



SPECIAL AND REGULAR MEETING MINUTES

Date: 8/25/2026
Time: 5:30 p.m.
Locations: Teleconference and
City Council Chambers
751 Laurel St., Menlo Park, CA 94025

Special Session

A. Call To Order

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

B. Roll Call

Present: Combs, Nash, Schmidt, Taylor (remote and exited at 7:58 p.m.), Wise
Absent: None
Staff: City Manager Justin Murphy, City Attorney Nira Doherty, Assistant to the City Manager/ City Clerk Judi A. Herren

C. Closed Session

C1. Conference with legal counsel – anticipated litigation
(Paragraph (2) of subdivision (d) of Gov. Code Section 54956.9)

Significant exposure to litigation: One case

Documentation related to this agenda item are attached to this agenda (Attachment)

- Amy Boggs spoke in support of thoughtfully processing the 80 Willow Rd. project and requiring an environmental impact report (EIR).
- Elizabeth Burr spoke in support of an EIR and a public hearing before action on the 80 Willow Rd. project.
- Susan Chamberlain spoke on concerns about the health of the San Francisquito Creek and community from the proposed 80 Willow Rd. project and in support of an EIR and a public hearing before action on the project.
- Vamsi Velagapudi requested additional transparency related to closed sessions.
- Chris Sullivan provided a comparison of a project in San Rafael and the proposed 80 Willow Rd. project in Menlo Park.

Regular Session

D. Call To Order

Mayor Nash re-called the meeting to order at 7:23 p.m.

E. Report from Closed Session

No reportable action.

F. Agenda Review

None.

G. Public Comment

- Will Oursler spoke in opposition of the Flock program and sharing data with the San Diego District Attorney, requested the City Council review the response to the Grand Jury Report (GJR) on ALPRs (automated license plate readers) before submission and alongside the Flock renewal.
- Chris Sullivan spoke on concerns related to requests for publishing his written comments related to 80 Willow Rd..
- Scott Herscher spoke in opposition of renewing Flock contract.
- Shani Podell spoke in support of additional tennis and pickleball court space and recommended pickleball courts be placed at Burgess Park.
- Amir Proushani spoke on concerns from the noise generated by pickleball.
- Clara Jaeckel spoke on concerns about ALPRs data security, in support of City Council review of the ALPR GJR before responding and in opposition of renewing the Flock agreement.
- Rebecca Elisa spoke in opposition of using ALPRs and renewing the Flock agreement.
- Julianne Hanson spoke in support of retaining the four tennis courts at Nealon Park.
- Tim Mackensie spoke in opposition of using ALPRs and renewing the Flock agreement.
- Sara Matlin spoke in opposition of renewing the Flock agreement.
- Janice Smith spoke on concerns from the noise generated by pickleball.

H. Presentations and Proclamations

H1. Proclamation: National Night Out (Attachment)

Mayor Nash introduced the proclamation.

Police Chief David Norris, Management Analyst Mayra Lombera and block party hosts Sandy Bardas, Karim Bakhit and Federico De Giuli accepted the proclamation (Attachment).

H2. Presentation: Annual Environmental Quality Commission work plan report out (Attachment)

Environmental Quality Commission (EQC) Chair Susannah Hill made the presentation (Attachment).

- Brian Schmidt spoke in support of the work done by the EQC.

The City Council discussed progress that the city has made towards achieving the Climate Action Plans (CAP) greenhouse gas emission reduction goal.

The City Council received clarification on the timeline of the Belle Haven tree planting.

H3. Presentation: Annual Finance and Audit Commission work plan report out (Attachment)

Finance and Audit Commissioner (FAC) Vamsi Velagapudi made the presentation (Attachment).

The City Council discussed the FACs investment policy feedback.

H4. Presentation: Annual Housing Commission work plan report out (Attachment)

Housing Commission Chair William Oursler made the presentation (Attachment).

The City Council discussed the Housing Commission outreach efforts.

H5. Presentation: Annual Library Commission work plan report out (Attachment)

Library Commission Vice Chair Kim Crockett made the presentation (Attachment).

The City Council received clarification on the Library of the Future and program attendance.

The City Council discussed the number of library card holders and programs.

