

MINUTES OF FEBRUARY 20, 2018

REGULAR MEETING
OF THE
CORTE MADERA TOWN COUNCIL
AND THE BOARD OF SANITARY DISTRICT NO. 2,
A SUBSIDIARY DISTRICT TO THE TOWN OF CORTE MADERA

Mayor Condon called the Regular Meetings to order at Town Hall Council Chambers, 300 Tamalpais Drive, Corte Madera, CA on February 20, 2018 at 6:32 p.m.

1. CALL TO ORDER AND ROLL CALL

Councilmembers Present: Mayor Condon, Vice Mayor Furst and Councilmembers Andrews, Baily and Ravasio

Councilmember Absent: None

Staff Present: Town Manager Todd Cusimano
Town Attorney Teresa Stricker
Director of Planning and Building Adam Wolff
Senior Planner Phil Boyle
Public Works Director Peter Brown
Town Clerk/Assistant to the Town Manager Rebecca Vaughn

SALUTE TO THE FLAG – Mayor Condon led in the Pledge of Allegiance

1.I. Report out of Closed Session From February 6, 2018 Regular Town Council Meeting Regarding the Following Items:

9.I.i Town Closed Session Item:
PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Closed Session Pursuant to Cal. Gov't Code Section 54957
Title: Town Manager

9.II.i Sanitary District Closed Session Item:
CONFERENCE WITH LEGAL COUNSEL – PENDING LITIGATION
Deciding whether or not to initiate litigation pursuant to California Government Code Section 54956.9(d)(4): One potential case.

Mayor Condon stated there was no reportable action taken on Item 9.I.i and staff direction was given on how to proceed for Item 9.II.i from the February 6, 2018 Closed Session.

2. OPEN TIME FOR PUBLIC DISCUSSION

There were no speakers.

3. PRESENTATIONS – None

4. CONSENT CALENDAR

4.I TOWN ITEMS

4.I.i Authorize Introduction and/or Adoption of Resolutions and Ordinances by Title Only.
(Standard procedural action – no backup information provided)

4.I.ii Adopt Resolution 07/2018, "A Resolution Of The Town Council Of The Town Of Corte Madera Designating The Authorized Agent(S) For Non-

State Agencies As Required By The California Governor's Office Of
Emergency Services"
(Report from Kelly Crowe, Senior Civil Engineer)

- 4.I.iii Authorization For The Town Manager To Enter Into An Agreement With
Renne Public Law Group For Town Attorney and Special Counsel Services
(Report from Todd Cusimano, Town Manager)
- 4.I.iv Approval of Revenue and Expenditure Report for January 2018
(Report from Daria Carrillo, Finance Director)
- 4.I.v Receive and File Investment Transactions Monthly Report for September
2017
(Report from George T. Warman, Director of Administrative Services)
- 4.I.vi Receive and File Investment Transactions Monthly Report for October
2017
(Report from George T. Warman, Director of Administrative Services)
- 4.I.vii Receive and File Investment Transactions Monthly Report for November
2017
(Report from George T. Warman, Director of Administrative Services)
- 4.I.viii Receive and File Investment Transactions Monthly Report for December
2017
(Report from George T. Warman, Director of Administrative Services)
- 4.I.ix Approval of Minutes of February 6, 2018 Town Council Meeting

MOTION: Moved by Bailey, seconded by Ravasio, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Bailey, Furst, Ravasio and Condon; Noes: None).

To approve Town Consent Calendar Items 4.I.i, ii, iii, iv, v, vi, vii, viii and ix.

4.II SANITARY DISTRICT ITEM

- 4.II.i Consideration and Possible Action to Accept Ad-Hoc Committee's
Recommended Group 5 Revisions to the Central Marin Sanitation Agency
(CMSA) Joint Powers Authority (JPA) Agreement
(Report from Peter Brown, District Manager)

MOTION: Moved by Furst, seconded by Ravasio, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Bailey, Furst, Ravasio and Condon; Noes: None)

To approve Sanitary District Consent Calendar Item 4.II.i.

5. PUBLIC HEARING

- 5.I Consider Introducing An Ordinance, To Be Approved By The Voters At The
June 5, 2018 Election, That Extends The Town's Current Sales Tax (Formerly
Measure B) At Either Its Current ½-Cent Level Or At An Increased ¾-Cent
Level, And That Repeals The Town's Existing Flood Control Special Property
Tax (Formerly Measure C) To The Extent The Sales Tax Is Extended At The
¾-Cent Level
(Report from Todd Cusimano, Town Manager and Peter Brown, Public Works
Director)

Town Manager Cusimano stated the purpose of the matter is for the Town Council to consider one of three options:

1. To introduce an ordinance that extends the sales tax measure until it is repealed by the voters by increasing the sales tax level from $\frac{1}{2}$ cent to $\frac{3}{4}$ cent and also repealing the existing Flood Control Special Property Tax of \$98 per residential unit and 1,000 square feet of commercial, or
2. To introduce an ordinance that extends the sales tax measure at the existing $\frac{1}{2}$ cent level until repealed by voters; or
3. Allowing the existing $\frac{1}{2}$ cent sales tax to sunset in April 2020

Staff has discussed revenues for the Town over the last few meetings and he provided an overview of Measure B, its purpose is to spend revenues in six key areas as approved by voters and reviewed by the Citizens Oversight Committee as part of the approved measure.

