

## Chan, Calvin

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**From:** Misha Silin <mdsilin@gmail.com>  
**Sent:** Wednesday, February 9, 2022 10:41 PM  
**To:** Housing Elements@HCD  
**Subject:** Fwd: Comment on Notice of Preparation

Hello HCD team - I am a resident of Menlo Park, CA and would like to forward you the below comment that I sent to my city regarding its housing element, which is currently in the EIR stage. I believe they are on track to have a very poor list of strategies and sites that are not going to result in much housing being built. Just wanted to put this on your radar.

I also wanted to note yesterday's council meeting where Council Member Combs noted that the sites that currently have buildings on them (Existing use), which are a large majority of the sites in our current site list for the element, have a "slim" likelihood of development. This was mentioned in the council recording below (the link will take you to the relevant timestamp).

[https://www.youtube.com/watch?v=Zsa8h99gI\\_E&t=7883s](https://www.youtube.com/watch?v=Zsa8h99gI_E&t=7883s) [youtube.com]

He also goes on to mention that there isn't a process in place now that identifies likelihood of development.

And further around the 2hr 16m mark in the video, the city manager and councilmember Mueller also make comments that indicate that the city has not done any analysis of likelihood of development to date.

----- Forwarded message -----

**From:** Misha Silin <mdsilin@gmail.com>  
**Date:** Mon, Jan 31, 2022 at 2:02 PM  
**Subject:** Comment on Notice of Preparation  
**To:** <[tasmith@menlopark.org](mailto:tasmith@menlopark.org)>, <[city.council@menlopark.org](mailto:city.council@menlopark.org)>

Hi - the below is a comment regarding the city's NOP for our next housing element cycle.

My name is Mikhail Silin, I'm a resident of Menlo Park and I live in the allied arts neighborhood (D4).

Since the housing element is asking us to plan ahead for eight years, this is an opportunity to plan for the Menlo Park that many of us envision. Residents imagine our city as inclusive, vibrant, with opportunities for folks of all income levels and backgrounds to be housed in a dignified manner. We want local families and workers to be able to be housed such that they can live, work, and enjoy all that Menlo Park and our surroundings have to offer.

I have been digging into the proposed sites in the NOP and I am extremely concerned that this list is unrealistic and is not going to produce the housing we are claiming it will. Not even close. Specifically, I am concerned that our current plan is going to continue the status quo. Very little housing will get built, neighbors and families will continue to get priced out of the area, which will lead to more inequality, congestion due to local workers not being able to live here, and homelessness.

In addition to analyzing the sites listed in the NOP (my comment on that was submitted to the Planning Commission last week, I've taken some time to meet with numerous housing developers, who have ongoing or already-built projects in Menlo Park.

These are my conclusions:

1. **The draft list of sites is unlikely to lead to us hitting our RHNA goals and/or building a significant amount of housing in Menlo Park**
2. **This will continue to perpetuate housing un-affordability in Menlo Park**
3. **It will also likely be rejected by HCD, as other cities like Beverly Hills and Davis have, due to a lack of evidence that these sites will be redeveloped.**

Evidence/backing for my conclusions:

A. A majority of the larger sites in the element are mixed use/office. All of the developers I spoke with wouldn't get out of bed for a (potential) 30du/ac housing project on those office sites unless it's an old building that has low vacancy. Most of the sites clearly do not seem to be in that bucket, they are occupied by wealthy VC firms and startups/companies with deep pockets (ex: RobinHood). Staff has not produced evidence indicating those occupants plan to vacate or that the building owners are considering selling.

If we want to really incentivize those properties to be sold, we should increase the density significantly such that it becomes lucrative for a developer to buy the property and renovate the office space + add housing. 30du/ac is nowhere close to that number - those are essentially townhomes at best.

B. For 100% affordable projects, putting one in the parking lot of our Safeway sites or a large office site also seems unrealistic. No evidence has been presented how this would actually happen. Do the current owners of the sites plan to add affordable housing in the parking lot? Who? Or are they planning on selling? And if so, do we have evidence that the parking lot could turn into affordable housing? We have no history to go off of, since this was not something that happened in the previous element.

C. For our parking lots downtown, that are city owned -- this is a once in a lifetime opportunity to use our valuable land to create affordable housing for the community. Based on what I heard from affordable housing developers, we should be increasing the density to the max level that affordable developers can get funding for. My understanding is that that is 150-200du/ac.

Suggestions for next steps to fix the above issues, get our element approved by HCD, and actually build housing

## **1. Support 100% affordable housing development to the fullest extent**

- Get in the weeds on any city owned sites to maximize 100% affordable housing.
  - Work very closely with developers and community to come up with good uses for those sites.
  - Don't squander it with low density or unrealistic requirements.
- Push staff to find more sites that can realistically support 100% affordable housing
- Add clarity / certainty
  - Remove as much discretionary approval as we can stomach for 100% affordable projects
  - Lower parking requirements. This has been mentioned in just about every community meeting and yet still isn't on the incentive list in the NOP.
- Get funding to help buy land and/or help subsidize 100% affordable housing
  - Given the large amount of wealth in Menlo Park, can we not get more funding from local large businesses who I'm sure also want to support the community?
- Add density / height for 100% affordable projects

- Waive fees for 100% affordable projects

## 2. Support more BMR development by incentivizing market rate projects that will come with a required % of BMR, as is already required in Menlo Park

- Get more serious about assessing feasibility of current sites / find more sites
  - My understanding is that so far staff has only sent out mailers to the property owners. At least for the larger sites, we can do better.
- Increase density significantly such that buying a site with an existing use and adding housing pencils out. My impression from speaking with developers is that it should be at least 100-150du/ac but admittedly I think more research should/could be done here.
- Add density / height in exchange for higher BMR rate.
- Add clarity / certainty in exchange for higher BMR rate
  - Remove as much discretionary approval as we can stomach. Especially for smaller sites, to attract more mom & pop landlords.
  - Lower parking requirements. This has been mentioned in just about every community meeting and yet still isn't on the incentive list in the NOP.

Thank you for taking the time to read my long comment. I hope you understand that continuing to proceed with the EIR and keeping the list of sites and incentives as currently written in the NOP is extremely likely to result in a rejection from HCD, which will allow a lot more freedom on what can be built in Menlo Park. By taking the planning process seriously, we can get our element approved and maintain community control over the growth of our city, which I'm sure is what we all want.

Thank you  
Mikhail Silin

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**Misha Silin**

M: (925) 323-7727 [\[voice.google.com\]](#) [\[voice.google.com\]](#)



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[\[facebook.com\]](#)

## Chan, Calvin

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**From:** Jennifer Renk <JRenk@sheppardmullin.com>  
**Sent:** Saturday, April 9, 2022 1:25 PM  
**To:** Housing Elements@HCD  
**Subject:** Fwd: Menlo Park Downzoning  
**Attachments:** image001.png; image002.png; image003.png; image004.png; image005.png; image006.png; image002.png; image003.png; image004.png; image005.png; 20220412-city-council-amended-agenda-packet.pdf

FYI

Sent from my iPad

Begin forwarded message:

**From:** Jennifer Renk <JRenk@sheppardmullin.com>  
**Date:** April 9, 2022 at 11:22:38 AM PDT  
**To:** "Heaton, Brian@HCD" <Brian.Heaton@hcd.ca.gov>  
**Cc:** "Coy, Melinda@HCD" <Melinda.Coy@hcd.ca.gov>, "Holman, Jennifer@HCD" <Jennifer.Holman@hcd.ca.gov>, compliancereview@hcd.ca.gov  
**Subject:** RE: Menlo Park Downzoning

Hi Brian. I wanted to get this potential downzoning effort in Menlo Park on your radar. The City released the attached staff report late yesterday for a hearing on Tuesday. They appear to be riding a very fine line by seeking to downzone sites that could yield over 1000 housing units—with no real plan for corresponding upzoning on the west side of town.

This is all the information that's been released thus far but I wanted to pass along to HCD for consideration.

Thanks,

Jennifer

**Jennifer E. Renk** | Partner  
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[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com) | [Bio \[sheppardmullin.com\]](#)

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**From:** Heaton, Brian@HCD <Brian.Heaton@hcd.ca.gov>  
**Sent:** Friday, December 31, 2021 9:24 AM  
**To:** Jennifer Renk <JRenk@sheppardmullin.com>  
**Cc:** Coy, Melinda@HCD <Melinda.Coy@hcd.ca.gov>; Holman, Jennifer@HCD <Jennifer.Holman@hcd.ca.gov>  
**Subject:** RE: SDBL Question

Jennifer,

That sounds like an interesting situation. I would assume that HCD has not opined on a situation similar to that yet.

You may want to submit a request for technical assistance to the [compliance@hcd.ca.gov](mailto:compliance@hcd.ca.gov) inbox and we could put it in the queue. If you and your client pursue this route, please be advised that we will need a detailed description of the situation (including associated materials).

Happy new year,

**Brian Heaton, AICP**  
Senior Housing Policy Specialist, Housing Policy Division  
Housing and Community Development  
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Phone: 916.776.7504

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**From:** Jennifer Renk <[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)>  
**Sent:** Thursday, December 30, 2021 1:12 PM  
**To:** Heaton, Brian@HCD <[Brian.Heaton@hcd.ca.gov](mailto:Brian.Heaton@hcd.ca.gov)>  
**Cc:** Coy, Melinda@HCD <[Melinda.Coy@hcd.ca.gov](mailto:Melinda.Coy@hcd.ca.gov)>  
**Subject:** RE: SDBL Question

Hi Brian! Hope you've been enjoying the holidays! I have a quick SB330 question.

Has HCD opined as to whether "an allowable use" in 66300(b)(1) below includes housing that's a conditional use in a zoning district? In other words, can a City eliminate housing through a Specific Plan process that is currently "allowable" with a Special Development Permit or CUP?

Thanks and Happy New Year!

Jen

(b) (1) Notwithstanding any other law except as provided in subdivision (i), with respect to land where housing is an allowable use, an affected county or an affected city shall not enact a development policy, standard, or condition that would have any of the following effects:

(A) Changing the general plan land use designation, specific plan land use designation, or zoning of a parcel or parcels of property to a less intensive use or reducing the intensity of land use within an existing general plan land use designation, specific plan land use designation, or zoning district below what was allowed under the land use designation and zoning ordinances of the affected county or affected city, as applicable, as in effect on January 1, 2018, except as otherwise

provided in clause (ii) of subparagraph (B). For purposes of this subparagraph, “less intensive use” includes, but is not limited to, reductions to height, density, or floor area ratio, new or increased open space or lot size requirements, or new or increased setback requirements, minimum frontage requirements, or maximum lot coverage limitations, or anything that would lessen the intensity of housing.

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**From:** Heaton, Brian@HCD <[Brian.Heaton@hcd.ca.gov](mailto:Brian.Heaton@hcd.ca.gov)>  
**Sent:** Monday, November 8, 2021 9:47 AM  
**To:** Jennifer Renk <[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)>  
**Cc:** Coy, Melinda@HCD <[Melinda.Coy@hcd.ca.gov](mailto:Melinda.Coy@hcd.ca.gov)>  
**Subject:** RE: SDBL Question

Jennifer,

I don't have a particular guru in mind for AB 3194 – but I think that Melinda (copied) might be able to point you in a good direction.

|  
|  
| **Brian Heaton, AICP**  
| Senior Housing Policy Specialist, Housing Policy Division  
| Housing and Community Development  
| 2020 W. El Camino Avenue, Suite 500 | Sacramento, CA 95833  
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**From:** Jennifer Renk <[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)>  
**Sent:** Friday, November 5, 2021 3:38 PM  
**To:** Heaton, Brian@HCD <[Brian.Heaton@hcd.ca.gov](mailto:Brian.Heaton@hcd.ca.gov)>  
**Subject:** RE: SDBL Question

Hi Brian! Happy Friday. Is there an AB 3194 “guru” at HCD to whom I can direct a question? Megan Kirkeby is on the AB 3194 Technical Assistance memo, but I thought I'd check if someone else covers that legislation.

Thanks!

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**From:** Jennifer Renk <[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)>  
**Sent:** Friday, October 22, 2021 1:33 PM  
**To:** Heaton, Brian@HCD <[Brian.Heaton@hcd.ca.gov](mailto:Brian.Heaton@hcd.ca.gov)>  
**Subject:** Re: SDBL Question

Hi Brian! Happy Friday. Wondering if you had any luck chasing down the questions we talked about this week. Thanks!

Sent from my iPhone

On Oct 18, 2021, at 10:49 AM, Jennifer Renk <[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)> wrote:

Dear Brian. Thanks again for your response last month to our SDBL questions. I have another one for you.

We have a potential scenario where we would be doing a mixed-use project with residential and commercial. We are considering taking advantage of section 65915.7 by partnering with an affordable housing developer to unlock the 20% increase in commercial development bonus—or height in this instance. Assuming we satisfy the 30% L or 15% VL with the affordable partner, can we apply the 20% height increase across the mixed-use site—including the commercial and market-rate housing? If we created a separate parcel for the stand-alone affordable, would that be considered “offsite” under that provision of the statute? Does the jurisdiction have discretion to go beyond the 20%? The statute says that benefits can be “any mutually agreeable incentive.”

Thanks in advance for any insight you can provide with these questions.

Thanks!

Jennifer

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**From:** Heaton, Brian@HCD <[Brian.Heaton@hcd.ca.gov](mailto:Brian.Heaton@hcd.ca.gov)>  
**Sent:** Thursday, September 16, 2021 1:25 PM  
**To:** Jennifer Renk <[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)>

**Cc:** Alex Merritt <[amerritt@sheppardmullin.com](mailto:amerritt@sheppardmullin.com)>; Kirkeby, Megan@HCD <[Megan.Kirkeby@hcd.ca.gov](mailto:Megan.Kirkeby@hcd.ca.gov)>; Huntley, Robin@HCD <[Robin.Huntley@hcd.ca.gov](mailto:Robin.Huntley@hcd.ca.gov)>; West, Shannan@HCD <[Shannan.West@hcd.ca.gov](mailto:Shannan.West@hcd.ca.gov)>; Galvao, Pedro@HCD <[Pedro.Galvao@hcd.ca.gov](mailto:Pedro.Galvao@hcd.ca.gov)>  
**Subject:** RE: SDBL Question

Dear Jennifer,

Below are responses to the two questions that you posed in your emails dated 9/9 and 9/14. Please let me know if you have any additional questions.

**Question 1:** My client is proposing a density bonus project in the Bay Area, and would like to provide affordable units at two different affordability levels. How is the density bonus calculated in that scenario? In particular, can we do a “mix-and-match” or “combo” bonus? For example, if the project provides 10% low income units (eligible for 20% bonus) *and* 5% very low income units (also eligible for 20% bonus), could it combine the two bonuses together for a total bonus of 40%?

**Response to Question 1:** Density bonuses cannot be combined. This is addressed in GC § 65915(b)(1) where it says, “A city, county, or city and county shall grant **one** density bonus...” and in GC § 65915(b)(2) where it says, “...an applicant who requests a density bonus pursuant to this subdivision shall elect whether the bonus shall be awarded on the basis of subparagraph (A), (B), (C), (D), (E), (F), **or** (G) of paragraph (1).”

**Question 2:** In Health & Safety Code section 50053(b)(3), does the language allow a local agency to adjust up from 60% AMI at its discretion? Does this give us discretion to go over 60? Does it provide coverage to us if Burlingame allows 80%?

**Response to Question 2:** Health & Safety Code section 50053(b)(3) provides local agencies with two options:

- Option 1: Set the affordability level for lower income households at the product of 30 percent times 60 percent of the area median income adjusted for family size appropriate for the unit.
- Option 2: If the local agency is supportive, set the affordability level for lower income households at the product of 30 percent times 60-80 percent of the area median income adjusted for family size appropriate for the unit. Be advised that the monthly rent for each household still may not exceed 30% of each individual household's gross income.