I. Advisory Body Vacancies and Appointments

I1. Consider applicants and make an appointment to fill an unexpired vacancy on the Parks and Recreation Commission (Staff Report #26-140-CC)

Deputy City Clerk Sarah Sandoval introduced the item.

The City Council discussed balancing district representation on advisory bodies.

The City Council made an appointment to fill an unexpired vacancy on the Parks and Recreation Commission:

Parks and Recreation Commission:
Robert Hubbell – term expiring April 30, 2028

J. Consent Calendar

J1. Accept the City Council meeting minutes for July 14, 2026 (Attachment)

J2. Receive and file the Technology Master Plan (Staff Report #26-144-CC)

J3. Consider and adopt a resolution to amend the salary schedule effective Sept. 6, 2026 (Staff Report #26-142-CC)

ACTION: Motion and second (Wise/ Schmidt), to approve the consent calendar, passed 4-0-1 (Taylor absent).

K. Study Session

K1. Provide direction on childcare services and cost recovery levels at Menlo Children's Center (Staff Report #26-145-CC) (Presentation)

Library and Community Services Director Nick Szegda and Library and Community Services Manager Natalya Jones made the presentation (Attachment).

- Irakli Nadareishvil spoke in support of the services provided by the Menlo Children's Center

(MCC) and on concerns of losing MCC services.

- Kerri Smyth spoke in support of the services provided by the MCC and in opposition of increased rates.

The City Council received clarification on afterschool program costs and recovery, missing middle and working families, resident to non-resident ratios, state funding, the San Mateo County child care blueprint and market rate cost analysis.

The City Council discussed cost recovery percentages and fee increases over two or three years.

The City Council directed staff to conduct a high-level market analysis and proceed with a 70% cost recovery rate achieved by fee increases over two years starting in 2027 and aligning with the master fee schedule cycle.

L. City Council Initiated Items

- L1. Request by City Councilmember Schmidt for a future agenda topic (Staff Report #26-141-CC)

City Councilmember Schmidt introduced the item.

- Sally Cole spoke in support of agendizing this item for the Complete Streets Commission (CSC).

The City Council discussed options for moving the item forward.

ACTION: Motion and second (Schmidt/ Combs), to direct staff to prepare a formal staff report for the Complete Streets Commission on an e-bike ordinance for Menlo Park modeled on the San Mateo County ordinance, passed 4-0-1 (Taylor absent).

M. Informational Items

- M1. City Council agenda topics: September 2026 (Staff Report #26-143-CC)

- M2. Update on the Grand Boulevard Initiative for El Camino Real (Staff Report #26-146-CC)

- Vamsi Velagapudi spoke in support of a grant funded pilot on a stretch of El Camino Real (ECR) between Sand Hill Road and Roble Avenue.
- Ken Kershner spoke in support of applying to the San Mateo County Transportation Authority Pedestrian and Bicycle Program (Cycle 8) for a scoped, externally funded quick-build pilot on ECR from Sand Hill Road to Roble Avenue and funding an outside project manager and design team.
- Adina Levin spoke in support of a pilot on ECR.

The City Council received clarification on conducting a pilot and the process for hiring consultant.

- M3. Update on City-hosted community events and observances (Staff Report #26-147-CC)

N. City Manager Report

City Manager Murphy reported out on the upcoming September City Council meetings and a

potential special Sept. 29 meeting.

O. City Councilmember Reports

City Councilmember Schmidt reported out on the vehicle license fee (VLF) progress and provided an update on Assembly Bill 762.

Mayor Nash reported out the Resource Management and Climate Protection (RMCP) Committee meeting.

P. Adjournment

Mayor Nash adjourned the meeting at 10:47 pm.

Assistant to the City Manager/ City Clerk Judi Herren

These minutes were approved at the City Council meeting September 22, 2026.

