work. He said the site activity plan will evaluate environmental impacts and identify appropriate conditions.

Deputy Fire Chief Johnson advised that the project is consistent with the County's fire mitigation and vegetation management plan for San Bruno Mountain, and it will enhance habitat for birds and animals that inhabit the grasslands. Further, he noted, the proposal implements recommendations made by Davey Resources to the City Council in December of 2007. If the proposal is approved, he added, the staff will notify affected neighbors about possible impacts. He recommended that the City Council approve the firebreak project and the \$15,000 supplemental appropriation requested.

CM Conway observed that the source of funding is identified as the facility fund. Administrative Services Director Schillinger explained that the facility fund has a specific reserve set aside for constructing a fire buffer.

CM Conway noted that the project will provide two benefits: reducing fire danger and removing invasive vegetation.

CM Richardson asked about maintenance costs in future years. Assistant to the City Manager Smith explained that the proposed one-time expenditure will help save money in the long run by keeping invasives from spreading. He acknowledged that ongoing follow-up will still be needed. He added that spring is the optimal time for burning brush.

CM Richardson asked how the site for the firebreak was chosen. Assistant to the City Manager Smith said the area damaged by last year's wildfire was identified as the focus because of the severity of hazards there. CM Richardson emphasized that people should not think fire hazards were limited to that area; she pointed out that all of Brisbane is vulnerable.

Mayor Barnes invited comments from members of the public.

Karen Evans Cunningham, Brisbane resident, expressed concern about broom, acacia, and eucalyptus throughout Brisbane. She said residents of Tulare Street were told that the work will not include removing broom and eucalyptus because they are "green," and acacia will not be removed because it is considered a tree rather than a weed.

Ms. Cunningham noted that three of the four significant fires in Brisbane recently originated on or near Bayshore Boulevard or Quarry Road, and most were caused by sparks from catalytic converters. She said the rapid spread of the fires illustrates the danger to all parts of the town. She urged City officials to protect houses along the likely fire corridor along the ridges of Thomas Hill, Joy Avenue, Harold, and the east-facing ridge of Tulare Street over Bayshore Boulevard. She pointed out that people living on eastern-facing streets in Brisbane are not safe, and have not been safe for many years.

Ms. Cunningham asked whether taxpayer funds will be used to pay for the proposed project. She noted that the City should afford the same protection to everyone, not just those on Kings and Trinity Roads.

Michele Salmon, Brisbane, commented that there are different circumstances that apply in different microclimates in Brisbane. She noted that the proposed project deals with the fire hazard from County land and presents an opportunity to remove brush and vegetation at a very reasonable cost. She observed that fire tends to travel up, so the area above town near the canyons is most vulnerable. She expressed support for approving the firebreak project and the supplemental appropriation.

Ms. Salmon stated that her only concern was making sure the delicate habitat in sensitive areas was protected from disturbance. She emphasized the need for careful eradication of selected plants. She recommended removing Scotch broom with weed wrenches to eliminate roots and prevent plants from resprouting.

Mayor Barnes asked if it was true that green species like broom, eucalyptus, and acacia plants would not be removed. Deputy Fire Chief Johnson questioned the source of the information and noted that Scotch broom is extremely flammable.

Mayor Barnes asked about the extent of weed abatement in past years. City Manager Holstine stated that Fire Department representatives have visited the proposed target area several times and verified the existing hazards. He suggested having the North County Fire Authority make a presentation at a future meeting.

City Manager Holstine clarified that money from the Northeast Ridge development, not taxpayer funds, will be used to pay for the project.

Deputy Fire Chief Johnson advised that the vegetation control will consist of cutting grass, removing certain scrub plants, such as Scotch broom, and trimming trees to eliminate low-hanging branches. Assistant to the City Manager said brush and trees smaller than 6 inches in diameter will be cut, and larger trees will be trimmed and thinned. He noted that Scotch broom produces seeds in late spring, so doing the work earlier will help abate that problem.

Ms. Salmon recommended allocating more money to remove roots in addition to cutting invasive plants. She pointed out that this would be a more effective way of eradicating unwanted species.

Ms. Cunningham clarified that Mark Lee, the City's fire inspector, told her the field of Scotch broom at the end of Tulare Street and the eucalyptus trees would not be removed because they were green.

CM Conway agreed with Ms. Salmon that it would make sense to remove roots. He suggested adding this task to the scope of work. Assistant to the City Manager Smith cautioned that weed wrenching can disrupt the soil and result in a thick carpet of seedlings in subsequent years. For this reason, he questioned whether the benefit of root removal would be worth the cost. He offered to further investigate the cost and feasibility of this option.