<image001.png>

**Brian Heaton, AICP**  
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Housing and Community Development  
2020 W. El Camino Avenue, Suite 500 | Sacramento, CA 95833  
Phone: 916.776.7504

<image003.png>



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<image006.png> [\[landlordtenant.dre.ca.gov\]](#)

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**From:** Kirkeby, Megan@HCD <[Megan.Kirkeby@hcd.ca.gov](mailto:Megan.Kirkeby@hcd.ca.gov)>

**Sent:** Wednesday, September 15, 2021 12:29 PM

**To:** Jennifer Renk <[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)>; Huntley, Robin@HCD <[Robin.Huntley@hcd.ca.gov](mailto:Robin.Huntley@hcd.ca.gov)>; West, Shannan@HCD <[Shannan.West@hcd.ca.gov](mailto:Shannan.West@hcd.ca.gov)>; Galvao, Pedro@HCD <[Pedro.Galvao@hcd.ca.gov](mailto:Pedro.Galvao@hcd.ca.gov)>; Heaton, Brian@HCD <[Brian.Heaton@hcd.ca.gov](mailto:Brian.Heaton@hcd.ca.gov)>

**Cc:** Alex Merritt <[amerritt@sheppardmullin.com](mailto:amerritt@sheppardmullin.com)>

**Subject:** RE: SDBL Question

Hi Jennifer,

One of our other specialists is actually able to help you while Robin is out so I'm adding Brian Heaton here.

Thanks,  
Megan

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Megan Kirkeby | Housing Policy Development (HPD)  
Deputy Director, Housing Policy Development  
California Department of Housing & Community Development (HCD)  
2020 W. El Camino Ave, Suite 500, Sacramento, CA 95833  
[Megan.Kirkeby@hcd.ca.gov](mailto:Megan.Kirkeby@hcd.ca.gov) | Work Cell: (916) 317-0228 (Working Remotely)

---

**From:** Jennifer Renk <[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)>

**Sent:** Tuesday, September 14, 2021 11:50 AM

**To:** Kirkeby, Megan@HCD <[Megan.Kirkeby@hcd.ca.gov](mailto:Megan.Kirkeby@hcd.ca.gov)>; Huntley, Robin@HCD <[Robin.Huntley@hcd.ca.gov](mailto:Robin.Huntley@hcd.ca.gov)>; West, Shannan@HCD <[Shannan.West@hcd.ca.gov](mailto:Shannan.West@hcd.ca.gov)>; Galvao, Pedro@HCD <[Pedro.Galvao@hcd.ca.gov](mailto:Pedro.Galvao@hcd.ca.gov)>

**Cc:** Alex Merritt <[amerritt@sheppardmullin.com](mailto:amerritt@sheppardmullin.com)>

**Subject:** RE: SDBL Question

Thanks, Megan!

Here's one more question:

In Health & Safety Code section 50053(b)(3), does the underlined language allow a local agency to adjust up from 60% AMI at its discretion?

(3) For lower income households whose gross incomes exceed the maximum income for very low income households, the product of 30 percent times 60 percent of the area median income adjusted for

family size appropriate for the unit. In addition, for those lower income households with gross incomes that exceed 60 percent of the area median income adjusted for family size, it shall be optional for any state or local funding agency to require that affordable rent be established at a level not to exceed 30 percent of gross income of the household.

Does this give us discretion to go over 60%? Does it provide coverage to us if Burlingame allows 80%?

**Jennifer E. Renk** | Partner  
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**From:** Kirkeby, Megan@HCD <[Megan.Kirkeby@hcd.ca.gov](mailto:Megan.Kirkeby@hcd.ca.gov)>  
**Sent:** Monday, September 13, 2021 9:21 AM  
**To:** Jennifer Renk <[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)>; Huntley, Robin@HCD <[Robin.Huntley@hcd.ca.gov](mailto:Robin.Huntley@hcd.ca.gov)>; West, Shannan@HCD <[Shannan.West@hcd.ca.gov](mailto:Shannan.West@hcd.ca.gov)>; Galvao, Pedro@HCD <[Pedro.Galvao@hcd.ca.gov](mailto:Pedro.Galvao@hcd.ca.gov)>  
**Cc:** Alex Merritt <[amerritt@sheppardmullin.com](mailto:amerritt@sheppardmullin.com)>  
**Subject:** RE: SDBL Question

Hi Jennifer,

Typically density bonus ordinances are adopted at the local level, though they have to at minimum conform with state laws, so there might be local variations we can't speak to.

However, I'm passing your question on to Robin Huntley, who is one of our specialists with more density bonus expertise in case she has some insight into your question. She's out right now, but will be in later this week.

Thanks,  
Megan

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Megan Kirkeby | Housing Policy Development (HPD)  
Deputy Director, Housing Policy Development  
California Department of Housing & Community Development (HCD)  
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**From:** Jennifer Renk <[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)>  
**Sent:** Monday, September 13, 2021 8:59 AM  
**To:** Galvao, Pedro@HCD <[Pedro.Galvao@hcd.ca.gov](mailto:Pedro.Galvao@hcd.ca.gov)>; Kirkeby, Megan@HCD

<[Megan.Kirkeby@hcd.ca.gov](mailto:Megan.Kirkeby@hcd.ca.gov)>  
Cc: Alex Merritt <[amerritt@sheppardmullin.com](mailto:amerritt@sheppardmullin.com)>  
Subject: Re: SDBL Question

Good morning. Checking back in on the question below. Thanks!

Jennifer

Sent from my iPhone

On Sep 9, 2021, at 7:45 PM, Jennifer Renk  
<[JRenk@sheppardmullin.com](mailto:JRenk@sheppardmullin.com)> wrote:

Hi Pedro and Megan! I am a Boardmember of HAC here in the Bay Area and Todd David gave me your contact info for a question that we have. You may not be the right folks to answer, but hopefully you can direct us to the right person.

We'd like to get HCD's opinion on a question about the State Density Bonus Law. My client is proposing a density bonus project in the Bay Area, and would like to provide affordable units at two different affordability levels. How is the density bonus calculated in that scenario? In particular, can we do a "mix-and-match" or "combo" bonus? For example, if the project provides 10% low income units (eligible for 20% bonus) *and* 5% very low income units (also eligible for 20% bonus), could it combine the two bonuses together for a total bonus of 40%? We have not been able to find any guidance on this question and would appreciate HCD's interpretation.

Thanks very much for your help.

Jen

**Jennifer E. Renk** | Partner  
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**STAFF REPORT**

**City Council**  
**Meeting Date:** 4/12/2022  
**Staff Report Number:** 22-068-CC

**Regular Business:** Discussion on and direction to staff regarding potential residential zoning changes

**Recommendation**

Staff recommends that the City Council discuss and provide further direction to staff regarding residential density changes throughout the City.

**Policy Issues**

Pursuant to previous direction from the City Council December 8, 2021, this agenda item provides the City Council the opportunity to further direct staff regarding decreasing residential density in the R-MU (Residential Mixed-Use) zoning district in the Bayfront Area of District 1, and increasing density elsewhere (in Districts, 2, 3, 4 and 5) in the City. The City Council may direct staff to initiate the process of implementing zoning changes to reduce the allowed density in the R-MU zoning district and increase density elsewhere in the City. The implications of such zoning changes in light of the Housing Crisis Act's no-net-loss provisions are discussed below.

**Background**

On December 8, 2021, the City Council directed City staff to research and analyze the process to effectuate a downzoning in the Bayfront Area of District 1 and corresponding upzoning consistent with SB 330 requirements, and its effect to planning for new housing in the Housing Element period (3-1-1, City Councilmembers Combs dissenting and Mueller abstaining.)

In 2016, the City Council established the R-MU zoning district and rezoned 31 parcels as part of the ConnectMenlo General Plan Update. The goal was to create a live/work/play environment in the Bayfront Area, and to provide opportunities for the addition of residential uses and/or mixed use developments in an area that had historically been light manufacturing, warehousing, office, and research and development. The permitted residential densities range from a minimum of 20 dwelling units per acre (du/ac) to 30 du/ac at the base level and up to 100 du/ac with the provision of providing a community amenity at the bonus level. Since the adoption of the General Plan Update, four projects in the R-MU district have been approved and two additional projects are pending. These developments are summarized below in Table 1 and the sites are shown on a map in Attachment A.

Table 1: Approved and pending projects in the R-MU zoning district				
	Lot Size (acres)*	Number of units	Density (dwelling units per acre)	Status
111 Independence Drive	0.92	105	114.1*	Approved
Menlo Portal	3.2	335	104.7*	Approved
Menlo Uptown	4.83	483	100	Approved
Menlo Flats	1.38	158	114.5*	Approved
123 Independence Dr. (Sobrato)	8.15	432	53	Pending
Willow Village	17.45	1730	99.1	Pending
<b>Total</b>	<b>35.93</b>	<b>3243</b>		

\*Utilized density bonus provisions to increase density above 100 du/ac

Staff has identified nine (9) remaining parcels in the Bayfront which are zoned R-MU and eligible for bonus level development. These sites currently do not have a pending application or approved project consistent with the R-MU zoning standards. Similar to the other R-MU parcels in the Bayfront Area, these parcels have a base maximum density of 30 dwelling units per acre (du/ac) and are eligible for a bonus level density of 100 du/ac, subject to the provision of community amenities.<sup>1</sup> These 9 parcels are summarized below in Table 2 and identified on a map in Attachment B.

Table 2: Remaining R-MU zoned properties			
	Approximate lot size (acres)	Maximum residential units at the base density (30 du/ac)	Maximum residential units at the bonus density (100 du/ac)
3695 Haven Ave.	0.67	20	67
3750 Haven Ave.	2.34	70	234
120 Constitution Dr.	1.04	31	104
150 Constitution Dr.	1.03	30	103
160 Constitution Dr.	1.44	43	144
190 Constitution Dr.	0.69	20	69
1215 Chrysler Dr.	0.69	20	69
101 Jefferson Dr.	1.53	45	153
155 Jefferson Dr.	1.38	41	138
<b>Total</b>	<b>10.81</b>	<b>320</b>	<b>1081</b>

<sup>1</sup> See MPMC § 16.45.060 - .070

## Analysis

The Housing Crisis Act of 2019, often referred to as SB 330, prohibits a city from approving a zoning change that reduces the theoretical capacity for developing residential uses (also known as “downzoning”), unless additional residentially-zoned parcels are concurrently provided elsewhere in the city (“upzoning”) that equal or exceed the amount of residential development capacity removed from the downzoned parcels.<sup>2</sup> Replacing the downzoned parcels with upzoned parcels is required to ensure that there is “no net loss” of housing development capacity in the City.

When downzoning is initiated by the City, the upzoning must occur at the same meeting as the downzoning in order to be considered “concurrent.”<sup>3</sup> Therefore, any reduction in residential density may only occur if, at the same City Council meeting where such reduction is approved, the City Council also approves an increase in residential density of other identified parcels across the City.

The City could implement the rezoning through the following procedures: (1) the City could amend the land use element of the ConnectMenlo General Plan and make corresponding changes to the map and text of the Zoning Code to reduce density in the R-MU District and increase density elsewhere in the City; the land use element and Zoning Code amendments would require standalone environmental review (which may be able to tier from the ConnectMenlo EIR); or in the alternative, (2) the City could approve the General Plan and Zoning Code changes as a part of its Housing Element update; the zoning changes would then be analyzed in the Housing Element EIR (which to a large extent will tier from the ConnectMenlo EIR.) Until the zoning changes become effective, applicants for housing development projects can submit preliminary applications to vest the current zoning standards (of 100 du/ac in the R-MU), regardless of any future changes.

The City Council may provide direction regarding which procedure to utilize in order to implement the zoning changes. However, for a number of reasons, staff recommends that if the City Council pursues the rezoning, it does so as a part of the Housing Element Update. First, staff anticipates that many of the upzoned parcels outside of the Bayfront Area will also be parcels identified in the City’s sixth Cycle RHNA; therefore, much of the analysis regarding the development potential of replacement housing sites will mirror the analysis being conducted regarding eligible housing sites for the City’s RHNA. Additionally, if approved along with the Housing Element update, the rezoning can be analyzed in the Housing Element EIR thus negating the need for standalone environmental review. Finally, staff anticipates that it has limited resources to pursue rezoning in advance of the Housing Element update, especially given the State mandated deadlines, and could more easily allocate resources to the zoning changes if they are coupled with Housing Element work.

### Adequacy of replacement sites

Replacement housing sites would likely need to meet certain requirements to ensure that housing production on those sites is not only possible, but feasible. When a no net loss issue arises in the context of a housing element update, the replacement housing sites may need to satisfy the same standards as those that are used for identifying “land suitable for residential development” in a city’s housing element sites inventory. These standards are:

- Have infrastructure available or planned to support a housing development.
- Be available to be developed in the planning period. For non-vacant sites, this means that the City must produce substantial evidence that the existing use is not an impediment to additional residential development.

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<sup>2</sup> See Gov. Code § 66300(i)

<sup>3</sup> See Gov. Code § 66300(i)(2)(a.)

- Be appropriately sized (larger than half an acre and smaller than 10 acres) to accommodate lower income housing.
- For sites accommodating lower income households, have appropriate zoning as demonstrated by analysis, or by meeting prescribed densities.
- Identify the number of units (capacity) that can be realistically accommodated on the site.<sup>4</sup>

While these standards are not explicitly identified in the Housing Crisis Act context, identifying replacement housing sites that meet these standards can help ensure that housing production on those sites is feasible. The City's Housing Element consultant, M-Group, is analyzing the development potential of replacement housing sites to provide the City with additional information about how much upzoning would be required and where it could occur to replace the residential development capacity currently possible on the 9 Bayfront sites.

If the City Council wishes to pursue zoning changes in the R-MU district, the City Council may provide direction to the city manager and city attorney on the preferred procedure (i.e., stand-alone or concurrent with the Housing Element) and to work with staff to evaluate the feasibility for downzoning in the Bayfront Area and concurrent upzoning in other areas of the City. The City Council should provide direction on the desired downzoning density to determine the net capacity that would need to be accommodated elsewhere in the City.

### **Impact on City Resources**

Staff and city attorney time spent on the downzoning/upzoning process would not be cost recoverable. The M-Group has indicated that they would be willing to evaluate the downzoning/upzoning as part of their Housing Element contract at no additional cost. Depending on the direction and scope of work, additional funding may be needed to augment the environmental consultant's scope and budget. Staff would return to the City Council at a future meeting to review any amendments.

### **Environmental Review**

The City Council's direction is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§ 15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment. If the City Council directs staff to pursue downzoning in the Bayfront Area and upzoning in other parts of the City, the rezonings would be subject to additional environmental review, as discussed in greater detail above.

### **Public Notice**

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. The City also sent a letter to the property owners of the nine remaining R-MU parcels to provide information regarding the City Council's discussion of potential changes to the residential density in the R-MU district.

### **Attachments**

- A. Map of approved and pending projects in the R-MU zoning district
- B. Map of remaining R-MU zoned properties

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<sup>4</sup> Government Code Section 65583.2.

