



**SPECIAL AND REGULAR MEETING MINUTES**

**Date:** 2/24/2026  
**Time:** 5:30 p.m.  
**Locations:** Teleconference and  
City Council Chambers  
751 Laurel St., Menlo Park, CA 94025

**Special Session**

**A. Call To Order**

Vice Mayor Wise called the meeting to order at 5:32 p.m.

**B. Roll Call**

Present: Combs, Nash (arrived at 6:05 p.m.), Schmidt, Taylor, Wise  
Absent: None  
Staff: City Manager Justin Murphy, Assistant City Attorney Mary Wagner, Assistant to the City Manager/ City Clerk Judi A. Herren

**C. Closed Session**

C1. Conference with labor negotiators  
Government Code Section 54957.6  
Labor negotiations with American Federation of State, County and Municipal Employees Local 829, Menlo Park Police Officers' Association, Menlo Park Police Sergeants' Association, and Service Employees International Local 521, Service Employees International Union Local 521 – Temporary Employees Unit

Agency designated representatives: City Manager Justin I.C. Murphy, Assistant City Manager Stephen Stolte, Assistant City Attorney Mary Wagner, Extra Help Retired Annuitant – Human Resources Director Sue Rush, Legal Counsel Charles Sakai

**Regular Session**

**D. Call To Order**

Mayor Nash re-called the meeting to order at 6:27 p.m.

**E. Report from Closed Session**

No reportable actions.

**F. Agenda Review**

None.

## G. Public Comment

- Will Oursler spoke on concerns about Quimby Act fees on Senate Bill 9 (SB 9) lot splits.
- Pam Jones spoke in support of street sweeping on Mondays and requested a dumpster for community use.

## H. Consent Calendar

- H1. Accept the City Council meeting minutes for January 27, 2026 (Attachment)
- H2. Annual review of the Planning Commission stipend program (Staff Report #26-021-CC)

**ACTION:** Motion and second (Taylor/ Wise), to approve the consent calendar, passed unanimously.

## I. Regular Business

- I1. Consider applicants and make an appointment to fill an unexpired vacancy on the East Palo Alto Sanitary District Advisory Committee (Staff Report #26-022-CC)

Deputy City Clerk Sarah Sandoval introduced the item.

- Jaggan Subbiah spoke in support of their appointment to the committee.

The City Council discussed responsibilities and expectations for appointees representing the City of Menlo Park.

The City Council made an appointment to fill an unexpired vacancy on the East Palo Alto Sanitary District Subsidiary District Advisory Committee:

- Vamsi Velagapudi

- I2. Consider and adopt a resolution authorizing the installation of a no stopping zone on the south side of Pierce Road between Carlton Avenue and Del Norte Avenue (Staff Report #26-023-CC)

Associate Transportation Planner Casandra Cortez made the presentation (Attachment).

- Sally Cole spoke on issues of installing protected bike lanes due to impacts from street sweepers.
- Nick Pataki spoke in support of the bike lane on Pierce Road and provided implementation suggestions.
- Pam Jones spoke in support of the bike lane on the sound wall side of the street.

The City Council received clarification on location of the bike lane, maintenance of the street for protected bike lanes and the number of parking observations per project.

The City Council discussed additional landscaping.

**ACTION:** Motion and second (Taylor/ Combs), to adopt a resolution authorizing the installation of a no stopping zone on the south side of Pierce Road between Carlton Avenue and Del Norte Avenue, passed unanimously.

- I3. Consider and adopt a resolution to amend the fiscal year 2025-26 budget (Staff Report #26-028-CC)

Assistant Administrative Services Director Fenny Lei made the presentation (Attachment).

- Pam Jones requested clarification on how businesses in the RDA (redevelopment agency) were taxed compared to residents and how taxes are repaid to the successor agency.

The City Council received clarification on RDA tax rates, timing of the UUT (users utility tax) lawsuit and federal grant funding.

The City Council discussed the proposed appropriations.

The City Council directed staff to provide a map of the RDA area and, in future appropriation items, include a running total of previous approved appropriations.

**ACTION:** Motion and second (Combs/ Wise), to adopt a resolution approving additional appropriations and amendments to the fiscal year 2025-26 adopted operating and capital budget, passed unanimously.

## **J. Study Session**

- J1. Provide direction for a lease agreement for City property at 555 Ravenswood Ave. and provide direction on the framework for considering a longer-term lease (Staff Report #26-029-CC)

Assistant to the City Manager/ City Clerk Judi A. Herren made the presentation (Attachment).