City Manager Holstine suggested that the City Council consider authorizing an appropriation up to a specific amount. Deputy Fire Chief Johnson advised that the County's fire crews cut brush, but they do not remove weeds, so it might be necessary to find another source of labor. Mayor Barnes asked Assistant to the City Manager Smith to take this into account in his report back to the Council.



Ken McIntire, San Bruno Mountain Watch, reported that the HCP's Technical Advisory Committee talked about this project at its meeting earlier that day. He recommended pulling weeds as the best way to lower maintenance costs over time.

CM Richardson made a motion, seconded by CM Conway, to approve the firebreak and a supplemental appropriation of \$20,000. The motion was carried, 4 – 0 (CM Waldo not participating in vote).

Mayor Barnes noted the staff will report back at the December 15 meeting about the feasibility of removing broom by the roots instead of cutting.

**B. Receive update on Baylands and provide further direction in regard to the public space/open space planning process and potential future public speakers**

Community Development Director Prince observed that Brisbane has been involved in the past few years in defining a community-based development vision for the Baylands. He commended the City Council for its leadership and support for the consensus-building process. He said the result of the joint efforts of the City and members of the public have led to the identification of three alternatives to the specific plan proposed by Universal Paragon Corporation, the developer. Community Development Director Prince observed that all three alternatives reflect a preponderance of development toward the north end of the site and a preponderance of open space to the south; the alternatives differ in the mix of uses and proportion of development and open space.

Community Development Director Prince noted that planning for the Baylands has raised a number of questions about the uses of the open space so the environmental impact report can properly address pertinent issues. He recommended that the City Council establish an open and transparent process to obtain public input and define the community's vision for open space. He drew attention to the staff report for ideas about possible ways of proceeding.

CM Conway noted the Council's subcommittee heard from three speakers who had some interesting and worthwhile ideas about creating open space uses that attract kids. He observed that the City Council has already agreed to maintain certain areas as open space, such as the lagoon, Ice House Hill, and the river park, mostly focused toward the southern end of the site.

CM Richardson commented that the speaker presentations helped reinforce some of the community's vision, including a focus on children. She recommended arranging for the same

people to make a presentation at a Council meeting.

CM Waldo suggested having some focused discussions at Council meetings to better define the community's vision for the public space before inviting more guest speakers or developing an open space plan for the Baylands.

CM Conway expressed concern about the City's responsibility for maintaining the public space at the Baylands, and noted that this needs to be considered when planning possible uses. He said that once the Council has a better idea of the scope, the City should hire a consultant to assist with developing a comprehensive open space plan for the entire Baylands, and surveying the public should be part of that process.

Mayor Barnes said he shared CM Conway's concerns about the City's ability to maintain and police large tracts of land at the Baylands, and he noted that public-private partnerships might be a solution. As an example, he cited Field of Dreams, a company that builds and operates replica baseball fields in different locations. Mayor Barnes talked about using landforms and manmade improvements to create mountain biking parks and trails. He mentioned a climbing gym, a bicycle shop, restaurants, and a sports bar as other possibilities.

CM Conway recommended considering agricultural uses for some of the land.

CM Richardson reviewed key points from her notes of previous discussions about open space uses.

Mayor Barnes expressed support for engaging a consultant to assist the City Council and members of the public to develop a comprehensive open space plan. He recommended inviting the consultant to attend guest speaker presentations and public meetings.

Community Development Director Prince noted that all three experts who spoke to the subcommittee emphasized the importance of establishing a vision as a first step. He noted a sports- and youth-oriented vision seems to be a possibility. He suggested approaching Peter Dangerman, the moderator of the panel the subcommittee heard, about working as the City's consultant to facilitate development of the community's vision.

CM Bologoff asked about the status of the specific plan and the EIR. Community Development Director Prince explained that the specific plan is the 400-page document the applicant submitted. He said a process is underway to help define what the community wants as an alternative to the developer's vision. He stated that background information has been gathered for the EIR, and the staff is seeking greater definition as to what the open space component of the project will entail so the EIR can take those uses into consideration. Community Development

Director Prince noted that the ultimate project will be a substantial rewriting of the developer's application to reflect the findings of the EIR and the wishes of the community.