Staff Report #: 22-068-CC

Report prepared by:  
Deanna Chow, Assistant Community Development Director

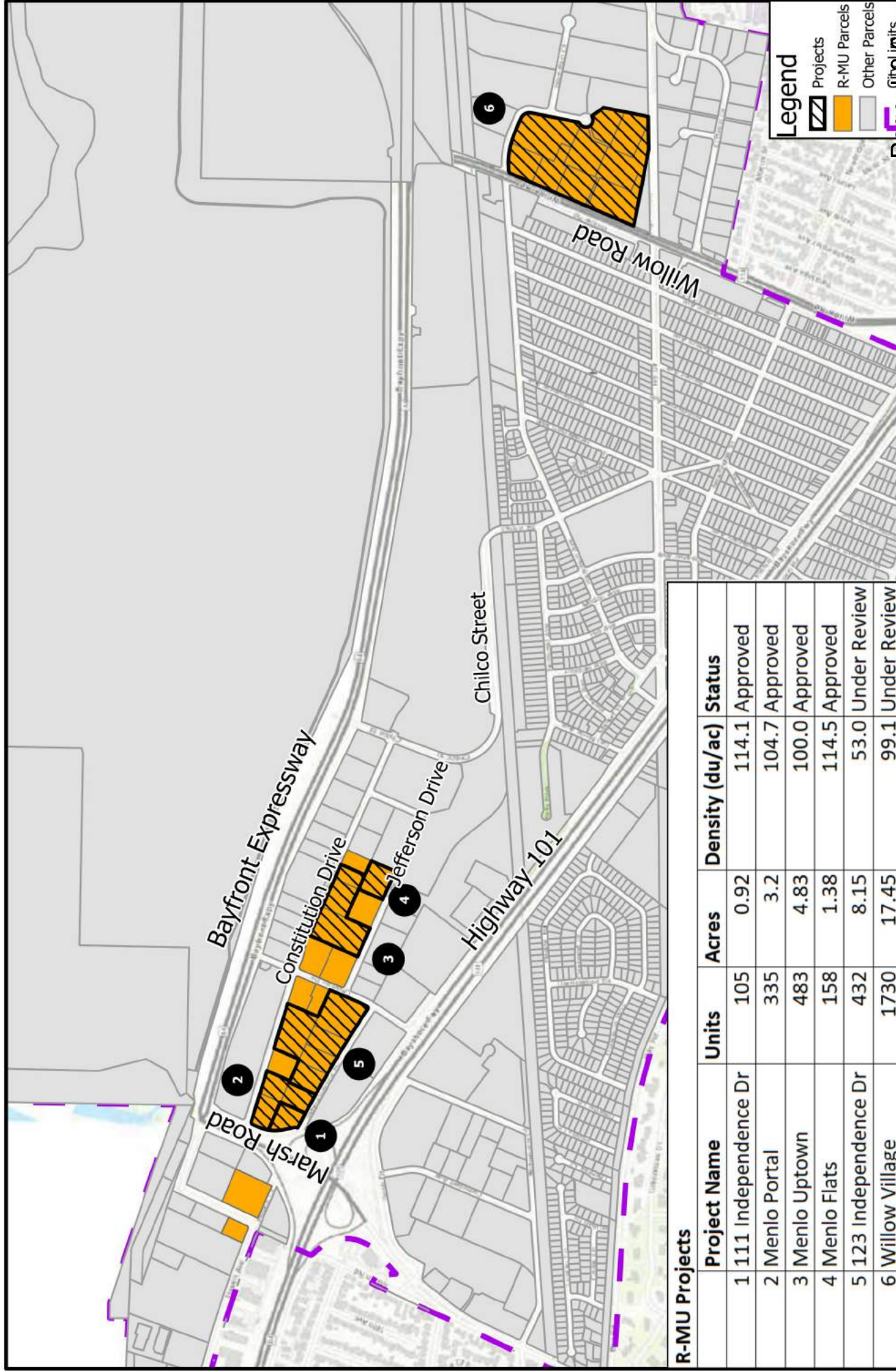
Report reviewed by:  
Justin Murphy, Interim City Manager  
Nira Doherty, City Attorney



# CITY OF MENLO PARK

## R-MU Projects

### ATTACHMENT A



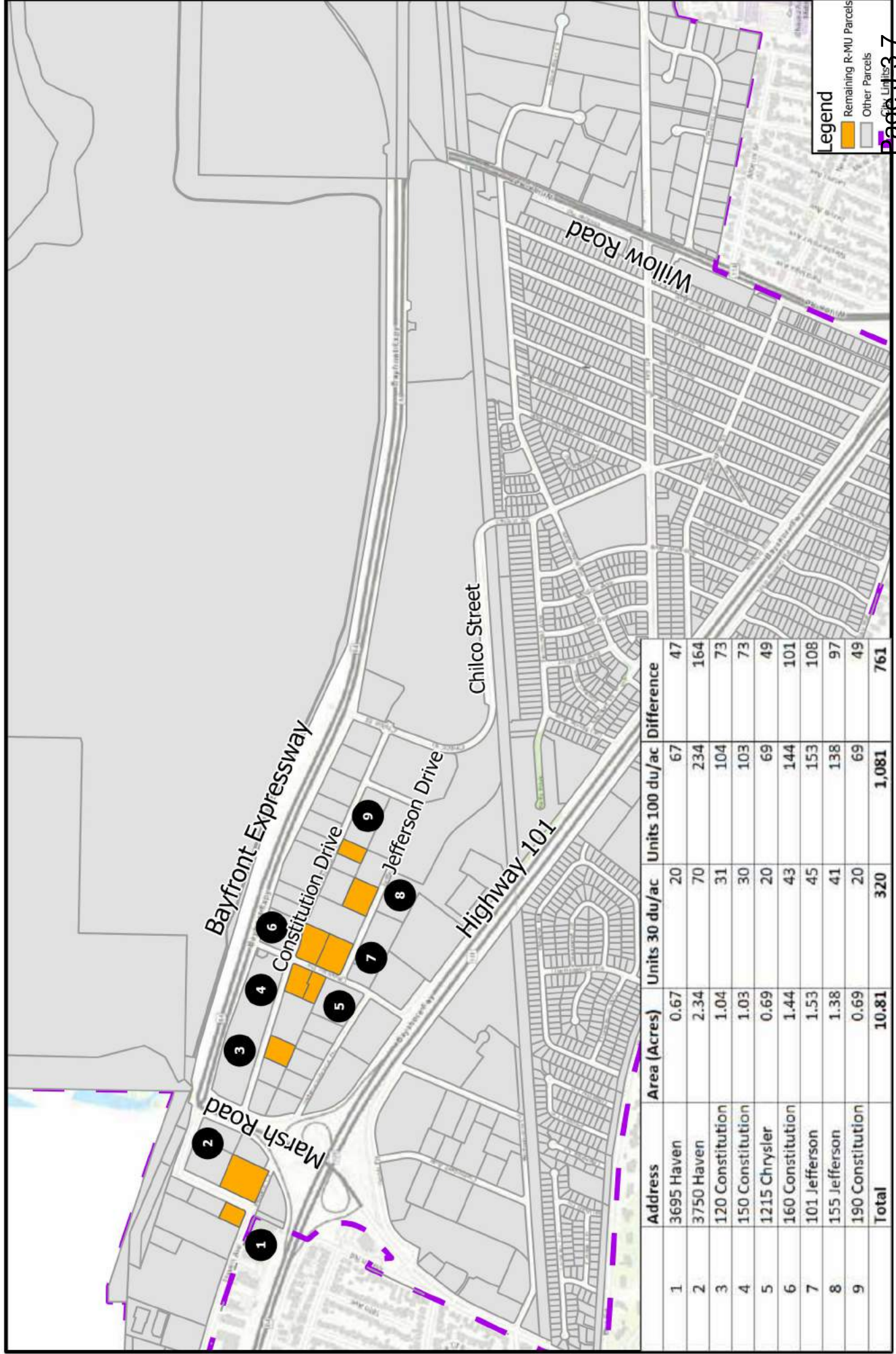
#### R-MU Projects

Project Name	Units	Acres	Density (du/ac)	Status
1 111 Independence Dr	105	0.92	114.1	Approved
2 Menlo Portal	335	3.2	104.7	Approved
3 Menlo Uptown	483	4.83	100.0	Approved
4 Menlo Flats	158	1.38	114.5	Approved
5 123 Independence Dr	432	8.15	53.0	Under Review
6 Willow Village	1730	17.45	99.1	Under Review

# CITY OF MENLO PARK

## Remaining R-MU Zoned Parcels

ATTACHMENT B



Legend  
■ Remaining R-MU Parcels  
■ Other Parcels

**Chan, Calvin**

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**From:** Salim Damerdji <sdamerdji1@gmail.com>  
**Sent:** Monday, August 8, 2022 9:17 AM  
**To:** \_CCIN  
**Cc:** Housing Elements@HCD; Keith Diggs  
**Subject:** Letter on Menlo Park's duty to AFFH in RHNA6.  
**Attachments:** Menlo Park.pdf

Dear Menlo Park City Council:

Please see the attached letter from South Bay YIMBY regarding Menlo Park's duty to AFFH in its 6th cycle Housing Element.

Best,  
Salim Damerdji



August 04, 2022

Dear Menlo Park City Council:

We are writing on behalf of **South Bay YIMBY** regarding Menlo Park's 6th Cycle Housing Element Update. As a regional pro-housing advocacy group, South Bay YIMBY works to ensure cities adopt housing elements that are fair, realistic, and lawful.

Per §8899.50(a)(1) of state code, Menlo Park's housing element must affirmatively further fair housing, which entails 'taking meaningful actions... that overcome patterns of segregation.'

The City of Menlo Park is uniquely positioned to affirmatively further fair housing, as Menlo Park is a wealthy, exclusionary city that researchers with the Othering and Belonging Institute at UC Berkeley identify as highly segregated from the rest of the Bay Area. This socioeconomic segregation is caused by the exclusionary cost of housing in your community, where an average home, as of April 30th, costs \$3,070,000, which is only affordable to someone earning a salary of \$471,000, meaning **only the richest 2% of households can afford to settle down in your community**. To put a finer point on the level of affluence in your city, the average home in your city costs more than French castles. It is thus no coincidence that your city is 41% whiter than the rest of the Bay, as well as 52% less black than the rest of the Bay Area. Sadly, your city's demographics have trended in an even less equitable direction, losing 18 black residents and losing 620 brown residents while gaining 24 white residents since 2010.

In a 2021 report entitled 'Exclusionary Zoning: Its Effect on Racial Discrimination in the Housing Market,' economic advisors for the White House outline how exclusionary zoning, like yours, causes segregation. Your exclusionary zoning pushes low income children to live in less resourced areas, which begets worse life outcomes from health to income. The research is clear: exclusionary zoning violates your duty to further fair housing.

To take meaningful actions that overcome patterns of segregation, we recommend you:

1. **End apartment bans in high opportunity areas.** This will give middle and working class families the opportunity to share in the resources your rich neighborhoods enjoy. As of 2020, **your city banned apartments in over 80.2% of residential areas**, including in 81.3% of high opportunity residential areas.

2. **Accommodate 1644 low income homes in your site inventory.** While substantially larger than the floor of 1166 low income homes required by RHNA, 1644 is the number of homes required to bring the proportion of low income families in your city in line with the rest of the Bay Area. While this number is large enough to be politically challenging, it will always be politically challenging to overcome segregation, as AFFH requires.

Thank you,

**Salim Damerджи**, South Bay YIMBY

**Keith Diggs**, YIMBY Law

## Chan, Calvin

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**From:** Sidharth Kapur <sidharthkapur1@gmail.com>  
**Sent:** Sunday, April 24, 2022 8:39 PM  
**To:** \_CCIN  
**Cc:** Housing Elements@HCD; Rafa Sonnenfeld; Zoe Siegel  
**Subject:** Letter re. Menlo Park's 6th Cycle Housing Element  
**Attachments:** Menlo Park Housing Element letter - YIMBY Law, Greenbelt Alliance.pdf

Dear Menlo Park City Council:

Please see the attached letter from YIMBY Law and Greenbelt Alliance regarding Menlo Park's 6th cycle Housing Element.

The PDF should be correctly attached now.

Best,  
Sid Kapur  
[sidharthkapur1@gmail.com](mailto:sidharthkapur1@gmail.com)  
(469) 487-9648



April 21, 2022

Dear Menlo Park City Council:

We are writing on behalf of **YIMBY Law** and **Greenbelt Alliance** regarding Menlo Park's 6th Cycle Housing Element Update. **YIMBY Law** is a legal nonprofit working to make housing in California more accessible and affordable through enforcement of state law. **Greenbelt Alliance** is an environmental nonprofit working to ensure that the Bay Area's lands and communities are resilient to a changing climate.

We are writing to remind you of Menlo Park's obligation to include sufficient sites in your upcoming Housing Element to accommodate your Regional Housing Needs Allocation (RHNA) of **2,946 units**.

In the Annual Progress Reports that Menlo Park submitted to HCD, we observe the following trend of housing units permitted in the last three years:

Year	Housing units permitted
2018	44
2019	196
2020	256
<b>Average, 2018-2020</b>	<b>165</b>

To meet the 6th cycle RHNA target, the rate of new housing permits in Menlo Park would need to increase from **165 units per year** in 2018-2020 to **368 units per year** in the next 8 years. This is a 123% increase from recent years. **If the current pace were to continue, Menlo Park would meet only 45% of its new housing target.**

Based on these trends, it is unlikely that Menlo Park's existing realistic zoning capacity is sufficient to meet its 6th cycle RHNA target. According to HCD's Housing Element Site Inventory Guidebook, housing elements must analyze the realistic capacity of their sites, which may include considerations of "[l]ocal or regional track records", "past production trends", and "the rate at which similar parcels were developed during the previous planning period". A housing element that does not include a significant rezoning component is therefore unlikely to be compliant with state law.

We urge Menlo Park to include a major rezoning component in its Housing Element—a rezoning large enough to close the gap between recent housing production trends and the RHNA target. The rezoning should be within existing communities and should comply with the city's obligation to Affirmatively Further Fair Housing. We also urge Menlo Park to ease any other constraints, such as discretionary approval processes or impact fees, that may impede the rate of development on your city's housing sites.

Thank you,

**Sid Kapur**, East Bay YIMBY (sidharthkapur1@gmail.com)

**Rafa Sonnenfeld**, YIMBY Law (rafa@yimbylaw.org)

**Zoe Siegel**, Greenbelt Alliance (zsiegel@greenbelt.org)

## Mendoza, Kathyren@HCD

---

**From:** Kevin Burke <kevin@burke.dev>  
**Sent:** Thursday, June 9, 2022 3:45 PM  
**To:** Housing Elements@HCD  
**Subject:** Menlo Park seems confused about whether you can use likelihood of development

Please see this thread from Chris Elmendorf. <https://twitter.com/CSElmendorf/status/1535025768245252096>  
[\[twitter.com\]](#)

Instead of estimating probability of development on each site, they're assuming 100% probability, and adding some buffer.

If there's confusion about whether HCD is ok with "likelihood of development" it would be great to clear that up with Menlo Park!

Kevin



**Chris Elmendorf**

@CSElmendorf

15h

The HE consultant remarked that Menlo Park has "really strong track record of developing ... their site inventory." Did not cite Kapur et al. (2021), who find Menlo Park is on track to develop about 10% of 5th cycle sites, right in line with Bay Area average. /7

3.000 Highlighted Potential Housing Opportunity Sites for Further City Council Consideration - Microsoft Word

Page 4 of 7

Ref.	Site Name or General Ref.	Acreage <sup>7</sup>	Potential Density <sup>8</sup>	Potential Units	Considerations for the Site Inventory	Potential Options (Bold Text = Staff Recommendation)
D	St. Bede's Church Site #40(C) (2650 Sand Hill Rd.)	0.5 acres	30 du/ac Base 100 du/ac AHO Bonus	15 units Base 50 units AHO Bonus	<u>Why Remove</u> <ul style="list-style-type: none"> <li>Property owner stated disinterest in housing development</li> <li>Site also serves as school and parking needs and hours of use are different than a church-only</li> </ul>	<ul style="list-style-type: none"> <li><b>Remove from opportunity sites list</b></li> <li>Keep on opportunities sites list with AHO Bonus</li> </ul>

M-Group - Asher Kohn: As as the console Miller said mega park is really strong track record of developing the sites and their site inventory that's absolutely true, and as Jeff said earlier, the housing can change and this would allow more options/potential

2:43:21 / 5:16:31

2022-06-06 20:40:58



City	P(dev) for all sites	P(dev) for all sites (100 ft buffer)	P(dev) for nonvacant sites	P(dev) for nonvacant sites (100 ft buffer)	P(dev) for vacant sites	P(dev) for vacant sites (100 ft buffer)
Los Altos Hills	12.7%	16.1%	6.7%	10.8%	42.7%	42.7%
Los Gatos	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Martinez	4.8%	5.4%	0.0%	0.0%	5.3%	6.0%
Menlo Park	9.1%	11.1%	9.2%	10.8%	8.6%	13.0%

2

8



**Chris Elmendorf**

@CSElmendorf

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15h

Moments later, someone else--a city planner, maybe?--said, "If we're honest about expected yield, we won't get into trouble with HCD." (I'm paraphrasing.) But you can't be honest about expected yield w/o making a p(dev) adjustment. That's definitional. /8

YouTube Search

3-483 Highlighted Potential Housing Density Sites for Further City Council Consideration - Microsoft Word

Page 4 of 7

Ref.	Site Name or General Ref.	Acreage <sup>7</sup>	Potential Density <sup>8</sup>	Potential Units	Considerations for the Site Inventory	Potential Options (Bold Text = Staff Recommendation)
D	St. Bede's Church Site #40(C) (2650 Sand Hill Rd.)	0.5 acres	30 du/ac Base 100 du/ac AHO Bonus	15 units Base 50 units AHO Bonus	<u>Why Remove</u> <ul style="list-style-type: none"> <li>Property owner stated disinterest in housing development</li> <li>Site also serves as school and parking needs and hours of use are different than a church-only</li> </ul>	<ul style="list-style-type: none"> <li><b>Remove from opportunity sites list</b></li> <li>Keep on opportunities sites list with AHO Bonus</li> </ul>

City Council Chambers: I think if we're if we're honest about the the expected yield coming out of some sites that we know are long shots we're not we're not damaging our credibility if we're claiming big numbers from sites.