Proclamation

RECOGNIZING NATIONAL NIGHT OUT

WHEREAS, National Night Out is an annual nationwide event designed to raise crime prevention awareness, strengthen neighborhood spirit and unity and develop partnerships between the City and the community; and

WHEREAS, annually since 1984, on the first Tuesday in August, millions of neighbors take part in National Night Out across thousands of communities from all fifty states, U.S. territories and military bases worldwide; and

WHEREAS, since its inception, National Night Out has grown to include block parties, festivals, parades, cookouts and various other community events with safety demonstrations, seminars, youth events, visits from emergency personnel, exhibits and more; and

WHEREAS, police community partnerships, neighborhood safety, awareness and cooperation are important themes of National Night Out; and

WHEREAS, it is essential that all residents be made aware of the importance of community policing partnerships, neighborhood safety, awareness and cooperation and the impact that their participation can have on reducing crime and promoting public safety; and

WHEREAS, this year, for National Night Out, nine Menlo Park residents hosted block parties: Callais McNealy, Karim Bakhit, Brian Kissel, Matthew Rascoff, Mariangela and Pierre Smania, Federico De Giuli, Matt Burr, Sandy Bardas and Juanita Croft; and

NOW, THEREFORE, BE IT PROCLAIMED, that I, Betsy Nash, Mayor of the City of Menlo Park, on behalf of the City Council and City, do hereby proclaim and celebrate the first Tuesday in August as National Night Out in Menlo Park.

Betsy Nash

Betsy Nash, Mayor
August 25, 2026



ENVIRONMENTAL QUALITY COMMISSION

Annual work plan report
August 25, 2026

Presented by Chair Susannah Hill

Environmental Quality Commission (EQC) report to City Council

Agenda

EQC roles, responsibilities and priorities

Review of EQC fiscal year 2025-26 activities

Proposed EQC fiscal year 2026-27 work plan

Guidance from City Council

EQC Roles & Responsibilities

2025-2026 Environmental Quality Commission

Commissioners	
Nicole Angiel	Appointed April 2025
Brittany Goodwin	Appointed April 2026
Vice Chair Eduardo Lopez Hernandez	Reappointed April 2026
Chair Susannah Hill	Reappointed April 2025
Brian Kissel	Appointed April 2023
John McKenna	Reappointed April 2024
Nabil Saad	Appointed June 2026
Staff liaisons	
Rachael Londer	Sustainability Manager
Liz Tapia	Management Analyst II

Looking back:

Review of EQC activities
July 2025 - August 2026

Fiscal year 2025-2026 EQC work plan goals

Work plan goals

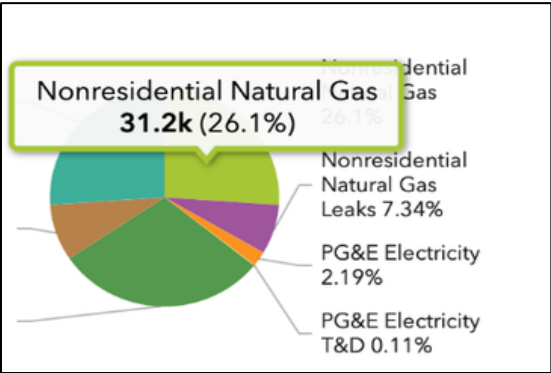
1. Provide feedback to staff and advise the City Council on 2025-2030 scope of work implementation for Climate Action Plan (CAP) strategies No. 1 through No. 6
2. Ensure that our most vulnerable communities have a voice in policies and programs to protect their communities from environmental impacts.
3. Leverage best practices to advise/recommend on the preservation of heritage trees, city trees and expansion of the urban canopy; and make determinations on appeals of heritage tree removal permits.
4. Support sustainability initiatives, as needs arise, which may include city-led events, habitat protection, healthy ecology, environmental health protection, healthy air, surface water runoff quality, water conservation and waste reduction.
5. Maintain an annual commission calendar to provide transparency and allow adequate time to prepare agenda items related to the commission's work plan; update and post for public review monthly.
6. Encourage and facilitate robust public comment and participation at Commission meetings.
7. Foster a public meeting environment that is inclusive of all members of the diverse Menlo Park community.
8. Support the filling of openings on the Commission and the effective onboarding of new Commissioners.
9. Participate an ad hoc subcommittee of the Complete Streets Commission comprised of both Complete Streets and Environmental Quality Commissioners to evaluate metrics to measure progress on and set specific long term and annual goals. The subcommittee shall consist of no more than three EQC commissioners and no more than three CSC commissioners so as not to violate the Brown Act.

Review of EQC activities

Example

Review of EQC activities

Carbon Emissions Reporting



Carbon Emissions Reduction Projects



Arrillaga Gymnasium
At Arrillaga Gymnasium, the facility is city operated and currently includes solar energy systems; space...