The City Council discussed an exclusive lease with the Junior League, rent options and structure, lease terms, capital improvement responsibilities, possible electrification and facility usage.

The City Council directed staff to:

- Pursue an exclusive lease with the Junior League.
- Pursue electrification through home upgrade program, and if program funding is unavailable, provide a city cost estimate.
- Establish a rental amount with either current base rent or an alternative with regular Consumer Price Index (CPI) increases.
- Build into the lease a framework for increasing community awareness of the space and simple facility usage reporting.
- Consider a roof replacement contribution at the start of a new lease and a lower base rent in exchange and an ongoing cost sharing model for capital improvements that arise during the lease term.

## **K. Informational Items**

- K1. City Council agenda topics: March 2026 (Staff Report #26-030-CC)

- K2. Update on City's Solid Waste Rate Study (Staff Report #26-024-CC)

- Peter Lenhardt spoke in support of the new rate increase recommendations, which no longer place most of the increases on multifamily units, and on concerns about rate differential

inequities.

The City Council discussed public comment opportunities at the ReThink Waste Board meetings.

- K3. Update on the Menlo Park Municipal Water Rate Study (Staff Report #26-025-CC)
- K4. Communitywide electrification project grant spenddown progress report (Staff Report #26-026-CC)
- K5. Receive the 2025 aquatics program annual report; an independent financial analysis of the aquatics program; and the results of the City-conducted aquatics community survey (Staff Report #26-027-CC)

**L. City Manager Report**

Assistant to the City Manager/ City Clerk Judi A. Herren reported out on the March 21 City Council annual priority setting meeting and public input forms acceptance through March 6 and the annual recruitment for city commissions through April 3.

**M. City Councilmember Reports**

Mayor Nash reported out on the San Mateo County Local Officials briefing and the City/County Association of Government (C/CAG) Resource Management and Climate Protection Committee meeting.

City Councilmember Schmidt reported out on the Commute.org meeting and provided an update to Assembly Bill 2313.

**N. Adjournment**

Mayor Nash adjourned the meeting at 8:33 p.m.

Assistant to the City Manager/ City Clerk Judi A. Herren

These minutes were approved at the City Council meeting March 24, 2026.



**Adopt a resolution authorizing the installation of a  
no stopping zone on the south side of Pierce Rd.  
between Carlton Ave. and Del Norte Ave.**

Casandra Cortez, Associate Transportation Planner



## Agenda

- Project background
- Project area
- Proposed no stopping zone
- Complete Streets Commission recommendation
- City Council action
- Next steps



## Project Background: Pierce Rd.

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- Two-way local street
- No designated bicycle facilities
- Sidewalk on the north side only
- Existing speed humps
- Unstriped parking on both sides
- Provides connection and access to:
  - Belle Haven Community Campus
  - Boys and Girls Club of the Peninsula
  - Belle Haven School
  - US 101 Ringwood bicycle and pedestrian overcrossing





## Project Background: Transportation Master Plan (TMP)

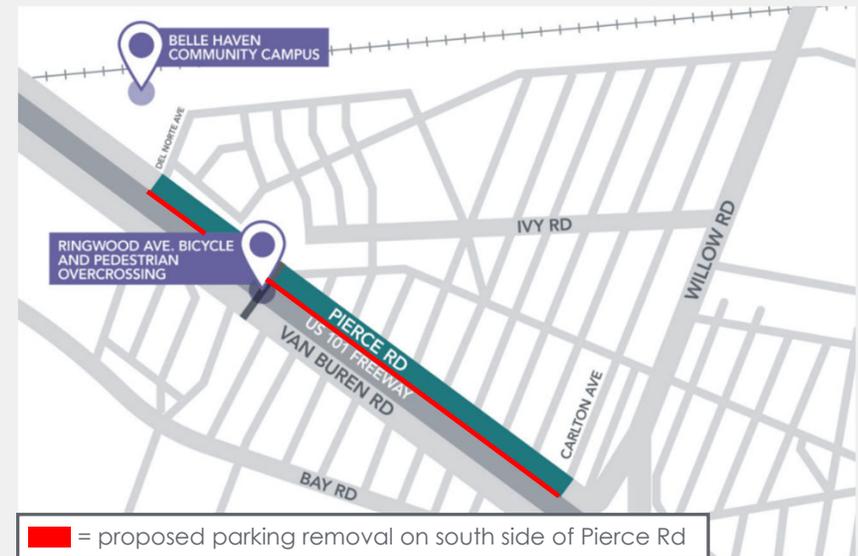
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- Transportation Master Plan (TMP) identified removing a general-purpose travel lane for a one-way street with separated bike lanes
- **Implementing a one-way street requires extensive evaluation and updates to the local circulation patterns**
- Pierce Rd. is scheduled for resurfacing in 2026
  - Complete Streets approach to be incorporated as part of the resurfacing