He explained that between now and 2020, the Town has 16 infrastructure projects totaling \$11 million and, when expanding to 2030 the Town's needs expand to \$53 million. Over 90% of the measure is paid for by people outside of the community who enjoy Corte Madera's shopping opportunities which provide a valuable revenue stream.

Mr. Cusimano then explained details of the two draft ordinances before the Council. He spoke of the Town's current storm drain system, canals, levies, pump stations, gate stations, retention basins and the Town's infrastructure needs and vulnerabilities and how to pay for improvements.

Director of Public Works Peter Brown spoke of the significant cost and needs of the Town in terms of transportation, flood control and infrastructure needs, noting that the most recent Town pump station was built in 1999. He thinks Corte Madera has a great opportunity if voters choose to renew Measure B, stating that for every dollar spent by a resident \$9 can be leveraged from the regional population base.

In looking at near term projects between 2018 and 2020, projects total \$11 million in three categories. The five Capital Improvement Projects (CIP) for flood control total \$4.6 million. Transportation safety improvements total approximately \$1.6 million and two large items the Town is looking to complete in the next few years include a \$2.2 million Casa Buena Complete Streets project and the Tamal Vista Complete Streets project which has begun and was discussed by the Bicycle Pedestrian Advisory Committee (BPAC) last week, as well as on-going facilities improvements.

Staff estimates the need for over \$40 million between 2020 and 2030 which includes transportation and flood control, Safe Routes to Schools-specific projects, potholes, senior and youth programs, and disaster preparedness and fire prevention.

Mr. Cusimano said in being fiscally prudent, staff is expecting to complete projects by 2020 and using existing sales tax revenues for that. Staff suggests using General Fund revenues for disaster preparedness work and senior and youth programs and supplement fire prevention, staffing and other items from year-to-year from the Operating Budget and the sales tax measure, if it passes.

In considering the $\frac{1}{2}$ cent versus the $\frac{3}{4}$ renewal, staff reviewed the time period from 2018 and 2030 and identified approximately \$53 million in projects that will need to be completed. In looking at $\frac{1}{2}$ cent revenues, approximately \$25 to \$30 million is estimated to be received for that timeframe.

When considering the $\frac{3}{4}$ cent measure, it gets the Town to approximately \$44 to \$53 million. While it falls a bit short for all projects, it positions the Town to have shovel-ready projects and a matching funding source which is the difference staff believes they can reach if the Council approves a $\frac{3}{4}$ cent sales tax. It also positions the Town to consider repeal of

the existing Flood Control Special Property Tax of \$98 per residential unit and 1,000 square feet of commercial which sunsets in 2023, and this would require a 2/3 vote for renewal.

Mr. Brown stated staff has laid out options regarding the amount of funding and he said with each of the two options, the Town gets closer to fully funding its needs. The \$10 million unfunded need is something staff feels comfortable in partnering with other agencies, looking for grant funds and deferring projects that absolutely do not have to be built.

Lastly, the Council would be placing a measure on the ballot that asks residents to tax themselves either at the existing ½ cent rate or at the ¾ cent rate. When tied to the existing Flood Control Special Property Tax and reviewing local impact, it gives residents a fiscal incentive, which he briefly explained.

Councilmember Andrews referred to the length of the tax, which is indefinite. When conducting capital budget planning, he asked if staff would need to know 2 to 3 years in advance of what the funding sources would be.

Mr. Brown said the way the ordinances are drafted, two options are given. One is allowing the sunset period to be removed which the Council can consider. The advantage to this is that voters can request it come back. From an actual capital planning standpoint, he would review the 5-year CIP program with 2 years fiscally bound which would not change. If the sunset date is 2030 or 2040, he would still recommend looking at the 2 year fiscal constraint with a 5 year long-term plan, and this would continue regardless of what the sunset date was. If they were approaching a 2030 sunset date this is when in 2025 or 2027 discussion could occur again.

Fiscally, Mr. Cusimano said without this type of revenue stream the Town was not positioned before, during or after the recession to prepare for what they face in infrastructure needs. This is something the Town has identified as truly needed and without it, a funding stream will need to be identified in the future to offset it.