Arrillaga Gymnastics
At Arrillaga Gymnastics, the facility is city operated and currently includes solar energy systems; space...



Arrillaga Recreation Center (ARC)
At Arrillaga Recreation Center (ARC), the facility is city operated and currently has electrified water heating...



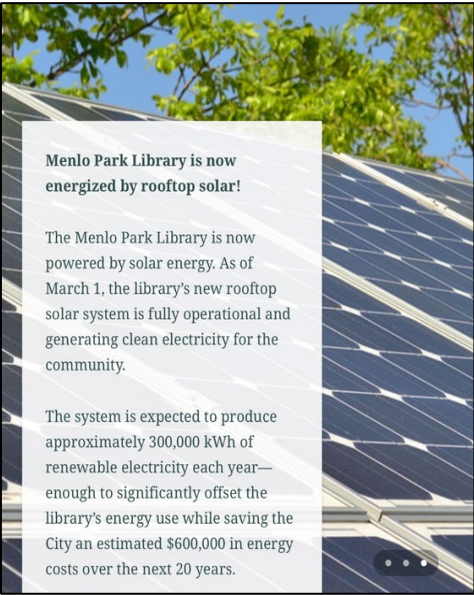
Belle Haven Community Campus (BHCC)
At Belle Haven Community Campus (BHCC), space heating, water heating, cooking, and pool heating...



Belle Haven Child Development Center (BHCDC)
At Belle Haven Child Development Center (BHCDC),...



Burgess Pool
At Burgess Pool, the facility's city-operated status is currently unclear and it already has electrified wate...



Menlo Park Library is now energized by rooftop solar!

The Menlo Park Library is now powered by solar energy. As of March 1, the library's new rooftop solar system is fully operational and generating clean electricity for the community.

The system is expected to produce approximately 300,000 kWh of renewable electricity each year—enough to significantly offset the library's energy use while saving the City an estimated \$600,000 in energy costs over the next 20 years.

Review of EQC activities

Review of EQC activities

Work plan goal 1: CAP implementation

Review of EQC activities

Review of EQC activities

Review of EQC activities

Review of EQC activities

Looking forward:

EQC Work Plan Summary Fiscal Year 2026-2027

Proposed fiscal year 2026-2027 work plan goals

1. Advise on Climate Action Plan (CAP) implementation
2. Ensure a voice for communities vulnerable to environmental impacts
3. Preserve urban canopy
4. Support sustainability & environmental justice initiatives
5. Maintain public calendar to provide transparency
6. Facilitate robust public participation & comment
7. Foster an inclusive public meeting environment
8. Support recruiting and onboarding new commissioners
9. Participate in Complete Streets ad hoc subcommittee

Work plan goals	
1.	Provide feedback to staff and advise the City Council on 2025-2030 scope of work implementation for <u>Climate Action Plan (CAP)</u> strategies No. 1 through No. 6.
2.	Ensure that our most <u>vulnerable communities have a voice</u> in policies and programs to protect their communities from environmental impacts.
3.	Leverage best practices to advise/recommend on the <u>preservation of heritage trees, city trees</u> and expansion of the urban canopy, and make determinations on appeals of heritage tree removal permits.
4.	<u>Support sustainability and environmental justice initiatives</u> , as needs arise, which may include city-led events, habitat protection, healthy ecology, environmental health protection, healthy air, surface water runoff quality, water conservation and waste reduction.
5.	Maintain an <u>annual commission calendar</u> to provide transparency and allow adequate time to prepare agenda items related to the commission's work plan; update and post for public review monthly.
6.	Encourage and facilitate <u>robust public comment and participation</u> at Commission meetings.
7.	Foster a <u>public meeting environment that is inclusive</u> of all members of the diverse Menlo Park community.
8.	<u>Support the filing of openings</u> on the Commission and the effective onboarding of new Commissioners.
9.	Participate in an <u>ad hoc subcommittee of the Complete Streets Commission</u> comprised of both Complete Streets and Environmental Quality Commissioners to evaluate metrics to measure progress on and set specific long term and annual goals. The subcommittee shall consist of no more than three EQC commissioners and no more than three CSC commissioners so as not to violate the Brown Act.