2:46:19 / 5:16:31

2024-06-06 20:02:00

1  
8



**Chris Elmendorf**

@CSElmendorf

1  
15h

I have no idea who's at fault here, or whether HCD is now telling cities & consultants something different than what it told LA. But this exchange between apparently well-meaning consultants & well-meaning city council does not bode well for Bay Area housing elements. /end

3  
18



**Chris Elmendorf**

@CSElmendorf

|

15h

[@elpaavo](#)

[@sidkap\\_](#)

[@s\\_damerdji](#)

[@Yimby\\_Law](#)

[@yimbyaction](#)

[@cayimby](#)

[@carla\\_org](#)

[@ShannanWestCA](#)

[@CaHousingGuy](#)

[@MeganKirkeby](#)

[@GVelasquez72](#)

[@dillonliam](#)

[@manuelatobiasm](#)

[@SFjkdineen](#)

[@Jason\\_Elliott](#)

2

6

**More Replies**



**Darren HumanPerson**

@darren8080

|

13h

Replying to

[@CSEImendorf](#)

and

[@alevin](#)

Sorry. But hardly any of this will ever be built.

## Chan, Calvin

---

**From:** Misha Silin <mdsilin@gmail.com>  
**Sent:** Friday, June 10, 2022 10:40 PM  
**To:** \_CCIN; Housing Elements@HCD  
**Cc:** Chan, Calvin; Smith, Tom A; Chow, Deanna M; Geoff Bradley; Murphy, Justin I C; cselmendorf@ucdavis.edu  
**Subject:** Menlo Park Housing Element Draft - State Law Shortcomings  
**Attachments:** Menlo Park - 6th Cycle Draft - Watchdog Comments.pdf; Menlo Park - 6th Cycle Draft - Watchdog Comments.docx

To city council, staff, and California HCD

As a local resident and volunteer for the Campaign for Fair Housing Elements, and on behalf of YIMBY Law, I am attaching a letter that intends to highlight some major shortcomings with our draft document that are out of compliance with state law.

Respectfully,  
Mikhail Silin - District 4 resident



June 10th, 2022

To: Menlo Park City Council, Staff, and HCD

As a local resident and volunteer for the Campaign for Fair Housing Elements, and on behalf of YIMBY Law, I have reviewed the city's [draft](#) housing element. I am writing to highlight some major shortcomings that are out of compliance with state law.

### **1. Unrealistic Private Sites with Current Uses**

- Over 50% of our low income RHNA units are projected as coming from privately owned properties with current uses. Government Code § 65583.2(f)(2) requires the city to provide substantial evidence that these properties will be redeveloped in the next 8 years. This evidence has not been provided.
- This issue has already been highlighted in previous letters [here](#) and [here](#). This issue was also acknowledged and discussed by city council and staff in the study session on June 6, 2022 starting at around [2 hours and 20 minutes](#).
- The main shortcomings with the commercial sites are:
  - Many opportunity sites are on Sand Hill Road, widely known as the home of multibillion-dollar VC firms such as Kleiner Perkins (site #49) and Lightspeed Ventures (site #28). This is not a plausible place for affordable housing due to high land values and low likelihood of redevelopment.
    - In a recent [SF Chronicle article](#) about Menlo Park's housing element, a broker was quoted saying "Sand Hill Road is probably the least likely place you could think of to put affordable housing".
    - Council acknowledged the unlikelihood of redevelopment of sites on Sand Hill Rd. in their study session on June 6th starting at approximately [2:26 of the video](#).
  - With the exception of the SRI and USGS sites and 10 projected units on sites 47 and 60, no evidence has been given that *any* of the commercial property owners (not just on Sand Hill but everywhere) intend to redevelop. In fact, some of the property owners have told the city they do not intend to redevelop, as acknowledged [starting on p.42](#) of the staff report for the June 6 meeting
  - No lease information has been provided showing an existence or forecast of vacancies.
  - Historical trends (cited on Page 7-19 of the draft) of redeveloping commercial properties in Menlo Park do not apply to these new sites because:
    - the previously developed commercial properties were in a different city district and were mostly aging industrial use, not recently remodeled high-end office.
    - Those historical redevelopments were done via specific plans in direct collaboration with willing developers and property owners.



- The planned densities for the sites are too low and thus should be cited as severe market constraints to acquiring the property and adding housing.
  - For example, to build the projected 95 units on site #22 you would need to spend \$500k/unit just to acquire the property based on its *appraised* value. That cost is 4x higher than the per unit land cost shown for a typical project in Appendix 5-1 of our draft document and is cost prohibitive for building affordable housing.
- While many of the properties are claimed to be “facing obsolescence”, in fact they have been acquired and remodeled in recent years. For example, site #22 was sold in 2014 and fully renovated in 2016 as the headquarters of Robinhood Inc, a multibillion dollar public financial company with no apparent intent to vacate.
- FAR, height limits, and lot coverage requirements are not mentioned as constraints to these sites. It is likely that many of the opportunity sites would not be able to add housing without affecting the existing use due to these limitations.
- The “carve-out” strategy of putting affordable housing on commercial parking lots has zero track history of owner interest or development in Menlo Park.
- Given all of the above evidence, or lack thereof, on June 6th, Menlo Park city council still chose to keep almost all commercial sites on the opportunity sites list. That is not a “realistic” strategy to add much-needed low income housing. See Gov. Code § 65583.2(c)(2) (requiring analysis of the “realistic development capacity” of each site).

## **2. Lack of evidence for development of publicly owned land**

- We applaud the City’s intent to convert eight public parking lots into affordable housing (sites #9-10, 14-19). But more evidence is needed on the feasibility of these sites:
  - In the study session on June 6th, the city manager noted that 2 of the 8 lots involve public/private ownership (site #10 and #18), and that all 8 of the lots are part of a historical assessment district which may complicate redevelopment of the sites. ([4:38 of video of study session.](#)) These potential constraints on redevelopment should be disclosed and listed for mitigation in the housing element document.
  - One city councilmember expressed uncertainty as to whether funding is available for the parking lots to be redeveloped. Moreover, if a parking garage were built to replace these lots, the new garage would reduce the acreage available for housing. ([4:36 of video of study session.](#)) These potential constraints were also not discussed in the draft element.
- Program H4.G (city-owned land - parking lots) should commit to develop, rather than commit to explore whether to develop, the City’s public parking lots. The commitment should include a specific timeframe and objectives for housing unit production.
- For site #38, a vacant lot owned by a school district, there is no mention of a [city ballot measure](#), which has already gathered enough signatures, to require a vote for all single family



zoning changes, which would be a significant constraint to development on that site at its target density.

### **3. Programs with unquantifiable metrics and goals**

- Programs such as H4.D (affordable housing overlay), H4.L (downtown specific plan), H4.M (parking and design standards) could make big impacts to our housing production. They are scheduled to be adopted concurrent with the housing element. However, they do not have any clear objectives or goals. Rather than “review” or “consider” changes to policy, as these programs describe, the draft should commit to enact concrete changes by specific deadlines.
- Many other programs use similar language and are scheduled to be adopted some years after the element. For example H4.A, H4.B, H4.C (BMR Guidelines and Commercial Linkage Fee).

### **4. Affirmatively Furthering Fair Housing**

- By allocating a majority of our RHNA units to unrealistic commercial sites, Menlo Park risks continuing the inequitable trend of concentrating its housing production in District 1 (e.g. Draft p. 8-1), a historically disadvantaged and segregated area, as the designated commercial sites in other districts seem likely to fail to redevelop.
- Given this track record, we believe that it reinforces items 1 & 2 in this letter - substantial evidence must be provided that the sites projected for affordable RHNA units in Districts 2-5 will be redeveloped within the 6th cycle.
- Program H2.E (anti-displacement strategy) lacks concrete objectives, metrics, and specific time frames; this program impacts the ongoing displacement of residents in District 1.

We request that these issues be addressed prior to housing element adoption for Menlo Park’s 6th cycle.

Respectfully,

*Misha Silin, Menlo Park Resident and Campaign for Fair Housing Elements Volunteer*

Cosigned:

*Katie Behroozi, Menlo Park Resident*

*Michal Bortnik, Menlo Park Resident*

*(contd.)*





Campaign for Fair Housing Elements  
fairhousingelements.org



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*Keith Diggs, Housing Elements Advocacy Manager, YIMBY Law*

*Karen Grove, Menlo Park Resident and Volunteer Housing Advocate*

*Adina Levin, Menlo Park Resident*

*Alex Melendrez, Organizing Manager, Peninsula For Everyone & YIMBY Action*

## Chan, Calvin

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**From:** Kendra Ma <kendrama@transformca.org>  
**Sent:** Monday, October 3, 2022 4:03 PM  
**To:** Chan, Calvin; Smith, Tom A; Chow, Deanna M  
**Cc:** Housing Elements@HCD  
**Subject:** Menlo Park Housing Element Draft Comments  
**Attachments:** Menlo Park Letter.pdf

Hi Menlo Park City Councilmembers and Planning Department,

My name is Kendra and I am the Policy Analyst at TransForm. We are a nonprofit policy advocacy organization focusing on better land use and transportation policy at the local, regional, and state level. Thank you for releasing a draft of the City's Housing Element for review and public comment. I am aware that we're sending this past the 30-day comment deadline, but if you get the chance, our team has put together some feedback that we would like to see addressed in the Housing Element.

We applaud the City for releasing their draft Housing Element for feedback so early! We'd love to see if the Element can include clearer goals and language around parking policies and TDM strategies. Please see the attachment in this email to see our comments and recommendations.

Feel free to reach out if you have any questions - we know this is a busy time of year and we thank you so much for your hard work around this!

Thanks,  
Kendra

--

**Kendra Ma, Policy Analyst**  
(she/her/hers)

**TransForm**

560 14th Street, Suite 400, Oakland, CA 94612

Sign up for our emails at [www.TransformCA.org](http://www.TransformCA.org) [[transformca.org](http://transformca.org)]. Follow us on [Twitter](https://twitter.com) [[twitter.com](https://twitter.com)], [Instagram](https://www.instagram.com) [[instagram.com](https://www.instagram.com)], [Facebook](https://www.facebook.com) [[facebook.com](https://www.facebook.com)], and [LinkedIn](https://www.linkedin.com) [[linkedin.com](https://www.linkedin.com)], too.



October 3, 2022

Calvin Chan, Senior Planner  
Deanna Chow, Assistant Community Development Director  
Tom Smith, Acting Principal Planner  
Menlo Park City Council  
701 Laurel St.  
Menlo Park, CA 94025

Re: Menlo Park needs a detailed plan to implement smarter parking policies

Dear Menlo Parking Planning Department and City Council,

TransForm is a regional non-profit focused on creating connected and healthy communities that can meet climate goals, reduce traffic, and include housing affordable to everyone.

Menlo Park has done an impressive job developing a thorough and transparent Housing Element. Various points throughout the draft indicate a desire to implement smarter parking policies, and acknowledges the effectiveness of GreenTRIP strategies like Transportation Demand Managements and unbundling. However to meet housing, transportation, and climate goals, Menlo Park needs to expand on its successful programs and initiate some new ones.

In particular, there will need to be an effective mix of:

- Reducing the amount of parking mandated for housing and providing incentives and programs to drive less (TDM)
- Developing sufficient programs to meet affordable home targets of RHNA

Program H4M addresses “potentially excessive parking requirements,” but does not state exactly which policies the city plans to implement beyond parking in-lieu fees two years after Housing Element adoption. Within the program, general “parking amendments” would follow the Housing Element adoption but policies like reduced parking minimums or eliminating parking for affordable housing are only listed possibilities of what could be included without any concrete commitment.

We appreciate the consideration of parking as a massive constraint on development in Concord throughout the draft Housing Element, especially related to meeting RHNA requirements. Menlo Park currently requires two parking spaces per unit in all zoning districts, and without any solid

commitment to considerably reducing required parking, we see a disconnect between understanding parking as a constraint and taking action.

Menlo Park acknowledges in their hard costs analysis which lists parking spaces at \$100,000 each. These excessive development costs are particularly an issue for affordable housing where current Menlo Park requirements caused the “Gateway development” (cited in the draft) to have 140 100% affordable units, and a staggering 177 parking spaces which cost \$17.7 million according to the city’s estimates. Unfortunately, the Housing Element draft does nothing to address these outdated parking standards.

TransForm recommends that Menlo Park consider the following policies in the Housing Element:

1. Reducing or eliminating parking minimums beyond the downtown zone and for all senior and affordable housing.
2. Requiring unbundled parking for certain transit oriented developments, this is easier for building managers to implement now with new parking tech tools like [Parkade](#).
3. Implementing TDMs such as requiring developers to buy annual Samtrans Way2GO passes for residents at a discounted bulk rate.

To show the tremendous transportation and climate benefits of these policies, as well as some of the financial savings for residents and reduced costs for development, we have used our GreenTRIP Connect tool to create [scenarios](#) for a potential future development site at 2550 Avy Avenue. This site is identified in Menlo Park’s draft Housing Element Site Inventory as a potential opportunity site this cycle. The California Office of Planning and Research recommends GreenTRIP Connect as a tool to use while developing General Plans and is especially useful during the development of Housing Elements (the tool is free to use and supports better planning at the site and city-wide level).

At 2550 Avy Avenue, GreenTRIP Connect projects the following benefits from implementing smart parking, transportation, and affordability strategies:

1. Implementing unbundling, and providing transit passes at this site, would result in a 21% decrease in parking demand and resident transportation savings of \$480 per year.
2. With right-sized parking, incorporating the benefits of good location, unbundled parking and free transit passes, the development would cost \$6,750,000 less to build relative to current parking standards.
3. When combined with 100% affordable housing these strategies resulted in an incredible 53% reduction in driving and greenhouse gas emissions for the site, compared to the county average.
4. If an affordable development with smart parking strategies were built on this site each household would drive 6,136 less miles per year creating a greener and safer community.

By eliminating the high costs of parking, homes can be offered at more affordable prices, reducing the number of community members that face extreme housing cost burdens, getting priced out of their community, and/or becoming unsheltered. Residents, new and old alike, will greatly benefit from the reduction in vehicle traffic and associated air pollution. See scenarios [here](#).

In addition to parking and transportation strategies, we applaud some of the proposed strategies to support more affordable homes, since these would have such tremendous benefits as noted in the GreenTRIP scenario. Two of the most important are, Programs H3.D and H4.D that streamline affordable development to help reach RHNA goals, by providing development incentives for building affordable and amend the Affordable Housing Overlay to allow for greater density, respectively. These developments, if in walkable communities with some access to transit, can have particularly large benefits.

The GreenTRIP scenarios and the chart on the final page of our Scenario document also show the imperative of programs to accelerate development of affordable homes, like Programs H3.D and H4.D. Not only do lower-income households use transit more and drive much less than average, but success in this area can help provide homes for unsheltered individuals and families. A commitment to these programs will show that Menlo Park is committed to planning for all levels of the 1,685 RHNA BMR units anticipated in this cycle.

Please let me know if you have any questions. TransForm hopes this information explains why Menlo Park should make parking reform a priority in the Housing Element update.

Sincerely,  
Kendra Ma  
Housing Policy Analyst  
[kendrama@transformca.org](mailto:kendrama@transformca.org)

**From:** [Prasad, Hillary@HCD](mailto:Prasad.Hillary@HCD)  
**To:** [Mendoza, Kathyren@HCD](mailto:Mendoza.Kathyren@HCD)  
**Subject:** FW: Menlo Park Sites Inventory  
**Date:** Monday, May 23, 2022 3:37:40 PM  
**Attachments:** [image001.jpg](#)  
[image002.png](#)  
[image003.png](#)  
[image004.png](#)  
[image005.png](#)  
[image006.png](#)

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Hi Kathyren,

Is it possible to save the news article below in the public comment folder for Menlo Park (even though it isn't a public comment)? I think it would be helpful for the reviewer to see the article during their review.

Thanks!



***Hillary Prasad***

Specialist, Housing Policy Division  
Housing and Community Development  
2020 W. El Camino Avenue, Suite 500 | Sacramento, CA 95833  
Phone: 916.776.7545



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**From:** Zisser, David@HCD <David.Zisser@hcd.ca.gov>  
**Sent:** Monday, May 23, 2022 10:05 AM  
**To:** Coy, Melinda@HCD <Melinda.Coy@hcd.ca.gov>; McDougall, Paul@HCD <Paul.McDougall@hcd.ca.gov>; Mehmood, Sohab@HCD <Sohab.Mehmood@hcd.ca.gov>; Prasad, Hillary@HCD <Hillary.Prasad@hcd.ca.gov>; Herrera, Fidel@HCD <Fidel.Herrera@hcd.ca.gov>  
**Subject:** Menlo Park Sites Inventory

Hey HE leadership,

This article was posted on Twitter, tagging me. Seems worth passing along and flagging for whoever ends up reviewing Menlo Park's HE.