Councilmember Andrews said if the tax is passed by voters in June, he asked when the increased sales tax would show up.

Mr. Brown said the way staff has drafted the proposed ordinance is that the trigger would be July 1, 2018 under both options. The Flood Control Special Property Tax cycle is July 1 to June 30 and those property tax bills residents receive in December and April would terminate at the same time for this special tax.

Mayor Condon opened the public comment period.

Public Comments:

Jean Greenbaum said she did not see the mention of a Citizens Oversight Committee, and she asked and confirmed this is proposed to continue.

Councilmember Bailey asked if analysis had been done as to whether or not there was an impact on local businesses with the marginal increase to the sales tax.

Mr. Cusimano stated he met with the Chamber of Commerce and shopping center representatives to discuss this and all were supportive of going from ½ cent to ¾ cent. They did not express any concerns and they saw this as a minimal impact.

Mayor Condon commented that Corte Madera is also one of few places where shoppers do not have to pay for parking to shop.

Mr. Brown said typically staff looks at changes to the existing ordinance and absent any

changes such as the Citizens Oversight Committee it would continue as well as all other provisions of how the Town spends and allocates expenditures.

To Councilmember Bailey's question, Mr. Brown said typically in an area like Corte Madera in Southern Marin, choices people make about their shopping experiences are driven by the type of amenity shoppers are looking for. It is rare that shoppers will drive somewhere far away because they consider a community's sales tax rate.

Councilmember Bailey said he also questioned if a business considering coming to Corte Madera would compare the town's tax rate with other communities and whether this makes a difference.

Mr. Cusimano stated this was asked of the shopping center representatives and they believe it would not make a difference. The taxes that concerned representatives were not sales tax but sanitary district fees and taxes, the flood tax and keeping the Transient Occupancy Tax (TOT) level the same.

Vice Mayor Furst commented that San Rafael, Fairfax and Larkspur are all at 9% so she did not believe Corte Madera would be viewed as an outlier or put the Town at a disadvantage. She thinks the point regarding capital planning and being able to look at the revenue stream longer term was a very important one especially for flood control projects which are large, expensive and take many years to plan and build.

She said she joined the Council in 2009 during the middle of the economic downturn and the Town was not spending money on anything which is why the Council wanted to propose the sales tax measure. However, she did not think the Town would ever get back to where it used to be given the State and Federal governments had provided money for infrastructure in the past.

She also thought that many communities will need to address sea level rise and flooding and she wanted to see the Council consider the $\frac{3}{4}$ cent sales tax increase, eliminate the Flood Control Special Property Tax, and educate voters. She agreed with the need for a Citizens Oversight Committee and said the Town has acknowledged that revenues will go into important infrastructure and capital needs, fire prevention and similar projects within the Town.

Councilmember Bailey said there was nothing more significant than the Town's mission to protect residents from natural disasters and flooding, and he said he was ready to make a motion.

Councilmember Andrews voiced his support to extend the tax, the $\frac{1}{2}$ cent sales tax to $\frac{3}{4}$ cent sales tax and repeal the Flood Control Special Property Tax.

Councilmember Ravasio said he was initially a bit reticent about this but said no money was spent when the Town was dealing with the recession and cuts were made without discussion of this overwhelming need. What happened is that staff has been able to articulate and quantify the need which he agreed exists.

He thinks staff and Council have made excellent points and agreed the Town will be on its own, given limited state and federal funding. Other communities in the county are having a hard time with flood control but said Corte Madera has a plan. He knows it will be difficult and, other than his concern about explaining this properly to voters, he voiced his support of increasing the tax to $\frac{3}{4}$ cents and repealing the Flood Control Special Property Tax.

Mayor Condon said she agrees that clearly explaining the sales tax increase and repeal of the special tax will be very important, as well as explaining how residents will end up with more money in their pockets. She commented on Corte Madera's increased home prices and said that with needed infrastructure projects, Corte Madera will continue as a very

desirable community to live in.

To jeopardize the Town's infrastructure jeopardizes the value of its properties, and she voiced her support of the $\frac{3}{4}$ cent sales tax measure and repeal of the Flood Control Special Property Tax.

Mr. Brown said staff agrees that the community outreach, engagement and education will be critical and announced that staff has scheduled Saturday, March 31 from 10AM to 12 noon at the Community Center for the first community-wide conversation. Staff has also scheduled the following Wednesday, April 4 from 6PM to 8PM for another session and staff will invite the community to attend.

Mr. Brown then discussed his tracking of transportation and infrastructure funding and referred to comments regarding the lack of state and federal resources. He said President Trump has proposed a \$1.5 to \$2 trillion infrastructure bill but will only put about \$200 billion to \$250 billion worth of federal money into this. The rest must come from state, local and private sources, and having a locally controlled funding source will be critical to the Town.