## Project Area

- Pierce Rd. from Carlton Ave. to Del Norte Ave.
- Resurfacing is scheduled in 2026 and provides an opportunity to incorporate a Complete Streets approach
- Through resurfacing, improvements would likely include:
  - Class II bike lane southbound
  - Class III shared lane with people driving and biking northbound
- Parking removal required for bicycle facilities due to limited roadway space





## Proposed No Stopping Zone

- Proposing to remove an estimated 160 parking spaces from the south side (U.S. 101 soundwall) of Pierce Rd. between Carlton Ave. to Del Norte Ave.
- Parking observations indicated there would be adequate parking on the north side of Pierce Rd.
  - Estimated over 110 spaces available on north side

Parking observations on Pierce Rd.		
Roadway section of Pierce Rd	Counts on Tues., Dec 16, 2025 @ 5:30 am	Counts on Weds., Dec 17, 2025 @ 4:15 pm
North	15	23
South	13	25



## Complete Streets Commission Recommendation

- On Jan. 14, CSC recommended to City Council the approval of a no stopping zone on the south side of Pierce. Rd.
- CSC directed staff to explore flexible posts or bollards instead of extending speed humps to prevent vehicle encroachment into the bike lane
- Staff do not recommend flexible posts or bollards on Pierce Rd. due to:
  - City's design standards
  - Limited street width
  - Maintenance concerns



## City Council Action

Staff recommends that the City Council adopt a resolution authorizing the installation of a no stopping zone on the south side of Pierce Rd. between Carlton Ave. and Del Norte Ave.



## Next Steps

- Early 2026 – 2026 Resurfacing Project bid released
- Summer 2026 – Resurfacing and implementation of bicycle facilities



# Thank You



# Amend the Fiscal year 2025-26 budget

Fenny Lei, Assistant Administrative Services Director



## Agenda

- Budget amendments
- General fund reserves impact
- Preliminary five-year outlook
- Grant funding overview
- City Council adoption and direction



# Budget Amendments



## Approved fiscal year 2025-26 appropriations

- Following the adoption of the fiscal year 2025-26 budget, the City Council approved a number of appropriations for the General Fund totaling \$697,648, including:
  - Service Employees International Union, Local 521 (SEIU) and American Federation of State, County and Municipal Employees, Local 829 (AFSCME) classification amendments and side letters: \$175,810
  - SEIU, AFSCME, Police Officers' Association (POA), Police Sergeants' Association (PSA) medical premium contributions side letters: \$56,440
  - Amendment to the aquatics operator agreement: \$300,447
  - Amendment to agreement with M-Group for preparation of an elections code section 9212 report: \$164,951



## Proposed fiscal year 2025-26 expenditure amendments for General Fund

	Expenditure
<b>Adopted</b>	<b>79,355,985</b>
Previously approved amendments	697,648
Vacancy factor	3,427,291
Operating factor	2,855,231
Credit card fees	220,000
Vehicle internal service fund charge pause	(1,198,582)
Forgo ADP for UAL	(755,231)
<b>Total amendment</b>	<b>5,246,357</b>
<b>Amended budget</b>	<b>84,602,342</b>



## Proposed fiscal year 2025-26 revenue amendments for General Fund

	Revenue
<b>Adopted</b>	<b>78,563,730</b>
Property taxes	<b>(1,733,508)</b>
License and permit	1,400,000
IT internal service fund transfer in	1,100,000
Rental and lease revenue	1,072,506
Transient occupancy tax	700,000
Water fund transfer-in	500,000
Recreation fees	400,000
<b>Total amendment</b>	<b>3,438,998</b>
<b>Amended budget</b>	<b>82,002,728</b>



## Fiscal year 2025-26 budget amendments by Fund (million)

- Net change across all funds is \$1.1 million as shown below (Attachment A):