[Silicon Valley city wants to build affordable housing at 'the least likely place': the street where VCs made billions \(sfchronicle.com\)](https://www.sfchronicle.com/silicon-valley/article/silicon-valley-city-wants-to-build-affordable-housing-at-the-least-likely-place-the-street-where-vcs-made-billions-17111111)

Thanks,

**David Zisser**

Assistant Deputy Director  
Local Government Relations & Accountability



Housing Policy Development Division  
2020 W. El Camino Avenue, Suite 552 | Sacramento, CA 95833  
Phone: 916.776.7768

BAY AREA

# Silicon Valley city wants to build affordable housing at ‘the least likely place’: the street where VCs made billions

J.K. Dineen

May 21, 2022 Updated: May 22, 2022 7:05 p.m.

[Comments](#)



1 of 2

Lightspeed Venture Partners headquarters on Sand Hill Road in Menlo Park occupies some of the priciest real estate in Silicon Valley, yet the city is proposing affordable housing be developed on the land.





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Pound for pound, the office buildings at 2200 and 2730 Sand Hill Road in Menlo Park are among the most valuable office buildings in the world: storied, sun-dappled Silicon Valley enclaves where some of the biggest names in venture capital have made their billions.

At 2200 Sand Hill Road, Lightspeed, which made early bets on Snap and Affirm, is deploying a \$5.5 billion fund, while 2730 Sand Hill Road is part of a complex that is home to Kleiner Perkins, an early backer of Google, Amazon and Genentech. The eight-building, 11-acre office park at 2700-2770 Sand Hill Road, known as the Sand Hill Road Collection, sold two years ago for \$243 million, about \$2,000 a square foot.

Yet the two properties, with their expansive decks, walking trails and mature oak trees, are among the 73 sites that the city of Menlo Park has identified for affordable housing in its “housing element,” the state-mandated housing production plan that cities are required to put together every eight years.

While Menlo Park planners are faced with the difficult task of finding land on which to put 2,946 units, including 1,516 that are affordable to low-income households, the inclusion of the Sand Hill Road properties has fueled criticism that the current draft of the housing element includes multiple properties that are unlikely to ever be redeveloped for any kind of homes, never mind affordable ones.

“Sand Hill Road is probably the least likely place you could think of to put affordable housing,” said commercial real estate broker Robert Kirsten of Urban Realty Group, who is working on a sublease space deal at the 2730 Sand Hill Road building. “I don’t think it will go anywhere.”

On a recent Saturday in the Peninsula city, Menlo Park housing advocate Misha Silin led a biking tour of some of the properties targeted by the housing element. The group cycled along Sand Hill Road. They checked out a Safeway-anchored shopping center at 325 Sharon Park Drive, where the city would like to carve out an acre of parking lot for affordable housing. They looked at some city-owned parking lots in downtown Menlo Park and the 60-acre campus of the Stanford Research Institute, where developer Lane Partners is contemplating building 600 units.



The parking lot at 325 Sharon Park Drive is one of the sites Menlo Park is proposing for housing development.

Lea Suzuki/The Chronicle

Adina Levin, a transportation advocate who is a co-founder of the YIMBY group Menlo Together, said the tour was a useful way to separate the sites that could realistically become housing from those that are a more likely a planners' fantasy.

"The VC firm offices are vanishingly unlikely to become sites for affordable housing," Levin said. "Nobody is going to buy a site for however many millions of dollars and redevelop it for affordable housing. That is not going to happen."

Instead, Levin, who lives near downtown and commutes by bike, argues that the city should be doubling down on transit-oriented sites like the downtown parking lots and the Stanford Research Institute, which is within walking distance of downtown Menlo Park's Caltrain station. That property is planning a redevelopment that could add as many as 600 housing units, with more than 25% affordable, according to developer Lane Partners.

“You are a few steps away from the Caltrain and buses and your groceries and hardware and coffee,” Levin said. “You have a willing landowner. You have a willing developer. Unlike the Lightspeed offices, it’s a real site. We think the city needs to focus on the sites that are likely to be housing.”

At the heart of Menlo Park’s draft housing element, which was released last week, is the noble goal of correcting past injustices by spreading affordable housing throughout the city, including high-resourced areas with good schools, public transit, parks and retail.

In the current eight-year cycle, which expires next year, Menlo Park built almost all of its housing, affordable and market rate, in the Belle Haven neighborhood south of Highway 101. At a time when “redlining” prevented families of color from buying or renting property in the majority of Menlo Park, the Belle Haven neighborhood, along with East Palo Alto, was the only option in the area for Black or Latino residents.

In recent years it is those neighborhoods that have absorbed most of the new development. Facebook is building a campus in Belle Haven with 1,700 homes and 1.25 million square feet of office space. Another 1,300 units are in the pipeline there.

Menlo Park City Planner Deanna Chow said the development on the east side of the city has allowed Menlo Park to exceed its housing goals for market-rate housing.

“We have been very good at housing production for a city of our size — I think we all now recognize the need to do our fair share of housing,” Chow said.



A worker with Cato's Paving places cones on the street during a job in front of the Springline apartments in Menlo Park.

Lea Suzuki/The Chronicle

Now, however, the goal is shifting. For the current housing element, the California Department of Housing and Community Development is mandating not only that housing element plans accommodate enough units but that the units be in “high-resource” places that “affirmatively further fair housing.”

## More for you

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The ‘Pink Painted Lady,’ a San Francisco landmark, is back on the market. Here’s how much it’s listed for



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Here's exactly how much remote work is to blame for the surge in home prices



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“The state is asking cities to go beyond the familiar,” said UC Davis Professor Chris Elmendorf, an expert in housing law. “So we should expect that some of the plan will bear fruit and some may not.”

Chow said the current element represents “an effort to spread housing throughout the city,” although she acknowledged that some of the sites are not realistic.

“We have heard from one of the property owners and they have shared that they are not interested in doing housing,” she said. “We will be sharing that feedback with the City Council.”

Another parcel on the city’s housing element list is a collection of five buildings at 900 Santa Cruz Ave. in downtown Menlo Park. The property is owned by the Church of the Pioneers Foundation and houses a church, an educational facility and office.

Foundation Vice President Bill Frimel said he was surprised when he received a letter in the mail stating that the property was being targeted for housing.

“We have never said we were interested in being part of a Housing Element for 900 Santa Cruz or any of our other properties,” he said. “We have no plans to sell our property or build houses on our property.”

Frimel said he has repeatedly called the city to relay that message. “I have called and left messages. I emailed the City Council but it bounced back,” he said. “We are all scratching our heads as to how did our properties show up on the Housing Element and why anyone would assume we would be willing to sell our property?”

One of the most controversial sites on the Menlo Park list is a 2.6-acre former school property in the Suburban Park neighborhood owned by the Ravenswood School District, which serves Belle Haven and East Palo Alto. The school district would like to build 90 units of teacher housing on the property but is facing fierce resistance from neighbors, who are organizing a ballot measure that will kill the development.





Menlo Park Complete Streets Commission member Katie Behroozi rides her bike past a site that the city's school district wants to turn into teacher housing.

Lea Suzuki/The Chronicle

Resident Katie Behroozi, a supporter of the educator housing project, said many of the opponents bought into Menlo Park when it was affordable to working families and don't realize how much prices have soared.

"You have people who don't grasp the economic reality of what housing costs today," she said. "People are not connecting the vibrancy they want with the lack of affordable housing. There are not enough people seeing the bigger picture."

Kathleen Daly, owner of Café Zoe on Menalto Avenue, said most of her workers are Menlo Park high school or college students who live with their families.

"The bottom line is absolutely none of them would be able to move back to Menlo Park to live on their own," she said.

Daly has a sign in her cafe window supporting the Ravenswood project.

“These people are educating our children — what is more important than that?” she said. “I don’t understand where people expect us all to live. Where are we supposed to go?”

On a recent afternoon, Levin was sitting outside Coffeebar, a downtown spot well known as a meeting place for tech entrepreneurs. She pointed to a sign in the window that read: “You Belong Here.” She said she found the sentiment a bit disingenuous, considering that the median home in the city sells for \$2.8 million and average rent is \$4,000 a month.

“If everybody is welcome but nobody can afford to live here, what does that mean other than it makes you feel good about yourself?”

*J.K. Dineen is a San Francisco Chronicle staff writer.  
Email: [jdineen@sfchronicle.com](mailto:jdineen@sfchronicle.com) Twitter: [@sfjdkineen](https://twitter.com/sfjdkineen)*

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## Drought Map

### Track water shortages and restrictions across Bay Area

Check the water shortage status of your area, plus see reservoir levels and a list of restrictions for the Bay Area’s largest water districts.



Written By  
[J.K. Dineen](#)  
Reach J.K. on

J.K. Dineen covers housing and real estate development. He joined The Chronicle in 2014 covering San Francisco land use politics for the City Hall team. He has since expanded his focus to explore housing and development issues throughout Northern California. He is the author of two books: "Here Tomorrow" (Heyday, 2013) and "High Spirits" (Heyday, 2015).

## Chan, Calvin

---

**From:** Karen Grove <karenfgrove@gmail.com>  
**Sent:** Friday, June 3, 2022 5:10 PM  
**To:** \_CCIN; \_Planning Commission; Mike Noce  
**Cc:** Housing Elements@HCD  
**Subject:** Menlo Together comments on Housing Element Sites and Programs  
**Attachments:** M2G Comments on Draft HE Programs.docx; M2G Comments on Draft HE Programs.pdf; M2G Comments on Draft HE Sites.pdf; M2G Comments on Draft HE Sites.docx

Dear City Council and Staff and Consultant team, Planning Commissioners, and Housing Commissioner (through Mike Noce),

Please find attached a letter from Menlo Together with comments on the Draft Housing Element **Sites and Site Strategies**. We previously submitted a letter focused on Draft Housing Element **Programs**, and I have reattached that letter to this email so they are together.

We hope our comments and suggestions are useful as you are completing the Draft Housing Element. We see the Housing Element as a once-in-an-8-year chance to create an equitable, thriving future for our community and we look forward to contributing to its success.

Thank you for your consideration,

Regards,  
Karen Grove  
on behalf of Menlo Together  
[info@menlotgether.org](mailto:info@menlotgether.org)



June 2, 2022

Dear Mayor, Vice Mayor, City Council Members, and City Staff,

On behalf of Menlo Together, I am writing to share feedback on our housing element draft and the staff recommendations for the June 6th, 2022 Study Session. We applaud the commitment to programs that will produce affordable housing, increase density near downtown, and increase tenant protections.

**This letter focuses on sites and site strategy, as well as some of the programs related to our site strategy.** We have submitted a separate letter focused on other important Programs and Policies.

Executive Summary:

Menlo Together supports a Housing Element that is compliant with state law and meets our community's most pressing housing needs. To that end, our top three priorities are affordable housing production, density near transit, and tenant protections.

With respect to the Housing Element Opportunity Sites and Staff Recommendations:

1. We request that the city increase density on parcels near downtown
2. We support staff's recent recommendation to remove less viable commercial sites along Sand Hill Rd. and increase capacity of other sites but believe more adjustments are necessary.
  - a. We approve staff recommendations to increase the capacity of the USGS and SRI sites.
  - b. We would like to see new zoning changes and programs to enhance the incentives for production of affordable housing for families at the Sharon Heights Shopping Center site.
3. We do not support reducing the zoning of the Flood School Site without agreement from the Ravenswood City School District.

Full Letter:

Menlo Together is a group of Menlo Park and Peninsula residents who envision an integrated and diverse, multi-generational, and environmentally sustainable city. We advocate for an accessible and inviting downtown Menlo Park with housing at all affordability levels, and with pedestrian and bike-friendly spaces, developed to be carbon-free. We value equity, sustainability, inclusion, health, and racial and economic justice.

We commend staff and M-Group for their hard work on such a complex and thorough document. We found it very informative, honest, and transparent. We appreciate the reference to historical patterns of segregation in

Menlo Park highlighted in the Color of Law and Uneven Ground. These are still raw wounds that need to be addressed in our Housing Element (and Environmental Justice and Safety Elements). Menlo Together appreciates the decision to identify opportunity sites for affordable housing throughout Menlo Park, south of 101, to correct for this history.

We request greater density at all levels of affordability and lower parking requirements near transit (El Camino/Downtown)

We think the downtown parking lots should be a key focus for producing a lot of affordable housing.

We like the idea of adding more housing downtown at all levels of affordability including market rates. For program H4.L.d “establish a minimum density of 20 du/ac upon the addition of residential uses to a site” - land is scarce in our area, and 20du/ac is too low for sites so close to transit and our myriad of highly rated downtown services. We have allowed developers to build up to 100 du/ac in the bayfront district, which does not have the same level of amenities as downtown. ***We strongly urge the city to equitably allow up to 100 du/ac downtown, via a mix of higher base density and a higher AHO bonus.***

We support staff’s prioritization of program H4.M to “Update Parking Regulations and Design Standards” as it will encourage more housing and will welcome new residents who prefer alternatives to driving.

We support staff’s recent recommendation to remove less viable sites, but believe more analysis and adjustment is necessary.

As previously mentioned in our letter submitted to council on March 21st (<https://hiago.app/en/organizations/menlo-park/emails/139352>), we think that many of our opportunity sites are unrealistic. Particularly, many of the office/commercial sites do not seem viable.

- While the housing element cites a regional trend of commercial space being redeveloped for mixed use, we are skeptical that this trend applies to Menlo Park given the extremely high demand and prices for office space in certain areas like Sand Hill Rd., Middlefield Rd., and near Meta headquarters.
- The trend of recently redeveloped sites within the last 5 years within Menlo Park (Appendix 7-3) is almost exclusively in the formerly light-industrial area north of 101 and along the El Camino/Downtown corridor.
  - Many of the cycle 6 opportunity sites are on Middlefield Rd. and Sand Hill Rd., away from downtown, where there is no historical trend of redevelopment into housing. In addition, their current use is as office space, not light industrial or car lots, as was the case with many of the recently redeveloped sites.
- Not working to overcome historical patterns and trends is mentioned as a shortcoming in HCD’s recent presentation on 6th cycle housing element shortfalls ([slide 6](#)). **By including so many unrealistic sites in our highest-resource areas, our city is not doing enough to aggressively address our history of segregated housing opportunities.**
- The same slideshow, on [slide 7](#), mentions **not discussing how existing uses “would impede development” and “lack of clear substantial evidence that uses will likely discontinue in the planning period”** as shortcomings of other housing elements. We believe our element has the same shortcomings.

- While **land cost** was identified as a constraint for these office sites, we believe it **was not analyzed sufficiently**, per HCD’s note on [slide 8](#) of their “housing element shortfalls” presentation. Below, we provide one example of how the economics of a project on Sand Hill Rd. might differ from an average project in our region.
- A recent [SF Chronicle](#) article quotes a real estate broker who says “Sand Hill Road is probably the least likely place you could think of to put affordable housing... I don’t think it will go anywhere”

**Based on the especially high cost of office space in Menlo Park, we think many of our commercial sites should either be amended with stronger zoning incentives or removed from the list.**

Example to illustrate:

- Housing Opportunity Site #22 is currently occupied by RobinHood’s headquarters, a company valued at billions of dollars.
  - The property was recently purchased and renovated, and the appraised value is \$50m for 3.2 acres of land. This property was purchased over 5 years ago and it’s safe to assume the market value is considerably higher, given market trends.
  - The site sheet is showing a potential 95 affordable units to be built there, which means it would cost nearly \$500k/unit to acquire the land, based on the appraised \$50m value.
  - The examples in Appendix 5-1, page 4 show a land cost of \$100k/unit for multi-family housing. Increasing the land cost from \$100k/unit (in the example) to \$500k/unit (for this site) increases the all-in cost per unit produced from \$732,000 (in the example) to over \$1.1m/unit (for this site)
  - The above analysis clearly makes the site likely infeasible for market rate rental units, and most certainly infeasible for affordable units.
  - Furthermore, there is no evidence of the property owner wanting to develop the site as housing or sell it.
  - **CONCLUSION:** this site should be removed from the inventory list or the zoning policies for the site should be significantly strengthened such that the owner is financially incentivized to add housing to the property.