Mayor Condon lastly encouraged staff to pursue SB1 grants which she believes Corte Madera qualifies for, given the Town's Housing Element was in compliance and recommended highlighting the 75-word ballot language at the start of each forthcoming Town Council meeting in an effort to circulate it throughout the community.

MOTION: Moved by Bailey, seconded by Furst, and approved unanimously by the following vote: 5-0 (Ayes: Andrews, Bailey, Furst, Ravasio and Condon; Noes: None)

To Introduce an Ordinance to be approved by the voters at the June 5, 2018 Election that extends the sales tax measure until it is repealed by the voters by increasing the sales tax level from $\frac{1}{2}$ cent to $\frac{3}{4}$ cent and also repealing the existing Flood Control Special Property Tax of \$98 per residential unit and 1,000 square feet of commercial.

6. BUSINESS ITEMS

TOWN BUSINESS ITEMS

6.1 TOWN BUSINESS ITEMS

- 6.1.i Discussion Of Hotel Uses and Existing Land Use Regulations Related To Hotel Development And Possible Direction To Staff Regarding Future Work Related To This Subject
(Report from Adam Wolff, Director of Planning and Building)

Director of Planning and Building Adam Wolff said before the Council is the Town's existing land use regulations relating to hotels, and he would like to discuss whether changes should be considered and staff is also requesting direction regarding future work on this subject.

He said there are a couple of applications that the Planning Commission has considered relating to redevelopment of hotels in town and because of the importance of what TOT hotels bring to the town, as well as looking at the Town's own land use regulations of hotels as compared to other communities in Marin and elsewhere, he thought it was important to bring the discussion to the Council. Staff also heard from individual Councilmembers that this is something they would like to discuss at a public meeting.

Mr. Wolff said the staff report identifies existing land use regulations with respect to the zoning ordinance and in the General Plan. He pointed to a few examples in the staff report,

noting that hotels are allowed in most commercial designations today such as the C-1, C-2 and C-3 districts, as well as the MX-1 zoning districts. All are allowed with Conditional Use Permits (CUPs) and those areas are basically surrounding the highway, the two regional shopping centers and most of the commercial development seen along Tamalpais Drive. Hotels are not currently allowed in the C-4 zoning district such as where the car dealerships are located on San Clemente Drive.

Hotels currently are lumped in with other commercial uses permitted or conditionally permitted in commercial areas and the same Floor Area Ratio (FAR) applies to hotels as they do to other commercial districts.

In looking at current FARs, Corte Madera is clearly at the lower or lowest end for hotels in Marin as well as other jurisdictions outside of Marin. He noted that some jurisdictions lump hotel FARs with other commercial uses and others have special regulations for hotels that are separate and apart and recognize the use as different or special as compared to other commercial uses.

He pointed out in the staff report that the FARs for Corte Madera hotels generally do not reflect the existing FARs of the 4 hotels in Corte Madera which are the Marin Suites and Best Western Corte Madera Inn on Tamal Vista Boulevard and also the Budget Inn on Meadowsweet Drive and America's Best Value Inn on Casa Buena Drive. The Budget Inn is below .34 FAR and the rest are actually above the existing regulations. If these hotels were destroyed, they would not be able to be built at their current FAR today.

Unique for hotels is that they have a significant revenue stream that comes directly to the Town in the form of TOT taxes, and he referred to a chart in the staff report. Hotels are also considerable economic generators for local businesses, contribute to economic development activities and are a resource to the community.

Mr. Wolff said he included a few approaches to consider in the staff report and said the subject is intended to be a discussion. One approach is to retain existing regulations in place today, a second option for keeping the same zoning district framework but including incentives or additional allowances for FAR for hotels that meet certain requirements which is similar to what is in the MX-1 District. There is a lot of information relating to this concept in the General Plan regarding infill and redevelopment of sites in town. Another approach is keeping the same zoning districts but setting new maximums and not identifying any incentives. The last approach is what was seen with the application with the Corte Madera Inn for a new zoning district that allowed hotels only. He thinks this option could restrict the sites for hotels only and not for other redevelopment, and it could also be an approach to retaining and encouraging hotels to come to Corte Madera.

Mayor Condon referred to the new hotel zoning district with maximums, she had inquired about this before the Tamal Vista plan and she asked if this would be considered spot zoning.

Mr. Wolff stated he thinks this is referring to applying a zoning district on a particular location or in a particular area. If done with an appropriate land use rationale and there is a basis for why certain sites might be appropriate for hotels, this could be considered. Staff's approach is that they want to work with property owners to achieve desired land uses and redevelop with a way that fits in with the Town's planning processes and complements existing uses.