Activities & subcommittees continuing into 26-27

- ▶ Accelerate building electrification and energy efficiency
- ▶ Accelerate EV adoption and reduce car dependence
- ▶ Support City leadership to decarbonize municipal operations
- ▶ Elevate protections for disadvantaged community members
- ▶ Finish Stanford project for CAP dashboard
- ▶ Study CAP strategy 4 with the Complete Streets Commission
- ▶ Goals 4-8 ongoing

**Still under
discussion**

Activities & subcommittees new in 26-27

- ▶ CAP planning for 2030 & beyond
- ▶ Preparation for the Bay Area Air District's residential rule changes for 2028/2029 re: water heaters & furnaces
- ▶ Planting trees in Belle Haven
- ▶ Food systems ad hoc subcommittee focused on engagement with Belle Haven Collective
- ▶ Explore ways to improve outdoor air quality

Thank you

Finance and Audit Commission

ANNUAL UPDATE – AUGUST 25, 2026

VAMSI VELAGAPUDI

Agenda

FAC role and priorities

Review of FAC activities and plans

City Council guidance

Finance and Audit Commission

Support the City Council in delivery of timely, clear and comprehensive reporting of the City's fiscal status to the community at large

Commissioners

- Colin Albright
- Brian Altman
- Jayanta Dey
- David Emery
- Jackson Garton
- Laura Melahn
- Vamsi Velagapudi



FAC Work Plan Goals

1. Conduct annual review of the City's investment policy
2. Review the scope and process of the audit for fiscal year 2024-25 with the City's auditor
3. Review quarterly performance of the City's investment portfolio
4. Review the annual independent auditor's report
5. Review the Annual Comprehensive Financial Report (ACFR)
6. OpenGov transparency portal improvements and community training
7. Encourage and facilitate robust public comment and participation at Commission meetings
8. Foster a public meeting environment that is inclusive to of all members of the diverse Menlo Park community
9. Support the filling of openings on the Commission and the effective onboarding of new Commissioners

FAC Activities: 2025-26

Updated the FAC work plan

Met with the City's investment advisor to understand the portfolio, strategy and investment policy

Received quarterly updates on the City's grant funding

Met with the City's auditor to understand the audit scope, process, focus areas and results

Reviewed the Annual Comprehensive Financial Report (ACFR) with City staff and auditor

Reviewed the single audit report and the report on internal control over financial reporting with City staff and auditor

Formed subcommittees to focus on specific work plan goals

- OpenGov transparency portal
- Investment portfolio reporting

Shared subcommittee findings and recommendations with the Commission and staff

- Dissolved the OpenGov transparency portal subcommittee

Looking forward: FAC Plans

Quarterly review of the City's investment portfolio performance and grant funding; conduct annual review of the investment policy, audit results and ACFR

Work with City staff and the City's investment advisor to review investment portfolio performance benchmarks

Continue subcommittee focus areas

Support timely, clear and comprehensive financial reporting to foster transparency and diligent stewardship of the City's finances

City Council guidance

Is there any feedback or direction you would like to provide the FAC?



THANK YOU



Housing Commission Report Out

August 25, 2026



Responsibilities of the Housing Commission

- Advise the City Council on housing matters
- Commission priorities include:
 - Community attitudes about housing
 - Programs for evaluating, maintaining, and upgrading the distribution and quality of housing stock
 - BMR program review and recommendations
 - Review and recommend on the Housing Element of the General Plan and related issues



Commission Members

- Jessica Beeli
- Charles Chapa
- Katherine Dumont
- Kevin Kranen
- William Oursler - Chair
- Steven Switzer - Vice Chair
- Carol Wong





Housing Commission '25-26 Annual Work Plan

- Housing Development
 - Review and make recommendations on BMR policy and agreements
- Community Engagement
 - Encourage community participation and provide resources
- Anti-displacement
 - Develop resources to support current residents and monitor causes of displacement
- Formed subcommittees to support each pillar of the work plan





BMR Program Activities

- Recommended approval of the draft BMR agreements for:
 - 68 Willow Road (50 units)
 - 624 University Drive (6 Units)
 - 985–1005 O'Brien Drive and 1320 Willow Road (Commercial In-Lieu Fees)
- Recommended updates to the BMR Housing Program Guidelines
- Received BMR tenant recertification report