Given the analysis above, **we request that staff perform a similar analysis for all sites with current non-residential uses, using fair market values when available, or close estimates, to determine which sites would result in prohibitive land costs.** Based upon that information, we would like to see those sites modified with incentives or increased density such that building on them becomes feasible and attractive for developers.

We support increased housing capacity at the Bohannon, USGS, and SRI sites

Land is extremely scarce in our region, as acknowledged in our housing element itself. There is little vacant land, however we have an opportunity to better utilize existing commercial space, some of which has demonstrated developer interest in adding additional housing. Therefore, **we support adding density to the USGS, SRI, and Bohannon sites** provided the city can show evidence that developers are likely to take advantage of the additional capacity.

## We request new zoning changes and programs for Sharon Heights Safeway site

The city selected a site strategy that distributes new housing throughout the city, south of 101. One reason this strategy was selected over the alternative (to concentrate new housing near Downtown/El Camino Real) was to increase the number of affordable family homes in the award-winning Las Lomas School District (most of District 5). The other opportunity sites in District 5 are highly unlikely to be developed as affordable housing, so we ask you to add a program to make the Sharon Heights Shopping Center a strongly viable site.

To use non-professional language, **let's zone the heck out of the Sharon Heights Safeway Site. Let's make it irresistible to developers**, so that they pester the property owner to redevelop, or sell to someone who will. As we do so, let's ensure that the irresistible zoning incentives are contingent on production of 100% affordable housing for families, including the identified special needs populations of large families and single adult (majority women of color) headed households, to take advantage of the opportunity to attend the award-winning Las Lomas School District.

## We do not support reducing the zoning of the Flood School Site without agreement from the Ravenswood City School District.

We note that staff's recommendation would limit capacity to 78 homes, which imposes an obstacle to the property owner's current negotiations with a developer who responded to an RFP to build up to 90 affordable homes for educational staff. We believe it's important to support the school district and are particularly determined that they have flexibility to allow sufficient density to achieve the district's affordability goals.

## Conclusion

Thank you for taking the time to read our comments and feedback. We hope our comments and suggestions are useful as you are completing the Draft Housing Element. We see the Housing Element as a once-in-an-8-year chance to craft the vision for our community. We commend the city and M-Group for working hard to plan for more housing opportunities for our residents and local workers. Given the high need for housing in Menlo Park, we hope the team can take steps to strengthen the programs and sites in the document, and then take bold steps to implement the element once it is adopted, so that we can keep our city thriving, growing, and housed.

Sincerely,

The Menlo Together Team

[info@menlotgether.org](mailto:info@menlotgether.org)



# MENLO TOGETHER



June 2, 2022

Dear City Council, Planning Commission, Housing Commission, and Housing Element staff and consultant team,

On behalf of Menlo Together, I am writing to share feedback on our housing element draft. We applaud the commitment to programs that will produce affordable housing, increase density near downtown, and increase tenant protections.

This letter focuses on **Policies and Programs of the Draft Housing Element**. We will submit a separate letter focused on Sites and Site Strategies.

Menlo Together is a group of Menlo Park and Peninsula residents who envision an integrated and diverse, multi-generational, and environmentally sustainable city. We advocate for an accessible and inviting downtown Menlo Park with housing at all affordability levels, and with pedestrian and bike-friendly spaces, developed to be carbon-free. We value equity, sustainability, inclusion, health, and racial and economic justice.

Please find here some suggestions to make the Draft Housing Element Programs more concrete, measurable, and robust. We offer some specific suggestions that demonstrate ways to add specificity and measurability to existing programs and objectives. We also make some proposals to enhance tenant protections relative to what appears in the draft.

We have focused on a few programs we believe are particularly leveraged. Many others are very important and could benefit from more concrete, measurable objectives and milestones as well. For now, please see our comments on the following topics.

Thanks for your hard work, and your consideration of these suggested improvements.

Karen Grove,  
on behalf of Menlo Together

**Outline:**

- [Tenant Protections Comments](#) (H2.E)
- [BMR Guidelines Comments and Clarifying Questions](#) (H4.A, H4.B, H4.C)
- [Affordable Housing Overlay Comments](#) (H4.D)
- [City Owned Parking Lots Comments](#) (H4.G)
- [Identifying SB 10 Sites](#) (H4.O)

## Tenant Protections (H2.E)

We have already lost far too many residents to evictions and excessive rent increases. We feel strongly that we must expeditiously enact effective anti-displacement and strong tenant protection programs.

<p><b>Program H2.E</b></p>	<p><b>Anti-Displacement Strategy.</b>            Meet with individuals and organizations in historically segregated neighborhoods to develop an anti-displacement strategy that City Council can adopt after review from the Housing Commission and Planning Commission. This strategy should reflect community engagement and local research and include policies that could:</p> <ol style="list-style-type: none"> <li>Increase housing quality while preventing evictions</li> <li>Consider neighborhood tenant preference for affordable housing</li> <li>Identify new sources of funding for anti-displacement efforts</li> <li>Develop localized anti-displacement programs that could accompany large-scale developments</li> <li>Provide deposit assistance, particularly for veterans</li> </ol>
	<ol style="list-style-type: none"> <li>Connect tenants to housing supportive programs and ensure that tenants are aware of their rights by posting resources on the City's housing website and other media.</li> <li>Inform tenants of opportunities for rental assistance, such as revolving loan funds or external funding sources</li> </ol> <p><i>Responsibility:</i> Planning Division; Housing Division; Housing Commission; Planning Commission; City Council; City Attorney  <i>Financing:</i> General Fund; commercial linkage fees; outside funding  <i>Objectives:</i> Mitigate displacement in historically segregated areas of the city and provide financial assistance to tenants  <i>Timeframe:</i> Develop anti-displacement and tenant support programs within three years of Housing Element adoption</p>

Consider adding:

- Enact an ordinance that replicates AB 1482 and goes into effect upon its expiration on Jan. 1, 2030 – Do this within one year of HE adoption
- In partnership with tenants and tenant advocates, develop and enact Just-Cause Eviction and Rent Caps for tenants who are not protected by AB 1482.
- Guarantee ongoing funding for the Menlo Park Housing Assistance Program (grant to Samaritan House to provide flexible and responsive emergency financial assistance to lower income tenants and homeowners)

Innovative ideas:

- Consider the City of Cudahy's policy to require that notices of eviction be filed with the city as a condition of enforceability.
- Consider a similar policy for rent increases that apply to rental homes that are subject to Costa Hawkins limitations on rent regulations. Many of our most impacted tenants live in single family homes, and this would at least provide public accountability of excessive rent increases.

Community process is crucial – however, be prepared to follow through on community recommendations, including rent caps and just cause for eviction.

[Return to Outline](#)

### **BMR Guidelines Comments (H4.A, H4.B, H4.C):**

We are pleased that the city is already preparing an RFP to study our commercial impact fee because we cannot afford to delay implementation of program H4.C "Increase Commercial Linkage Fee". We respect the clear time frame of "within one year of Housing Element Adoption" but encourage efforts to complete the update before that deadline.

We have two comments we want to prioritize on the BMR Guidelines Programs (H4.A and H4.B):

1. We encourage you to add a program to modify our BMR Guidelines to limit allowable rents to ensure that those who are “eligible” for the units also “qualify” to rent them (see House Key’s definitions, below). For reference, Mountain View sets maximum rents at 30% of the mid-range of each income-category.
2. Please add concrete Objectives and Metrics for these important programs.

Objectives for BMR Program could include...:

- BMR units are **affordable** (rent is no more than 30% household income) to at least 50% of households who are **eligible** (in terms of income and family size)
- Households who are eligible for a BMR unit (based on income and household size) qualify to rent it. That is, their income is sufficient to pay the rent (up to 50% of income may go towards rent for households at the lowest incomes in each category)
- Number, size, location, and income level of BMR units produced are tracked and reported (and published online) annually during the planning period. Report includes communities served, and target communities not served.
- BMR tenant experience is documented and reported annually (*as an implementation note, please see the [City of Cudahy’s inclusionary ordinance](#) (pdf page 38) for an example of their “livability report” requirements, which include:*
  - *number of evictions, number that go to court, number enacted, which units*
  - *rent increases, including when and how much, which units*

Metrics for the BMR Program could include...:

- BMR units are affordable to at least 50% of households who are eligible
- 100% of households who are eligible for a BMR unit qualify to rent it.
- Permits issued for    BMR units, including at least    ELI,    VLI,    LI,    MI during the planning period – for a diversity of household sizes.
- Permits issued for    special needs homes for people with disabilities including developmental disabilities, including people with ELI.
- (# to be determined, to achieve RHNA targets and to meet community housing needs)

House Keys Definitions:

#	Term	Definition	Purpose
1	<b>“Affordable”</b>	No more than 1/3 <sup>rd</sup> of the <b>Household’s Gross Monthly Income</b> is being spent on the housing payment	Sets a standard that drives all housing policy according to each <b>income limit</b> .
2	<b>Income</b>	Gross Earned Income (before taxes) and any amount included from Assets. Assets can be included up to 10% of all liquid amounts (Excluding certain retirement accounts) above \$5,000	All income is Projected for the <b>next 12 months</b> and is meant to determine whether your total household income below the <b>income limit</b> according to each category.
3	<b>Median Income</b>	The Middle Income within a stated area (e.g., County). <b>Area Median Income</b> . 50% of the Incomes above Median and 50% of all Incomes are below it.	Sets the Categories: Acutely Low Income (up to 15%), Extremely Low (up to 30%), Very Low (up to 50%), Low (up to 80%), Moderate (up to 120%)
4	<b>Eligible</b>	Household Size and Total Income are within the Income Categories	Ensures that the local zoning policies serve target households
5	<b>Qualified</b>	Applicant earns enough to successfully make the housing payment (criteria-specific)	Ensures buyers don’t foreclose; and tenants don’t default.

**BMR Guidelines Clarifying Questions:**

We are trying to understand how H4.A relates to H4.B. Part of our confusion comes from the terminology used.

#### Clarifying Questions about H4.A:

We recognize many of the proposed modifications in H4.A from Housing Commission discussions and appreciate seeing those changes listed in Program H4.A. We are unsure of the significance that H4.A is titled “Amend the Inclusionary Housing Regulations” – rather than “Amend the BMR Program Guidelines”. In our view, the Inclusionary BMR Housing Regulations are one component of our BMR Program. What distinction are you drawing between the two programs, H4.A and H4.B?

#### Clarifying Questions about H4.B:

We have questions about the use of the term “workforce” housing, the reference to the Costa Hawkins Act, and the overall intent of this program. Please see our questions below...

- 1) What provisions do we need to modify to be “consistent with the Costa-Hawkins Act”?
- 2) What is meant by “workforce rental housing”?
  - a. In the Definition of Terms section, “workforce affordable housing” is defined as “Housing that is affordable to the workforce in the community” (We believe all housing is included in this definition)
  - b. We are wondering if you intend to differentiate “inclusionary BMR rental housing within market rate developments” from “100% affordable housing”?
- 3) Is the point of this program to create three separate buckets of funding for:
  - a. 100% affordable housing
  - b. What the draft refers to as “workforce housing” (but we believe is intended to communicate “inclusionary below market rental units”)
  - c. Housing for people with disabilities, including developmental disabilitiesIf so, is that considered best practice, or does it overly constrain the funds and make it more difficult to use them? We see the value of creating a “savings account” for significant projects, but hope there will be flexibility built in; and that when an important project needs funding that we seek additional sources to augment the available BMR funds.

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#### **Affordable Housing Overlay (H4.D):**

This is one of our most important tools, and the objectives, milestones and metrics should reflect that. Please consider these improvements:

- State where it applies, and what are the incentives
- Ensure it’s additive to State Density Bonus Law (SDBL) as defined by AB 1763
- Ensure it remains additive to SDBL as SDBL evolves during the planning cycle

Consider adding concrete objectives, such as:

- The AHO applies city-wide (or specify where – south of 101?)
- The AHO provides incentives that go above and beyond the SDBL (rather than an unspecified “alternative” to SDBL as expressed in the current draft)

- The AHO incentivizes non-profit developers to submit proposals to produce 100% affordable housing, including housing that meets special needs, throughout the city, especially south of 101 (or only south of 101).


Milestones:

- Meet with at least two non-profit housing developers to inform the design of the AHO.
- Survey non-profit developers to affirm that a majority would propose projects using the AHO as designed.
- Hold a city council study session in partnership with affordable housing developers and/or HLC as their representative on the proposed AHO – by Sept. 30, 2022
- Hold a city council meeting in which the city council votes to approve the AHO – by HE Adoption, Jan 30, 2023.

Metrics:

- The AHO provides incentives that go above and beyond to the SDBL
- First applications (pre-applications/inquiries...?) for 100% affordable development received - by June 30, 2023
- Permits for 1000 ELI and VLI homes are issued during the planning period, using the AHO

For reference, here is the draft Program:

<b>Program H4.D</b>	<b>Modify the Affordable Housing Overlay (AHO).</b> Update the Affordable Housing Overlay (AHO) to provide density bonuses and other incentives for the development of multifamily housing affordable to extremely low-, very low-, low-, and moderate-income households and units that are preferential for people with special needs who will benefit from coordinated on-site services including people with disabilities and developmental disabilities. The AHO is offered as an alternative to the density bonus described in AB 1763.
<i>Responsibility:</i>	Planning Division; Housing Commission 
<i>Financing:</i>	General Fund
<i>Objectives:</i>	Incentivize affordable housing development in the city
<i>Timeframe:</i>	Concurrent with Housing Element adoption

And here is an explanation of how we came up with the “1000 permits” metric:

Table 7-7: RHNA Capacity by Typology

	Lower-Income	Moderate Income	Above Moderate Income	Total New Housing Units
6 <sup>th</sup> Cycle RHNA	1,166	496	1,284	2,946
30% Buffer	350	149	385	884
Accessory Dwelling Unit Capacity [RHNA Credit]	51	26	8	85
Pipeline Projects Capacity [RHNA Credit]	364	230	3,050	3,644
Site Capacity Needed	<b>1,101</b>	<b>389</b>	<b>0</b>	<b>1,490</b>

- 1101 + 389 = 1490 permits must be issued
- Assume moderate income units are produced from our inclusionary BMR policy.
- AHO should incentivize 1101 permits for lower income homes.
- 1000 is a round number and acknowledges that some low-income units will be produced by our inclusionary BMR policy.

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**City-Owned Parking Lots (H4.G)**

This is such an important strategy, we would like it more clearly articulated, with defined Objectives and Milestones and Timeframes. For example, when the County launched a project to affordable housing on land they own in North Fair Oaks, they followed [this](#) process:

## TENTATIVE TIMELINE:

 Present short and long term planning process to NFOCC	Aug 2015
RFP process to select Master Planner	Sept - Dec 2015
Robust community outreach for visioning, as well as prioritization of uses and program elements	Jan - June 2016
Finalize program elements & site use plan	June 2016
RFP process to select Developer / Developer Team	July - Nov 2016
Predevelopment phase (local financing, planning, permits, entitlements, architectural drawings, engineering, etc.)	2017 - 2018
Potential start of construction	2019 - 2020
Potential occupancy	2022 - 2023
Potential Phase 2	2018 - 2024

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### Identifying SB 10 Sites (H4.O)

We support diversifying the types of housing available throughout Menlo Park, and support implementation of an SB-10 overlay to allow production of up to 10 housing units on parcels throughout the city, especially in transit-rich areas.

**Timeline:** Since this strategy is likely to increase the number and diversity of housing in the city slowly, we agree with setting the timeline for completion for five years from Housing Element adoption so that more pressing programs - for example those that prevent displacement - can proceed more quickly.

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### Conclusion

Thank you for taking the time to read our comments and feedback. We see the Housing Element as a once-in-an-8-year chance to craft the vision for our community. We commend the city for working hard on providing more housing opportunities for our residents and local workers. Given the high need for housing in Menlo Park, we hope the city can take steps to strengthen the programs and sites in the document, and then take bold steps to implement the element once it is adopted, so that we can keep our city thriving, growing, and housed.

Sincerely,  
The Menlo Together Team  
[info@menlotgether.org](mailto:info@menlotgether.org)

## Chan, Calvin

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**From:** Keith Diggs <keith@yesinmybackyard.org>  
**Sent:** Tuesday, July 26, 2022 3:28 PM  
**To:** \_CCIN  
**Cc:** Housing Elements@HCD; housing@doj.ca.gov  
**Subject:** Proposed Menlo Park Neighborhood Protection and General Plan Consistency Initiative  
**Attachments:** 220726 CFHE\_YL Letter to Menlo Park.pdf

To the Menlo Park City Council:

Please find attached a comment from YIMBY Law and the Campaign for Fair Housing Elements regarding the proposed ballot initiative, agenda item J-1 at tonight's meeting.