Councilmember Andrews said spot zoning means that a particular parcel is zoned differently than neighboring parcels, either more favorably than those or less favorably. A key consideration is that it is in the public's interest and that this be documented. Councilmember Bailey agreed this was his interpretation, as well.

Mr. Cusimano said the Town brings in approximately \$1 million in TOT. \$200,000 goes

directly to the Chamber of Commerce and \$800,000 as revenue to the Town. There are additional benefits by people visiting Corte Madera for shopping, eating and entertainment which are important. Over the last 16-18 months, staff has held conversations regarding projects coming to the Town and staff has looked at tools for the applicant which also serve to benefit the Town.

Staff wants to provide applicants with incentives while also taking into account what is important to the Council and the community in order to garner successes for all. Therefore, staff would like the Council to discuss whether staff is heading in the right path.

Councilmember Andrews said if the Town sets up a special zoning district for hotels and it is applied to a parcel, he asked if there was anything preventing the owner to shift over to an office use.

Mr. Wolff said such specific zoning would prevent this. One advantage is that hotels are working within existing zoning districts that are already set up, such as the MX-1 which is the most recent that is applied to some commercial areas. This includes some incentives and bonuses for achieving greater intensity as long as the project meets certain provisions.

The other option would be an applicant applying and going through a rezoning process. He said nothing would prevent an applicant from doing this, but the basis would already be established for the land zoned for hotels which will create conflict.

Mayor Condon opened the public comment period.

DAVID KUNHARDT, Hill Path, voiced the importance of setting rules that are clear and consistent where applicants can respond to and not have to go through a specialized process. He spoke of Planning Commissioner Metcalfe's letter regarding her opposition to having the lowest FAR for hotels and then negotiating with every single applicant which he thought would be unfair. He suggested determining the right number and doubling the existing FAR for hotel use under a special permit, suggested a dense building creates a sound wall that saves residential noise from Hwy 101 and once a hotel is built it is difficult to convert it to an office building. He would ask the Council not to develop a policy to make many existing properties non-conforming.

PETER CHASE stated he supported this as a "tool in the toolbox" and by no means carte blanche for hotel development. He thinks it provides a faster process and incentives for renovations and upgrading of current properties instead of having to review the zoning change.

Councilmember Andrews supported the Town having a baseline for FAR for hotels and for lot and height coverage and then anything over and above that would be considered through a Conditional Use Permit (CUP) process, which would evaluate items which could be regarded as amenities for the Town. In this basis, Marin Suites could rebuild at the same density. Also, since most of the Town is in flood plains. He suggested building hotels on a pedestal with parking underneath.

Councilmember Ravasio asked and confirmed Councilmember Andrews meant hotels having a baseline FAR, lot size and height, and if certain criteria were met, FAR, lot size and height may increase through a CUP process which would be reviewed and considered.

Councilmember Ravasio asked Mr. Wolff to talk a bit about creating regulations for the 4 existing parcels and/or the Town creating regulations it overlays on commercial zoning and create incentives to build hotels. He asked to talk about the relative benefits or detriments to this.

Councilmember Bailey echoed this question to be answered, and asked and confirmed with Mr. Wolff that applicants can currently build hotels in town in areas other than these 4

parcels.

Councilmember Ravasio stated if the Town created incentive for the whole commercial district, Marin Luxury Cars, which has a large lot, could come to the Town and could build a huge hotel which could create opportunities.

Mr. Wolff said his feeling is that there are many advantages to allowing hotels in commercial districts that allow a variety of uses and then providing incentives. This is how most other incentive-based hotel regulations he has seen in other codes are set up. While he was not entirely against a hotel zoning district, he has not seen another one that specifically limits parcels to hotel-only. Some advantages are that it is not as constraining and over time, it allows for some properties to redevelop a small hotel into something else depending upon any given economic or market cycle. Therefore, he believes flexibility is important and there are advantages to having hotels allowed in a range of commercial uses with incentives to create opportunities.

Councilmember Ravasio asked and confirmed that staff was more or less discussing an example for a C-3 zoned parcel with a .34 FAR and allowing an overlay for a hotel with up to a .55 FAR and additional development.

Mayor Condon said she thinks it is critical for the Town to have incentives for the 4 existing parcels; however, she was unsure of the practicality of other zoning districts to build hotels. She likened the concept of the "hotel circle" in San Diego which is very nice but a bit odd.

Councilmember Ravasio stated there are conditions in the General Plan that would have to be met in order for the CUP to be approved in a commercial zone.

Mr. Wolff said staff is talking about one layer which is FAR and what can be obtained in terms of a particular use which may be some unlimited or defined number which can be discussed in the future. That incentive structure for a particular FAR could require findings to be made that would need to be met. On top of that, findings will relate to design review which is standard as well as findings relating to the CUP. Therefore, multiple layers of findings and standards would exist for any hotel development. The FAR conversation is really about allowing more flexibility of that one aspect of development or redevelopment.