Fund	Revenue	Expenditure	Description
100 – General Fund	\$3.4	\$4.5	See previous slides
203, 222, 353, 355 – Special Revenue Funds	\$3.5	\$1.2	BMR in-lieu fee, capital improvement project amendments
704 – Internal Service Fund	0	0.08	On-call support for audio-visual equipment and public safety network upgrade
610 – Enterprise Fund	0	0.09	Maintenance Worker for downtown and compost procurement
<b>Total</b>	<b>\$6.9</b>	<b>\$5.9</b>	



# General Fund reserves



## Mid-year General Fund reserves impact (million)

Category	Fiscal year 2024-25 (Audited)	Fiscal year 2025-26 (Projected)	Net change
Ending fund balance (June 30)	\$33.7	\$31.1	(\$2.6)
Fund balance reserve components			
Non-spendable	\$0.6	\$0.6	0
Encumbrances	\$1.3	\$1.3	0
Strategic pension funding reserve	\$0.7	\$0.7	0
VLF Shortfall	\$1.0	0	(\$1.0)
Emergency contingency reserve	\$10.4	\$10.4	0
Economic stabilization reserve	\$13.9	\$13.9	0
Unrealized gain/loss	0	\$1.0	\$1.0
Unassigned fund balance	\$5.8	\$3.2	(\$2.6)



## Five-year financial outlook

- Structural imbalance remains but is manageable with proactive planning.
- Revenue volatility requires conservative forecasting and close monitoring
- Cost pressures are increasing, requiring continued discipline
- Reserve levels will need to be carefully managed in the near term
- Future opportunities provide a path toward improved stability



# Grant Funding Overview



## City grant funding overview

- Grants continue to be an important component of the City's overall budget strategy with **\$43.2 million** in total grant awards (Attachment G)
- The City's grant portfolio remains largely stable with no significant changes.



# CITY COUNCIL DIRECTION



## City Council direction

- Adopt a resolution approving additional appropriations and amendments to the fiscal year 2025-26 adopted operating and capital budget



## Budget development timeline

- Next steps and anticipated timeline for fiscal year 2026-27:
  - City Council priority setting workshop: March 21
  - Budget principles adoption and direction for upcoming budget: April 14
  - Public budget workshop: May 28
  - Fiscal year 2026-27 public hearing: June 9
  - Fiscal year 2026-27 budget adoption: June 23



**THANK YOU**



# Lease framework for Gatehouse – 555 Ravenswood Ave.

Judi Herren, Assistant to the City Manager/ City Clerk

## Background

- City-owned historic Gatehouse at 555 Ravenswood Ave.
- Leased to Junior League since 1996
- Current lease expires Jan. 31, 2027





## Direction needed

- Exclusive lease or RFP
- Rent amount
- Capital improvement responsibility and lease length
  - Possibility of electrification
- Facility usage





## Rent amount

- Current rent: \$1,071.41/month
- Considerations:
  - Market-based rent
    - Market office rent: \$5.83–\$6.16/sq. ft.
      - Gatehouse square footage needs verification
    - Comparing rents for similar spaces
  - Alternate structure
    - Increase base rent at start of new lease term and scheduled increases per CPI
    - Phased approach for rent increases over several years toward a target amount
    - Differentiated rent levels based on use
  - Continue current rent with increases
    - Annual percentage increases
    - Periodic adjustments tied to CPI
    - Lease term interval step increases





## Capital improvement responsibility

- City responsibility
  - City responsible for major capital improvements, interior and exterior structures
  - Tenant responsible for ongoing maintenance and day-to-day upkeep
- Tenant responsibility
  - Tenant responsible for major capital improvements, interior and exterior structures (subject to City oversight)
  - Tenant responsible for ongoing maintenance and day-to-day upkeep
- Shared responsibility
  - City and tenant share responsibility for capital improvements
    - Cost-sharing framework
  - Tenant responsible for ongoing maintenance and day-to-day upkeep



## Possibility of electrification

- Current status:
  - Enrolled in PG&E's Government & K-12 Energy Efficiency Program
  - No-cost replacement of gas water heater to be completed by December 2027
- Future opportunities:
  - Potential for electrification through City's Home Upgrade Services program
  - Coordination needed with Peninsula Clean Energy (PCE)
- City Council direction needed to explore options





## Facility usage

- Current: Single tenant (Junior League)
  - Manages subletting
- Limited visibility into subletting
- Approach: Single-tenant model with reporting requirements:
  - Regular reports on third-party use
  - Priority access for city/community groups





## Next steps – City Council direction

- Exclusive negotiation vs. RFP
- Rent structure
- Capital improvement responsibility
  - Electrification
- Facility usage