Let me know if you have questions. Best,

**Keith  
Diggs**



Housing  
Elements Advocacy Manager  
703-409-5198



[\[yesinmybackyard.org\]](http://yesinmybackyard.org)



Menlo Park City Council

Via email: [city.council@menlopark.org](mailto:city.council@menlopark.org)

Cc: [HousingElements@hcd.ca.gov](mailto:HousingElements@hcd.ca.gov); [housing@doj.ca.gov](mailto:housing@doj.ca.gov)

*July 26, 2022*

**Re: Proposed Menlo Park Neighborhood Protection and General Plan  
Consistency Initiative**

To the Menlo Park City Council:

The Campaign for Fair Housing Elements and YIMBY Law advise you not to adopt the proposed Neighborhood Protection and General Plan Consistency Initiative (hereafter “Ballot Measure”; see Staff Report, [Agenda Item J-1](#), at PDF pp.169 et seq.), for three reasons. First, the Ballot Measure will prevent the City from affirmatively furthering fair housing. Second, the Ballot Measure will impede the City from adopting a compliant housing element. And third, the Ballot Measure contravenes state policy as expressed in the Housing Crisis Act of 2019.

**I. Affirmatively Furthering Fair Housing.**

The California Declaration of Rights guarantees all Californians the “inalienable right” to “pursu[e] and obtain[] safety, happiness, and privacy.” (Cal. Const., art. I, § 1.) Local governments dishonor this right when they block housing, a basic human need. Recognizing this, State law now requires all cities to “affirmatively further fair housing” and foster “truly integrated and balanced living patterns.” (*E.g.*, Gov. Code § 8899.50.)

We agree with your staff that the Ballot Measure “will function as a continuation of this historic use of strict land use controls to perpetuate unequal and unfair



governmental aims.” (Staff Report, p.J-1.40, PDF p.205.) Menlo Park’s history of “local segregation and creation of isolated pockets of communities of color” must be undone. (Staff Report, p.J-1.38, PDF p.203.) Preserving the lowest-density residential districts, where property owners might otherwise develop missing housing, will only continue denying safety and happiness to underhoused Californians.

## II. Housing Element Law.

We concur with your staff that the Ballot Measure presents “a significant barrier or constraint to development.” (Staff Report, p.J.1.21, PDF p.186.) Housing element law requires the “remov[al]” of such constraints. (Gov. Code § 65583(c)(3).)

While we applaud your staff’s resolve to implement a complaint housing element, we emphasize that the Ballot Measure makes compliance less likely by removing viable sites from inclusion. (See *id.* at pp.J-1.20 to -22, PDF pp.185–87.)

## III. Housing Crisis Act of 2019.

The Housing Crisis Act of 2019 is to be “broadly construed so as to maximize the development of housing.” (Gov. Code § 66300(f)(2); see *Oak Hill Park Co. v. City of Antioch* (Super. Ct. Contra Costa County, 2021, No. MSN21-0048) [slip op.](#) at 18–20 [invalidating an initiative ban on developing “new residential areas”]<sup>1</sup>.) Contrary to this “statewide concern” of ending California’s “severe shortage of housing,” the Ballot Measure transparently aims to *minimize* housing development. (Compare Ballot Measure, Staff Report at pp. J-1.54 to .57, PDF pp.219–22, with Stats. 2019, ch. 654, § 14 [preempting municipal laws in conflict with Gov. Code § 66300].)

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<sup>1</sup> The superior court’s tentative opinion was later finalized as reflected in *Oak Hill Park Co. v. City of Antioch* (July 18, 2022, A162604) [2022 Cal. App. Unpub. LEXIS 4411, at \*3 fn.2].



The Housing Crisis Act prohibits Menlo Park, including its voters, from enacting any “development policy, standard, or condition that would have *any of the following effects*” (Gov. Code § 66300(b)(1), italics added):

- “Changing the general plan land use designation ... below what was allowed ... on January 1, 2018 ... or any other action that would ... reduce [a] site’s residential development capacity.” (Gov. Code § 66300(b)(1)(A).) The Ballot Measure would amend the City’s General Plan to effectively preclude rezoning for more intense use, contrary to what was allowed in 2018, across 43% of the City’s territory. (Staff Report pp.J-1.18, .55, PDF pp.183, 220.)
- “Imposing a moratorium *or similar restriction or limitation* on housing development,” unless such moratorium has been “submitted” to and “approv[ed]” by HCD. (See Gov. Code § 66300(b)(1)(B), italics added.) Because the Ballot Measure would operate to restrict housing development, we encourage submission to HCD so it can review for any conflict with State law.

\* \* \*

For the foregoing reasons, we advise you not to adopt the Ballot Measure.

Sincerely,



**Keith Diggs**

Housing Elements Advocacy Manager, YIMBY Law

[keith@yimbylaw.org](mailto:keith@yimbylaw.org)



## Chan, Calvin

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**From:** Jeremy Levine <jlevine@hlscsmc.org>  
**Sent:** Friday, July 29, 2022 2:21 PM  
**To:** Prasad, Hillary@HCD  
**Cc:** Housing Elements@HCD  
**Subject:** Re: Meeting with HCD reviewers for several cities in San Mateo County  
**Attachments:** 4.22.22 San Mateo HE Comment Letter to Planning Commission (Final Draft) (3).pdf; 5.6.22 San Mateo HE Comment Letter to City Council (Draft I) (1) (2).pdf; 6.24.22 San Bruno Housing Element Letter (1) (2).pdf; 6.10.22 Menlo Park Housing Element Letter (2).pdf; 7.29.22 Letter to Hillary Prasad Regarding Draft Housing Elements.pdf

Howdy Hillary and the entire HCD team, I'm writing to followup with HCD regarding the housing element submissions of San Mateo, San Bruno, and Menlo Park. I have attached public comment letters that I wrote to each city during their draft housing element public comment periods; I am sharing these letters without amendments because, to HLC's knowledge, none of the cities have yet implemented any of HLC's recommendations to a significant extent.

I also wrote up a cover letter outlining the main portions of each letter I recommend reading and some comments on the local political processes. At your convenience, let's meet to elaborate on some of my comments and concerns. I'm on vacation the next week, but would enjoy connecting the week of August 8. At your convenience, please arrange a meeting (ideally a 60-minute session) at [calendly.com/jlevine97](https://calendly.com/jlevine97) [[calendly.com](https://calendly.com)].

Have a great weekend!

Jeremy

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**Jeremy Levine (he • him)**

Policy Manager

Housing Leadership Council of San Mateo County

(925) 451-4620

On Tue, Jul 26, 2022 at 5:30 PM Jeremy Levine <[jlevine@hlscsmc.org](mailto:jlevine@hlscsmc.org)> wrote:

Thank you for your prompt response Hillary, I will follow up with Anthony and Molivann directly. I have already shared comments with HCD regarding Colma and Woodside; I will forward my letters regarding the other cities to the generic HCD email.

HCD's letter to Redwood City was refreshing to read, you and the rest of your team are doing great work!

Jeremy

--

**Jeremy Levine (he • him)**

Policy Manager

Housing Leadership Council of San Mateo County

(925) 451-4620

On Mon, Jul 25, 2022 at 2:00 PM Prasad, Hillary@HCD <[Hillary.Prasad@hcd.ca.gov](mailto:Hillary.Prasad@hcd.ca.gov)> wrote:

Hi Jeremy,

I am the reviewer for San Mateo, Menlo Park, and San Bruno.

Anthony is reviewing Foster City, and Molivann is reviewing Colma and Woodside. I have cc'd both Anthony and Molivann on this email.

I don't believe we have had a submission from Portola Valley, so there is not a specific assigned reviewer yet.

If possible, can you please send your comment letters to [HousingElements@hcd.ca.gov](mailto:HousingElements@hcd.ca.gov) if you would like HCD to consider them during our reviews?

Thank you,



**Hillary Prasad**  
Specialist, Housing Policy Division

Housing and Community Development  
2020 W. El Camino Avenue, Suite 500 | Sacramento, CA 95833  
Phone: 916.776.7545



[\[landlordtenant.dre.ca.gov\]](http://landlordtenant.dre.ca.gov)

---

**From:** Jeremy Levine <[jlevine@hlcsmc.org](mailto:jlevine@hlcsmc.org)>  
**Sent:** Thursday, July 21, 2022 5:57 PM  
**To:** Prasad, Hillary@HCD <[Hillary.Prasad@hcd.ca.gov](mailto:Hillary.Prasad@hcd.ca.gov)>  
**Cc:** McDougall, Paul@HCD <[Paul.McDougall@hcd.ca.gov](mailto:Paul.McDougall@hcd.ca.gov)>  
**Subject:** Meeting with HCD reviewers for several cities in San Mateo County

Good afternoon Hillary (and Paul),

Would you please connect me with HCD staff reviewers for San Mateo, Foster City, Colma, Menlo Park, Woodside, San Bruno, and Portola Valley? I would prioritize meeting with reviewers for San Mateo and

Foster City, since those cities submitted their housing elements to HCD earliest, but I want to meet with housing element reviewers for all of these cities over the next few weeks if possible.

I know that's quite a list, but I've been busy commenting on cities' housing elements! (You can [see all of my letters in one place here \[drive.google.com\]](#).) **Reviewers can conveniently set up times to meet with me at [calendly.com/jlevine97 \[calendly.com\]](https://calendly.com/jlevine97)**, or I'm happy to work out alternative times as needed.

Thank you for any help you can provide,

Jeremy

--

**Jeremy Levine (he • him)**

Policy Manager

Housing Leadership Council of San Mateo County

2905 El Camino Real

San Mateo, CA 94403

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April 22, 2022

Planning Commission  
City of San Mateo  
330 W 20th Ave.  
San Mateo, CA 94403

RE: Comments on the Draft Housing Element

Thank you to the City of San Mateo for sharing a draft of your housing element with the public. Since 2001, the Housing Leadership Council of San Mateo County (HLC) has worked with communities and their leaders to create and preserve quality affordable homes. Over the past several months, city staff, elected and appointed officials, and the entire San Mateo community have worked hard to create a plan for new housing in the 6th RHNA cycle. We appreciate the opportunity to participate in this process and provide feedback on your current draft housing element.

In this letter, the Housing Leadership Council will provide feedback for the entirety of the City of San Mateo's draft housing element. HLC considers housing elements to be holistic documents, so we weight each component of the element with equal importance. Community outreach informs the needs, constraints, and affirmatively furthering fair housing analyses; these analyses inform the site inventory and the goals and actions. We will consider each of these sections independently, as well as how they interact with each other.

Housing elements are legal documents, contracts with the state to implement policies that will promote housing production; and they are also visionary documents, a synthesis of the community's hopes and dreams for the future. At times, the Housing Leadership Council will cite state statute to justify our recommendations to the city, but this letter is primarily a vision document. We are committed to creating inclusive communities, places where housing is available at all levels of affordability to meet the needs of a diverse range of residents, present and future. HLC approaches housing elements as an opportunity to plan for diversity, to plan for sustainability, to plan for stronger community. We are excited to partner with the City of San Mateo on realizing this vision in the city's housing element.

In its current draft, San Mateo will need new and stronger programs to address the considerable challenges to developing homes and Affirmatively Furthering Fair Housing. Several community needs and constraints are not recognized, and so they go unaddressed. Some of the Housing Leadership Council's priority policies include:

1. **Maintain the quantified objective for extremely low-income housing set out by staff in the current draft.**
2. **Develop a City Sponsored ballot measure to allow greater height and density than Measure Y in transit rich areas and allow for goal oriented (more flexible) inclusionary policy.**
3. **Develop a program that commits the city to adopting a new revenue source for affordable homes. Prioritize public funds for very low- and extremely low-income homes.**
4. **Expand the commercial overlay zone to land owned by churches and nonprofits to increase access to high opportunity areas of the city.**
5. **Examine the city's permitting process post entitlement and compile a list of information needed to approve or deny a permit, develop timelines and deadlines for reviewing applications, and accept applications electronically.**
6. **Comit to comply with state density bonus law, as understood by the state legislature.**
7. **Exempt affordable housing providers from all or most impact fees.**
8. **Develop new policies and programs to prevent homelessness, particularly anti-displacement renter protections.**

This is the first of two letters that the Housing Leadership Council will send regarding the city of San Mateo's draft housing element. With our first letter, we want to outline our perspective on the draft housing element for consideration by the planning commission. In our second letter, we will elaborate on our comments here, elaborating on the Affirmatively Furthering Fair Housing narrative and the city's outreach strategies in particular.

The rest of this letter will be split into sections corresponding to the appendices of the draft housing elements appendices A-D and F. We expect that the primary housing element document will be updated as necessary to reflect changes to these appendices. We will also comment upon the city's goals, policies, and implementation plan, as described in the primary housing element document.<sup>1</sup>

Thank you for your consideration,



Evelyn Stivers  
*Executive Director*  
*Housing Leadership Council of San Mateo County*

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<sup>1</sup> [Housing Element](#), p. 59-75

## Outreach and Community Engagement

### Primary recommendations

- Meet with a wider range of service providers for special needs populations and implement their recommendations into the needs analysis and goals and actions implementation plan.
- Implement actions that reflect the feedback from all stakeholders, including developers.

The city hosted an excellent meeting seeking input on the public participation process, during which advocates provided specific steps the city could take to improve public participation. Unfortunately, the ideas generated from the meeting were not consistently acted upon. During its outreach process, the city neglected to meet with specific service providers that we believe would help inform the needs assessment and provide a better basis for the policies and programs. While a number of service providers were contacted by the city, we have been informed by several of our partners that many did not have a chance to discuss details about the housing needs of the populations they serve with city staff.

In some cases, the feedback of some stakeholders seems to have been ignored almost entirely. San Mateo held several roundtables with various stakeholders, but some feedback, especially from the development community, has not been implemented. HLC continues to hear about long delays in permit processing times after a development is approved, yet there is no program designed to solve that problem. Others have expressed concerns about the city's zoning regulations, including Measure Y, and the city's unique interpretation of state Density Bonus Law, which only receive cursory recognition in the draft element. HLC believes the city should incorporate feedback from all stakeholders into the housing element in order to most accurately represent the housing needs of the community and identify how to meet those needs.

## Needs Analysis

### Primary recommendations

- Recognize gaps in the city's jobs-housing balance.
- Add jobs-housing fit metric and consider its implications.
- Add comprehensive data on displacement risk, emphasizing need in neighborhoods that are "Stable/Advanced Exclusive," "Becoming Exclusive," or "At Risk Of Becoming Exclusive."

The needs analysis in a housing element must fully consider the housing needs within a community. San Mateo's needs analysis considers many of the community's most pressing needs, but it does not acknowledge several significant issues.

For example, the draft needs analysis accurately presents data on the jobs-housing ratio, noting that the ratio rose from 1.17 in 2002 to 1.45 in 2018.<sup>2</sup> However, the draft does not comment upon the effects of a rising jobs-housing ratio. As the number of jobs in San Mateo has grown

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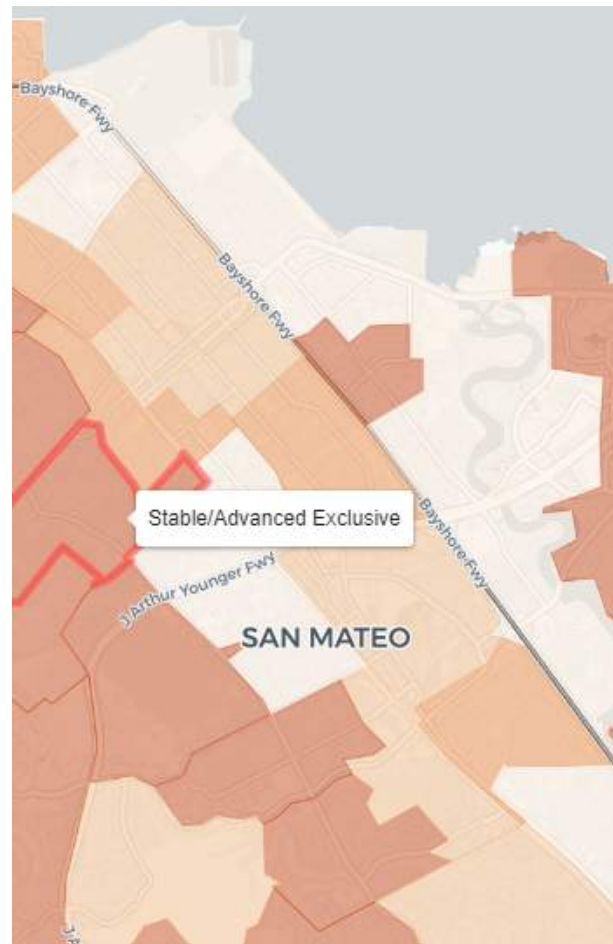
<sup>2</sup> [Appendix A: Needs Analysis](#), page 17



relative to the number of homes, the cost of housing naturally rises, in turn pricing out more and more of the low-wage workers generated by the job growth. The city could easily correct shortfalls like this by explicitly recognizing the need for increased housing production generated by its jobs-housing imbalance.