Vice Mayor Furst pointed out that hotels are extremely important to the community and she was not sure the general public appreciates that. She spoke of the significant funds received through TOT and the economic boost from hotel occupants shopping, dining and visiting the town. Residents can also benefit if they are remodeling and need a place to live or have family coming to town. She definitely would like to figure out a way to incentivize these 4 hotel sites to remain hotels when they are making a decision of whether or not to improve or change their use.

She said she was leery of a separate hotel zoning district, concerned that this might pigeonhole the 4 properties without offering enough incentives to other properties, and it seems the Town can do this through the CUP process in the commercial and mixed use zoning districts that currently allow hotel use.

She would like to see incentives for FAR, incentives for water and energy or LEED savings or some other type of green measures for construction and operations, community amenities that might be as simple as an increased setback with a parkland feature, great design, and definitely a restaurant, bar and spa amenities which the community would want. Therefore, she would be willing to accept a FAR well above what is currently in place.

She referred to the list of current FARs of hotels in the area and she would guess that .6 to .75 would be an appropriate range if all of the other conditions were met and the design

was sensitive to the neighborhood such as adding an additional floor away from impacted residents or blocking noise through increased heights.

Councilmember Bailey thanked Mr. Chase for his comments and service to the Town. He believes the Council is uniform in its approach to incentives to encourage development, as well as the types of incentives. However, he highlighted the problem that it was not clear and he was against isolating out specific parcels for these incentives. If the Council broadens this to all properties, he questioned whether this would cause an unintended consequence, so clearly the Town should incentivize.

He said he was very cautious of isolating these 4 properties with a hotel overlay. On the other hand, he was cautious of expanding the FAR because of Mayor Condon's comment regarding the San Diego example.

Mr. Wolff said this is why the Town has different types of C zoning districts. They can get at certain locations over others through the existing framework in terms of zoning for hotels because not all are meant for hotels. Staff would need to return with reasons of why they have arrived at certain locations, as well as hearing from the Planning Commission and public and isolating those areas so the Town does not experience unintended consequences.

Councilmember Bailey said he also appreciates Mr. Kundhardt's comments and Vice Mayor Furst's comments regarding increasing the FAR for hotels so that it does not put them at a competitive disadvantage.

Mayor Condon said she concurs with comments and the spirit of this matter. She thinks it is very important that incentives are established and provided which will help the town in having premier hotels which serve the community. She said she believed there was Council consensus to increase the FAR, to recommend amenities that would benefit the public, and that staff could identify and assign certain properties it feels are appropriate for commercial designations.

Councilmember Andrews also suggested the Council add economic diversity to the criteria, given every parcel along Hwy 101 might be a hotel.

Councilmember Ravasio agreed incentives are needed to include higher FAR, and clarity to stipulate that the FAR is not an entitlement but a maximum, and he suggested creating an incentive for embracing the community versus walling off the community. He thought RH did this in a great way and it should be encouraged that hotels do the same thing. He also would create specific LEED requirements for solar energy and other green features with the overall goal of making the Planning Commission's job clear in what applicants can and cannot do.

Mayor Condon clarified staff had direction and thanked everybody for the discussion.

6.I.ii Continuation Of Discussion Regarding Future Configuration Of Public Works/Engineering Office Space And Possible Direction To Staff Regarding Opportunities To Pursue A Pre-Fabricated Public Works Building On Town-Owned Property
(Report from Todd Cusimano, Town Manager and Peter Brown, Public Works Director)

Mr. Cusimano stated staff has met with Public Works/Engineering and it has become clear the conversation on this matter is much broader. Staff is asking for input and feedback from the Council, possibly requesting the Vice Mayor and one other Councilmember to work through the process. They are taking a step back and reviewing the Town's facilities as a whole and trying to improve office space for staff. For example, the Town's part-time

IT representative does not have a space and on the lower level of Town Hall, residents need to go to one-stop locations and get what they need quickly.

Staff will be reviewing facilities over the next weeks and he was looking at Planning, Public Works, Engineering and Building as a whole area and recognizing the Town's long-term infrastructure, the need to review the fire station, available space and prefabricated facilities. Staff would return with a cost-effective plan to move forward.

Mr. Brown discussed site issues, stating currently there are two offices housing Public Works/Engineering staff which are slated to be vacated and the fire house will be turned over to the fire staff entirely.

Before the Council are preliminary drawings and he said staff reviewed Town-owned property which he displayed. He pointed to areas to minimize grading work, increase of the interface between planning and public works, consideration of property lines, boundaries and being good neighbors. After discussions, staff decided to take a step back and review the entire Town property and do a proper civil survey. He discussed drops in elevation of 20 feet in some areas, an ADA access ramp and the need for buildings to be ADA accessible, and potential locations to consider.