Community Outreach

- Housing and Neighborhood Resource Fair
 - May 16 (Affordable Housing Month)
 - Belle Haven Community Campus
 - 30 organizations
 - 50+ attendees
- Housing Commission members assisted staff in:
 - Outreach to participating organizations
 - Promoting the event
- Hope to continue this as an annual event
- Commissioners also helped table at the Sept. 27, 2025, Public Works Open House





Anti-displacement Plan

- May 6th Special Meeting focused on the Anti-displacement Plan
- Held at the Belle Haven Community Campus
- Extensive public comment indicated:
 - Support of the plan recommendations
 - Desire for faster implementation timelines
 - Support for electrification-related policy considerations
- Adopted by the City Council at its May 19th meeting



City of Menlo Park
Anti-displacement
Plan



Preview: Proposed '26-27 Work Plan

- Maintain current work plan language and responsibilities
- Propose holding two meetings per year at the Belle Haven Community Campus





Thank You



Library commission update on 2025-2026 work plan



LIBRARIES ARE A FOUNDATION FOR BUILDING A VIBRANT CITY AND COMMUNITY SPIRIT

- The work of the Library Commission is based on the assumption that libraries are civic institutions that perform critical functions extending far beyond books.
- They are indispensable community hubs that bring people together and close the opportunity gap by connecting people to essential services and resources.
- 831 programs last year, 18,409 attendees, 15,764 card holders
- The Commission is committed to being faithful to the City Council's direction to act as an advisory body and a forum for public information about Library issues.



THE LIBRARY COMMISSION IS COMMITTED, POSITIVE AND ENERGIZED

- Commission members have excellent attendance at meetings and positive and productive working relationships with each other and the Library staff.
- LC Commission Chair Brian Westcott and Vice Chair Kim Crockett have both been re-appointed for 4-year terms to 2030, and members Carol Orton, Sarah Sisbot, Scott Shafer, Leith Abdulla and Daniel Yule continue their tenures with varying terms.
- All Commission members are enthusiastic about the appointment of Nick Szegda as Director of Library & Community Services and look forward to working as a team with Nick and the Library staff.



**Library Adventure scavenger hunt at
Belle Haven Community Campus**





LIBRARY COMMISSION WORK PLAN 2025-26 INCLUDES 5 GOALS

- Goal #1 covers the routine, ongoing operation of the Commission:
 - Providing a forum for public information and discussion about City libraries
 - Advising on library procedures and policies
 - Receiving staff presentations and reports about library services
 - Receiving Commissioner liaison reports about Library affinity groups
 - Onboarding new commission members
 - Maintaining a 12-month schedule of planned Commission agendas







GOAL 2: REVIEW LIBRARY PROGRAMS AND SERVICES

- For this goal, the Commission continues its work to identify potential service gaps at the Library and to focus on needs to facilitate a “Library of the Future” at both locations of the Library.
- Commission members have continued to meet with staff at both the Belle Haven and Main Library branches to address these needs. This work continues outside of formal LC meetings by two active subcommittees: “Library of the Future” and “Belle Haven Outreach.”
- Commission members continue to liaise with affinity groups such as the Friends of the Library, Teen Advisory Group, and the Menlo Park Library Foundation to receive feedback and to coordinate in furtherance of supporting the Library.



GOAL 3: ANALYZE POTENTIAL NEAR OR INTERMEDIATE CAPITAL IMPROVEMENTS TO MAIN LIBRARY

- LC Commission members have held multiple meetings with LCS Director Nick Szegda and LCS Supervisor Rose Waldman to collaborate on identifying areas of need in the Main Library
- Possible projects have been identified and await feedback on funding sources
 - HVAC repair/replacement
 - Updated carpeting and/or furniture
 - Handicapped accessible restroom access
 - Reorganization of entry area for safety of staff





A lecture on Muppets during Summer Puppetry Festival at the main library





GOAL 4: LIBRARY OF THE FUTURE REPORT AND FOLLOWUP

- In Fall 2025, the Commission approved a detailed report on the “Library of the Future” and requested that City Council schedule Study Sessions dedicated to focusing on various issues specific to the Library.
- The Commission continues to advocate for a Study Session limited to Library issues, and will continue to liaise with Vice Mayor Jennifer Wise on this topic.