Dana Dillworth, Brisbane resident, advised that the Baylands Community Advisory Group (CAG) is about to present a list of unanswered questions that need to be resolved as part of the process. She asked the City Council to review the list to make sure all important issues have been addressed. Ms. Dillworth observed that the plans so far indicate that the most contaminated and hazardous land is likely to be dedicated as open space. She emphasized the need to clean up the toxins before going any further.

Ms. Dillworth noted that the CAG heard an inspirational speaker on toxic remediation, Lennie Segal, Citizens for Public Environmental Oversight, and she recommended contacting him about making a presentation.

Ms. Dillworth said she was disappointed to hear the Council talking about privatizing the open space at this stage, without even looking at mechanisms like open space trusts for managing the land and using tax increments to pay the costs. She indicated there were many sources of funds that should be explored before giving the land to private operators.

Ms. Dillworth commented that some of the ideas considered for the Presidio of San Francisco, such as a museum financed by Don Fisher, were not welcomed by the community. She stressed the importance of finding uses that allow Brisbane to control its open space in the future.

Steve Hanson, Universal Paragon Corporation (UPC), introduced Mary Murphy, UPC's legal counsel. He said the staff report raises many questions about open space that should be resolved before proceeding with the EIR and the analysis of alternatives. He noted that the locations, financing, and future operations and maintenance all need to be considered. Mr. Hanson recalled that the City had rejected a previous offer from UPC to hire consultants to prepare a parks master plan. He expressed willingness to meet with the City staff to discuss engaging a consultant to help plan the open space.

Mary Murphy, Gibson, Dunn and Crutcher, stated that she sat on the Presidio Trust Board for eight years and was involved in planning the development on Treasure Island. She observed that one of the consistent themes emphasized by the guest speakers was the need to have a vision for the public. She agreed with CM Waldo that the City should provide more definite guidance on certain issues to better shape the analysis in the EIR.

Ms. Murphy commented that the open space at the Baylands offers exciting opportunities to

provide public benefits. She endorsed the concept of the developer working with the City to pay for a consultant to help give more structure and definition to the open space. She noted that what happens south of the drainage channel at the Baylands will have an effect on what goes on in the northern portion of the site, as well as the timing of the phases of construction. She said the goal of the entire process should be to arrive at a preferred alternative that has the support of the developer, the City, and the community as a whole.

CM Waldo made a motion, seconded by CM Richardson, to support having the staff work with the developer to arrange reimbursement for a consultant to help reach consensus regarding the open space at the Baylands. The motion was carried unanimously by all present.

CM Bologoff asked about UPC's fiscal health, given the difficult economy. Mr. Hanson acknowledged that the downturn in the economy was challenging, but advised that UPC was stable and committed to moving the project forward.

Community Development Director Prince welcomed direction from the City Council regarding the measurement and analysis of sustainability. CM Conway indicated that the subcommittee was still discussing the issue and would report to the City Council with a recommendation. Mayor Barnes encouraged the subcommittee to come up with a proposal for how the City can approach the issue of greenhouse gases.

CM Waldo said he would like the subcommittee to present some written recommendations. Other councilmembers agreed.

## **STAFF REPORTS**

### **A. City Manager's Report on upcoming activities**

City Manager Holstine announced that future City Council meetings, starting with the December 1 meeting, would be held in the new community meeting room in the remodeled City Hall. He expressed his appreciation to Terry O'Rourke, B.J. Allen, and Linda Almeida for their help in setting up and taking down the chairs and equipment in the temporary meeting facilities.

City Manager Holstine invited everyone to attend the open house and tour the building on December 1. He said the ribbon-cutting ceremony and grand opening was scheduled for 7:00 p.m., followed by the City Council's annual reorganization meeting at 7:30 p.m.

## **MAYOR/COUNCIL MATTERS**

### **A. Subcommittee Reports**

There were no subcommittee reports.

**ORAL COMMUNICATIONS NO. 2**

There were no members of the public who wished to address the City Council.

**CLOSED SESSION**

There being no further business, CM Bologoff made a motion, seconded by CM Conway, to adjourn to closed session. The motion was carried unanimously by all present and the Council adjourned to closed session at 10:26 p.m.

- A. Conference with legal counsel regarding potential litigation (1 case),  
pursuant to Government Code Section 54956.9**

**ADJOURNMENT**

At the conclusion of the closed session at 10:58 p.m., the meeting was adjourned in memory of Angelina Ciucci and Alexander "Rocky" Bell.

ATTEST:

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Wendy Ricks  
Acting City Clerk  
12/11/08