He recommended surveying the property and taking borings to understand the area's geotechnical nature, a proper engineering site survey elevation change and where they would best place a building once reports are received back. The staff report outlines soft costs if they design a building, determine square footage, consider one or two stories, the best locations, and how staff currently interacts with the public and how they should improve interactions in the future.

He summarized the direction outlined in the staff report, stating that with the help of two Councilmembers, he thinks the process could begin. Regarding the prior item of the sales tax measure, before they move forward, they will want to know the results before June.

Mr. Cusimano suggested spending approval of up to \$250,000 which ensures staff can work with the Council and obtain preliminary information. One of the key decision points staff looks at is that the building is historical and they are trying to fix the downstairs. Public Works' Engineering staff used to be located across the street which was 1900 square feet and the Town paid \$80,000 in lease payments per year.

Mayor Condon opened the public comment period, and there were no speakers.

Mayor Condon said she would like to continue working with Parks and Recreation and finishing up with the Inter-generational Center, and she asked and confirmed that Vice Mayor Furst and Councilmember Andrews would work with staff.

Vice Mayor Furst supported approval of the \$250,000 as long as staff reports out at each Council meeting under Town Manager Reports. She thinks doing the site evaluation and other items are crucial given the long-term investment.

Councilmember Andrews asked if staff has a sense of where the fire department will be in 10 years.

Mr. Cusimano stated as part of the 5-year plan, a structural engineer will evaluate the station and ensure the building is earthquake safe. The second story is about 2-3 feet too short and serves as sleeping quarters for staff, which will be reviewed for potential improvement.

Councilmember Bailey said \$250,000 seems like an extraordinary amount of money for design costs. He said he would prefer having a more modest entry level and have a consultant arrive at a realistic budget for their fees and construction costs.

Mr. Brown stated the way the prefabricated buildings work is by hard and soft costs. The actual construction of the building is set to the \$700 to \$850 range. The \$250,000 is meant to cover architecture fees, design, contracting work, and this money would not be spent in the near term and staff could work for a lesser amount with non-construction funding and return to the Council.

Councilmember Bailey said what he liked about the report is that staff is not locked into any plan. He thinks staff should ask the consultant and consider things like synergy and having people physically close to each other, provide access to the public, have a unified point of contact or reception, and he was not sure it could be done in the current location. He asked to keep an open mind and he suggested returning to the Council with a more developed budget after having arrived at a more refined concept.

Mr. Brown said a \$50,000 range would provide leeway. Another conversation is that staff is stressed with all of their projects, and this is something that could be valuable in obtaining an independent assessment after studies are completed.

Mayor Condon asked and confirmed with Mr. Brown that staff could return to the Council with a request for more funds if \$50,000 was a hindrance.

Vice Mayor Furst asked and confirmed that staff was to move out of the fire station by the end of the last calendar year and Mr. Brown discussed the one-time opportunity to do the right thing in planning for housing Town staff.

Councilmember Andrews asked if there was a possibility for open space where staff could relocate temporarily. Mr. Cusimano said staff is looking at temporary space and the sharing of space, and the Town-owned house is one of these. For a variety of reasons, they are not looking at the house for the next 3-5 years given cost and some concerns of the neighborhood. However, staff has plans to house Public Works' Engineering staff through the end of this year.

Councilmember Ravasio encouraged staff to step back, identify objectives, review the matter holistically and while it might seem like a lot of money, good design pays for itself many times over in the long-term.

Councilmember Bailey agreed and suggested getting a deliverable and we should identify the cost for a plan. Councilmember Ravasio agreed with the step-by-step approach.

6.II SANITARY DISTRICT BUSINESS ITEMS: None

7. COUNCIL AND TOWN MANAGER REPORTS

- Town Manager Report
 - He thanked Public Works Director Brown for helping staff with the Town's requirements, procedures and policies for Public Works Project contracts.
 - Staff attended the CMPA Council meeting on February 8th:
 - Chief Norton forwarded an announcement on the recent, first-ever, all-female police shift.
 - Topics discussed at the meeting included a balanced Insurance Fund and the managers approved attending their respective Councils to request an additional mid-year expenditure of \$60,000 from each entity to fully fund the Insurance Fund.
 - A Social Host Ordinance presentation was given and the Coalition for Healthy Youth will be presenting to all Councils regarding consideration of amendments specific to marijuana and other items.
 - The County and the City of San Rafael will be presenting to the Town Council in March regarding the homeless program mobile showers, and he recognized Councilmember Ravasio's work with this matter.