GOAL 5: SUPPORT AND ADVISE RE: LIBRARY PROGRAMS AND OPERATIONS AT THE BELLE HAVEN COMMUNITY CAMPUS

- Progress to date:
 - Literature Review
 - Preliminary statistical analysis
 - Met with stakeholders
 - Met with subject matter experts at peer libraries
 - Provided initial recommendations to library staff (increased signage, improved data availability, website accessibility)
- Next steps
 - Draft report on increasing engagement, particularly in Belle Haven
 - Partner with other community groups on volunteering and outreach opportunities



**Beetle mania at Belle Haven
Children's Library**





MOVING FORWARD

- We are now focusing on developing the 2026-27 LC work plan and vision for the “Library of the Future”
 - Any feedback or guidance from the City Council on how the Library Commission should focus its efforts would be appreciated
- The Belle Haven outreach subcommittee will continue its work
- Library Commission members look forward to continuing our support of libraries – the vibrant centers and builders of community for Menlo Park residents

Thank you for your support!



THANK YOU



Childcare in City facilities

- Belle Haven Child Development Center
 - Preschool care subsidized by state grants
- Belle Haven Youth Center
 - Afterschool care for children in grades K-5, many families qualify for reduced rates
- Menlo Children's Center
 - Market rate childcare
 - Toddler program, early preschool, preschool
- Menlo Children's Center Afterschool
 - Afterschool care for children in grades K-5





Menlo Children's Center





Developments since 2025 study session

- Enrollment increase since 2025 study session
 - 52 out of 60 available slots full in July
 - Should reach or approach operation capacity in Fall 2026
- Level of cost recovery for operations at MCC
 - FY 2025-26 expenditures approx. \$2.5 million (including overhead)
 - FY 2025-26 revenues approx. \$1.3 million
 - Recovery rate by policy set at 70%-100%
 - Current 51% recovery rate (March 2026 preliminary User Fee Study)



Menlo Children's Center – cost recovery





Raise MCC fees to increase cost recovery

Table 1: MCC fee increase scenarios

Target recovery %	Fee increase %	New Toddler fee	Toddler fee increase/month	New Early PS/PS fee	Early PS/PS increase/month	Annual cost increase
70%	11.20%	\$2,912	\$294	\$2,377	\$240	\$2,880
80%	27.10%	\$3,328	\$710	\$2,717	\$580	\$6,960
90%	43%	\$3,744	\$1,126	\$3,056	\$919	\$11,028
100%	58.90%	\$4,160	\$1,542	\$3,396	\$1,259	\$15,108



Raise MCC fees to increase cost recovery

Recovery tier	What is required	Family fee impact	Recommendation
Current (51.3%)	Revenue: \$1.3 M. Estimated 47-48 of 60 slots filled. Subsidy gap: \$1.2M	Toddler \$2618/mo. EPS/PS \$2137/mo.	Fill vacant slots. 100% occupancy with no fee increase recovery level reaches 63%
70%	11.2% fee increase Additional \$477K in revenue	Toddler increase \$293/mo. EPS/PS increase \$239/mo.	Full enrollment plus phased fee increase of 5%-6% over two years
75%	19.2% fee increase Additional \$605K in revenue	Toddler increase \$502/mo. EPS/PS increase \$411/mo.	Phase increases over 2-3 years at 6%-7% annually
80%	27.1% fee increase Additional \$733K in revenue	Toddler increase \$710/mo. EPS/PS increase \$580/mo.	9% fee increase over three years



Menlo Children's Center – other changes





Longer-term changes to consider

- Focus on care for younger children only
 - A recommendation from 2025 study
 - Community need for care for younger children
 - Higher teacher/child ratios required
 - Cost savings from shared campus with school-aged program lost
- Contract with an organization to run portion of programs
 - Example: maintain afterschool but have another provider of toddler or preschool components
 - Licensing challenges for split program operations
 - Find a suitable partner for program share
 - Existing partnerships





Longer-term changes to consider

- Reduce MCC programs over 3-5 years
 - Incoming class of fall 2026 toddlers graduate in spring of 2029
 - Don't fill teacher vacancies except where needed for ratio
 - Shift staff to other LCS vacancies where possible
 - Other childcare programs
 - Gymnastics
 - Recreation





Seeking City Council direction

- Level of cost recovery desired at MCC
- Review potential strategies to increase financial sustainability



Thank you – Questions?