- Council Reports

Councilmember Ravasio gave the following report:

- He attended a BPAC meeting and recognized Mr. Brown who covered 9 different projects. They reviewed the first design on the intersection of Sanford and Casa Buena and a Complete Streets project for Tamal Vista.
- The Disaster Preparedness Committee met with great attendance and the new Fire Marshal presented. He mentioned that John and Lee Howard were hired to take over the neighborhood response groups (NRG) and they were instrumental in creating 10 new NRGs in Larkspur and 8 new groups in Corte Madera. Unfortunately, the Howards are working through June and a replacement is needed which is critical.
- The Coalition for Healthy Youth is meeting regarding amendments to the Social Host Ordinance and they are working through CMPA. The Coalition is creating a program called "Raising the Bar" with the idea that any kind of youth-oriented party or celebration around sports not include alcohol, which is appropriate modeling behavior. They are signing up organizations with advertising and holding one-on-one meetings to stress that any parties are required to be substance-free.

Councilmember Andrews gave the following report:

- He attended the Flood Control Board meeting and the Board is continuing to plan infrastructure build-out in anticipation of the budget. One project being pushed is for slot drains in the general area of Mariner Cove.

Vice Mayor Furst gave the following report:

- She attended a TAM Board meeting wherein they discussed shifting funds away from the southern segment of the North/South Greenway. She described the proposed route, voiced disappointment in losing funding; however, the northern segment project is over-budget by \$3.5 million. Also, with SMART train coming from San Rafael to Larkspur there is a limited window to build a multi-use path adjacent to the rail. This project was under-funded and TAM is transferring \$3 million from the southern segment to get this done. TAM and various other stakeholders will need to come up with new sources of funds for the southern segment and she will report on any progress.
- The City of Larkspur has taken on ownership of an improved pathway along Redwood Highway from the pedestrian overcrossing down to Wornum.
- She attended a Safe Routes to School Task Force meeting and shared that Redwood High School is incentivizing students to carpool by giving them parking on the campus, which has been popular. Also discussed was limited funding for the crossing guards. TAM is likely to go out for a renewal of the half-cent transportation tax which will allow them to possibly fund crossing guards.
- As part of her representation under CMSA, the North Bay Watershed Association is holding an all-day conference on "Extreme Future-Fire, Floods, A Rising Bay" on April 6, 2018 from 8AM to 4PM at the Sheridan in Sonoma County.

Councilmember Bailey gave the following report:

- He attended a Legislative Committee meeting for MCCMC and will provide a report at the next Town Council meeting.
- He attended a MCE Board meeting and their budget was passed for the coming year. MCE is financially healthy, with good reserves and no proposed rate increases.

Mayor Condon gave the following report:

- She attended the Lion's Club Crab Feed, which was a success.
- She attended the CMPA Council meeting which had been reported on earlier.
- Tomorrow is the third Wednesday Speaker Series with a topic of "Caring for the Caregivers" to be held at the CMPA Community Room.

- February 28 will be the MCCMC monthly dinner with Corte Madera hosting. In following the direction of Supervisors that proclaimed 2018 as the Age of the Older Adult, speakers will include a representative from the Board of Supervisors, Pati Stoliar, Jodi Timms from Fairfax, and Mayor Condon said she will provide a short PowerPoint presentation regarding the Town's Inter-Generational Center.
- The Grand Opening for the Inter-Generational Center will be held on Sunday, April 29 from 2PM to 4PM and she briefly described the programs planned.

8. REVIEW OF DRAFT AGENDA FOR UPCOMING TOWN COUNCIL MEETING

8.I Review of Draft Agenda for March 6, 2018 Town Council Meeting

There were no amendments to the draft agenda.

9. CLOSED SESSION

The Town Council adjourned to Closed Session at 8:46 p.m. to consider the following matters:

- 9.I CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Closed Session Pursuant to Cal. Gov't Code Section 54956.8
Property: 512 Tamalpais Drive, The Wash Tub Laundromat
Property Negotiator: Michael Gralnick
Agency Negotiator: Vesa Becam, Keegan & Coppin Company
Under Negotiation: Price and Terms of Payment
- 9.II CONFERENCE WITH REAL PROPERTY NEGOTIATOR
Closed Session Pursuant to Cal. Gov't Code Section 54956.8
Property: 152 Willow Avenue
Agency Negotiator: Todd Cusimano, Town Manager
Under Negotiation: Price and Terms of Payment
- 9.III PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Closed Session Pursuant to Cal. Gov't Code Section 54957
Title: Town Manager
- 9.IV Report Out of Closed Session

Mayor Condon announced there was direction to staff given in Closed Session.

10. ADJOURNMENT

The meeting was adjourned at 9:40 p.m. to the next regular Town Council meeting on March 6, 2018 at Town Hall Council Chambers.