Other data not strictly required by state law could inform the city's needs analysis, such as the jobs-housing fit. [Jobs-housing fit](#) measures the proportion between the number of low-wage workers within a city and the number of homes that are affordable to those workers. According to the draft needs analysis, "Between 2015 and 2021, 2,133 housing units were issued permits in San Mateo. 83.6% of permits issued in San Mateo were for above moderate-income housing, 6.2% were for moderate-income housing, and 10.1% were for low- or very low-income housing as shown below."<sup>3</sup> Yet many of the jobs created in San Mateo are low-wage positions, meaning there are moderate- and low-income workers in San Mateo whose housing needs go unmet.

The draft needs analysis makes similar omissions when considering displacement risk. At one point, the draft claims the University of California, Berkeley's [Urban Displacement Project](#) "find that in San Mateo, 0.0% of households live in neighborhoods that are susceptible to or



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<sup>3</sup> Id p. 34

experiencing displacement and 0.0% live in neighborhoods at risk of or undergoing gentrification.”<sup>4</sup> This claim is technically true, but it doesn’t represent the full story of gentrification and displacement in the City of San Mateo. A large portion of the city—primarily the North Central and downtown neighborhoods—is “At Risk of Becoming Exclusive” or “Becoming Exclusive.” The Western portion of the city, the area with the highest-opportunity neighborhoods, is “Stable/Advanced Exclusive.”

HLC believes the omission of these needs was made in good faith, as they are explicitly recognized in the needs analysis at other points: “some neighborhoods in the Bay Area do not have housing appropriate for a broad section of the workforce. UC Berkeley estimates that 63.4% of households in San Mateo live in neighborhoods where low-income households are likely to be excluded due to prohibitive housing costs.”<sup>5</sup> By recognizing these needs consistently throughout its needs analysis, the City of San Mateo will set the stage for a strong affirmatively furthering fair housing narrative and ambitious goals and actions.

## Constraints Analysis

### Primary recommendations

- Describe zoning regulations, including Measure Y, as a constraint on affordable housing development.
- Consider how the city’s unique interpretation of state density bonus law constraints housing development.
- Acknowledge fees and processing times as constraints on housing development of all kinds, especially missing middle multi-family housing.
- Name community opposition to new development as a constraint and provide realistic and impactful policies that could help future councils overcome community opposition.

Housing element law requires cities to identify governmental and nongovernmental constraints to housing development. Though we think all parts of the housing element are equally important, HLC will focus on governmental constraints in this section. San Mateo already recognizes several significant governmental constraints in its constraints analysis, but it should expand its analysis of some constraints and consider others that are not currently included in the analysis.

Though the draft constraints analysis comprehensively describes the city’s zoning code, it does not identify any specific ways that the zoning code acts as a constraint. To the contrary, the city claims “A substantial amount of land is zoned for multi-family residential uses, mixed-use residential and commercial development.”<sup>6</sup> Technically, more than 40% of San Mateo’s developable land allows multi-family housing development.

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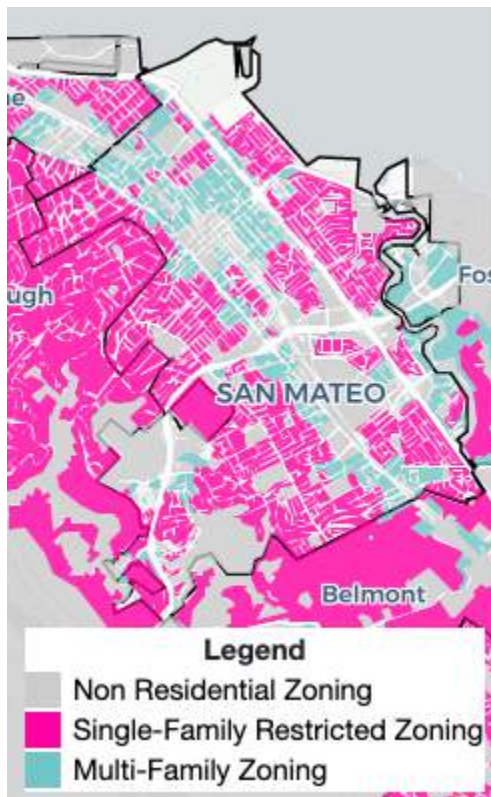
<sup>4</sup> Id p. 30

<sup>5</sup> Id p. 31, “More information about this gentrification and displacement data is available at the Urban Displacement Project’s webpage: <https://www.urbandisplacement.org/>. Specifically, one can learn more about the different gentrification/displacement typologies shown in Figure 18 at [https://www.urbandisplacement.org/sites/default/files/typology\\_sheet\\_2018\\_0.png](https://www.urbandisplacement.org/sites/default/files/typology_sheet_2018_0.png).

<sup>6</sup> [Appendix B - Constraints Analysis](#), p. 5

Other information regarding the city's zoning tells a somewhat different story. For example, the city's highest opportunity areas have no affordable housing; they are all zoned exclusively for single-family homes. The city's draft Affirmatively Furthering Fair Housing Narrative notes "The western portions of the City of San Mateo, adjacent to the City of Hillsborough and Belmont, score more than 0.75 for economic opportunity, whereas tracts in the central City score between 0.5 and 0.75."<sup>7</sup> **Those areas of San Mateo with the most economic opportunity have the least economic access—and city zoning laws exacerbate these conditions.**

Maps from UC Berkeley's [Othering & Belonging Institute](#) illustrate zoning in San Mateo.



Furthermore, the draft constraints analysis does not acknowledge the constraint Measure Y places on housing development. Measure Y is a ballot measure passed in 2020 that sets an explicit limit on density and height for new buildings for the next ten years, encompassing the entirety of the 6th RHNA cycle.<sup>8</sup> Under Measure Y, the maximum density allowed throughout the city is 50 dwelling units per acre built at five stories and 55 foot height—a clear constraint on housing.

Thus far the city has used dubious interpretations of the density bonus to enforce Measure Y's limitations in some circumstances. To HLC's knowledge, the city of San Mateo has only granted one development proposal concessions under state Density Bonus Law to go above the height and density limits specified in Measure Y. Additionally, we have heard from a number of our development partners that the city does not allow developers to choose the concessions that they would like, but are instead advised to choose from a list of concessions that are much less valuable. Specifically,

parking requirements have been mentioned a number of times as being "off the table." HLC believes the city should commit to implement state bonus law as passed by the state legislature.

Other factors create constraints that go largely unrecognized in the draft constraints analysis. The most significant of these constraints is permit processing times, which were brought to the city's attention in multiple developer roundtables, including one hosted by the 21 Elements housing element consortium's Equity Advisory Group. The draft claims that the city has "an efficient and comprehensive approach toward development review and permitting," but

<sup>7</sup> [Appendix D - Affirmatively Furthering Fair Housing Narrative](#), p. 27

<sup>8</sup> [Measure Y Resolution and Text](#)

processing times of permits for structures with more than six units are nine months or more according to the city’s own calculatoins.

Fees also pose a significant constraint to housing element in San Mateo; in fact, San Mateo’s fees rank among the top three highest for all categories of development in the county.

Fees in the City of San Mateo<sup>9</sup>

	Single Family	Small Multi-Family	Large Multi-Family
<b>Total Fees/Unit</b>	\$99,003	\$133,658	\$44,907
<b>Fees as a Proportion of Total Development Costs</b>	4%	14%	6%

“Fees” includes entitlement, building permits, and impact fees.

Compared to the rest of San Mateo County, fees also take up an unusually large proportion of the total costs of development in the City of San Mateo. The draft constraints analysis claims that because the city “updates its fees through a public process that includes ensuring appropriate nexus, the City’s fees are not generally viewed as a constraint.”<sup>10</sup> Such claims do not reflect the plain reality that San Mateo charges higher fees than the majority of its peers, and the city’s fees impose significant costs on developers—especially for small multi-family housing. The city’s massive fees for small multi-family projects impose obvious burdens on developers and should be recognized by the constraints analysis.

Lastly, community opposition to new housing in San Mateo remains strong. Some of the neighborhood associations seem particularly focused on blocking housing development, or at least reducing the number of new homes built. Encouraging ministerial review for sites that meet prespecified criteria will facilitate housing development by increasing predictability for developers and freeing up planning staff time.

## Site Inventory Analysis

### Primary Recommendations

- Remove sites from the site inventory that have negligible probability of development over the next RHNA cycle.
- Use realistic site capacity and projected affordability breakdown for new housing based on past data. The city will need to change policies to create significantly more

<sup>9</sup> As calculated by the consultants for 21 Elements, a consortium of the County of San Mateo and all of its cities that have partnered to share knowledge and collaborate on parts of their housing elements. The 21 Elements group is working with the Baird + Driskell consulting team, which produced a report on fees as a percentage of development costs. [Their report can be found here.](#)

<sup>10</sup> [Appendix B - Constraints Analysis](#), p. 16

Cities demonstrate capacity to meet their RHNA with the site inventory analysis. In its current draft site inventory analysis, San Mateo has attempted to demonstrate capacity for at least 150% of the city's RHNA allocation, an ambitious and admirable goal.

However, the current draft site inventory does not comply with state statute or demonstrate adequate capacity for San Mateo's affordable housing allocation. Several significant sites in the draft inventory have a negligible probability of development. At times, the city uses questionable methodology for calculating realistic site capacity, leading to an overestimation of the number of units the city can expect from each site under existing policy. HLC worries that, based on past production data, San Mateo is not adequately planning for the affordable housing necessary to meet the needs identified (and those not yet identified!) in its needs analysis. In order to demonstrate our concerns with the site inventory, HLC will consider a two large sites that cannot be included in the site inventory analysis due to various factors:

*Hillsdale Mall:* The owners of this property have written to the city expressing that they will not develop the mall unless height and density limits rise, which is impossible under Measure Y. Furthermore, the Hillsdale Mall owners recently invested approximately \$225 million to renovate 12 acres of the mall; no housing will be built there within the next ten years.

*Bridgepoint Shopping Center:* The owners of the Bridgepoint Shopping Center have expressed interest to develop, but their tenants have expressed active opposition. One tenant, Hobby Lobby, just signed an 8-year lease, as have others. Considering the position of current tenants, San Mateo cannot reasonably expect housing to be developed on the current Bridgepoint Shopping Center lots until after the end of the 6th RHNA cycle.

These significant sites represent only a portion of the locations the City of San Mateo misidentified as opportunity sites. Other potential miscalculations further chip away at the city's site inventory. For example, the city is assuming a higher rate of accessory dwelling units than can be justified under formulas required by HCD. Based on calculations by Adam Buchbinder and the Campaign for Fair Housing Elements, the city should assume 344 units instead of 480.<sup>11</sup>

The city concentrates the vast majority of its opportunity sites in just a few areas, all of them pre-existing multi-family neighborhoods.<sup>12</sup> Though opportunity sites are not primarily located in ethnically concentrated areas of poverty, they are also outside of San Mateo's highest opportunity neighborhoods. San Mateo's wealthiest neighborhoods are left out of consideration for affordable housing entirely.

At its core, the draft opportunity site inventory relies on unsupported assumptions. The draft claims that, without any change in current zoning, San Mateo will produce more than 7,000 units of housing—a greater than 350% increase in homebuilding rates from the prior RHNA cycle. This seems to be yet another inconsistency; the city's draft needs analysis recognizes that 1,887

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<sup>11</sup> April 20 public comment letter from Adam Buchbinder to the City of San Mateo

<sup>12</sup> [Appendix C - Housing Resources and Site Inventory](#), p. 15

homes were built in San Mateo between 2010 and 2020.<sup>13</sup> **Even with recent changes to state law, San Mateo cannot possibly justify assuming housing production will more than triple without making significant changes to local policies.**

Other inconsistencies arise between the draft housing needs analysis and the site inventory. The needs analysis notes that “Between 2015 and 2021, ... 83.6% of permits issued in San Mateo were for above moderate-income housing, 6.2% were for moderate-income housing, and 10.1% were for low- or very low-income housing.”<sup>14</sup> Yet the draft site inventory assumes that more than 50% of newly built units will be available to low- and moderate-income households. HLC recommends the city change policies so as to make new opportunity sites available that will be feasible for new 100% affordable housing projects, identify new funding to support affordable homes, and reduce fees charged for affordable housing developments.

## **Affirmatively Furthering Fair Housing**

### **Primary recommendation**

- Identify new opportunity sites for affordable housing in San Mateo’s highest-opportunity neighborhoods. Commit to policy changes to create new opportunity sites as is necessary.
- Use methodologies to evaluate fair housing distribution that reflect economic opportunity and neighborhood need, such as TCAC opportunity areas and mapping data from HCD and the Urban Displacement Project.
- Make specific commitments with discrete deadlines to implement all AFFH-associated policies.

Changes to state law in 2018 implemented new Affirmatively Furthering Fair Housing rules, a new mandate for cities to foster integrated communities and reverse historic patterns of segregation through concrete policy change. Affirmatively Furthering Fair Housing (AFFH) guidelines are supposed to be woven throughout the housing element, influencing every component from the recognition of a city’s needs to the planning of concrete actions a city will take to address those needs. This section is a preliminary review of San Mateo’s draft AFFH narrative, which will be followed up in greater detail by a letter on May 6, 2022, the public comment deadline for San Mateo’s draft housing element.

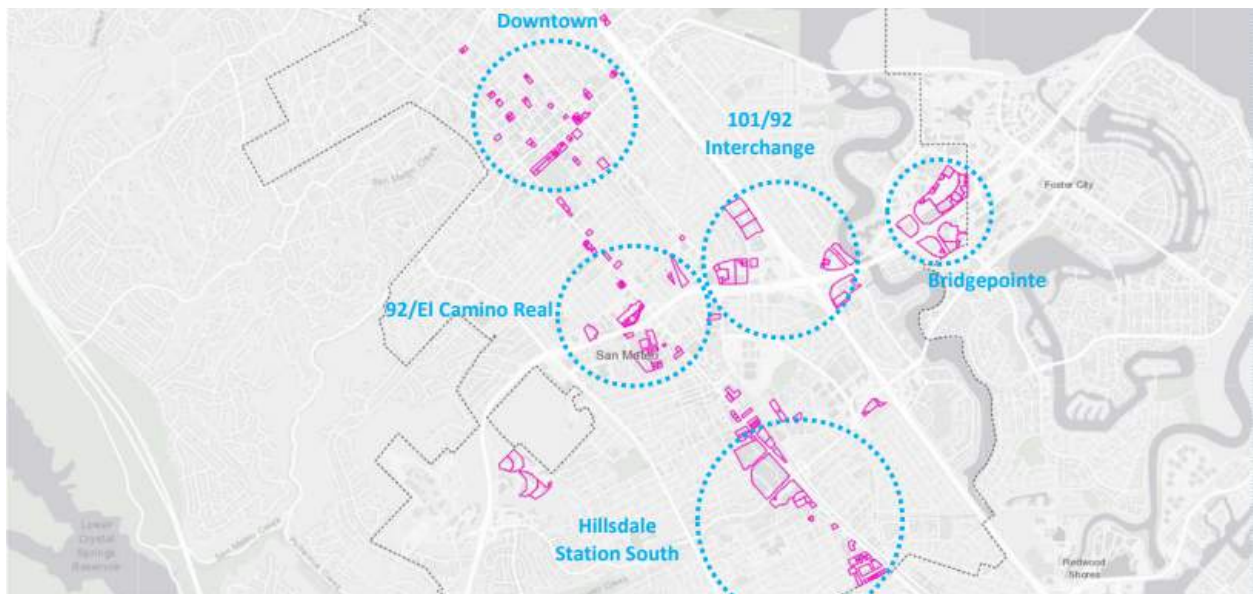
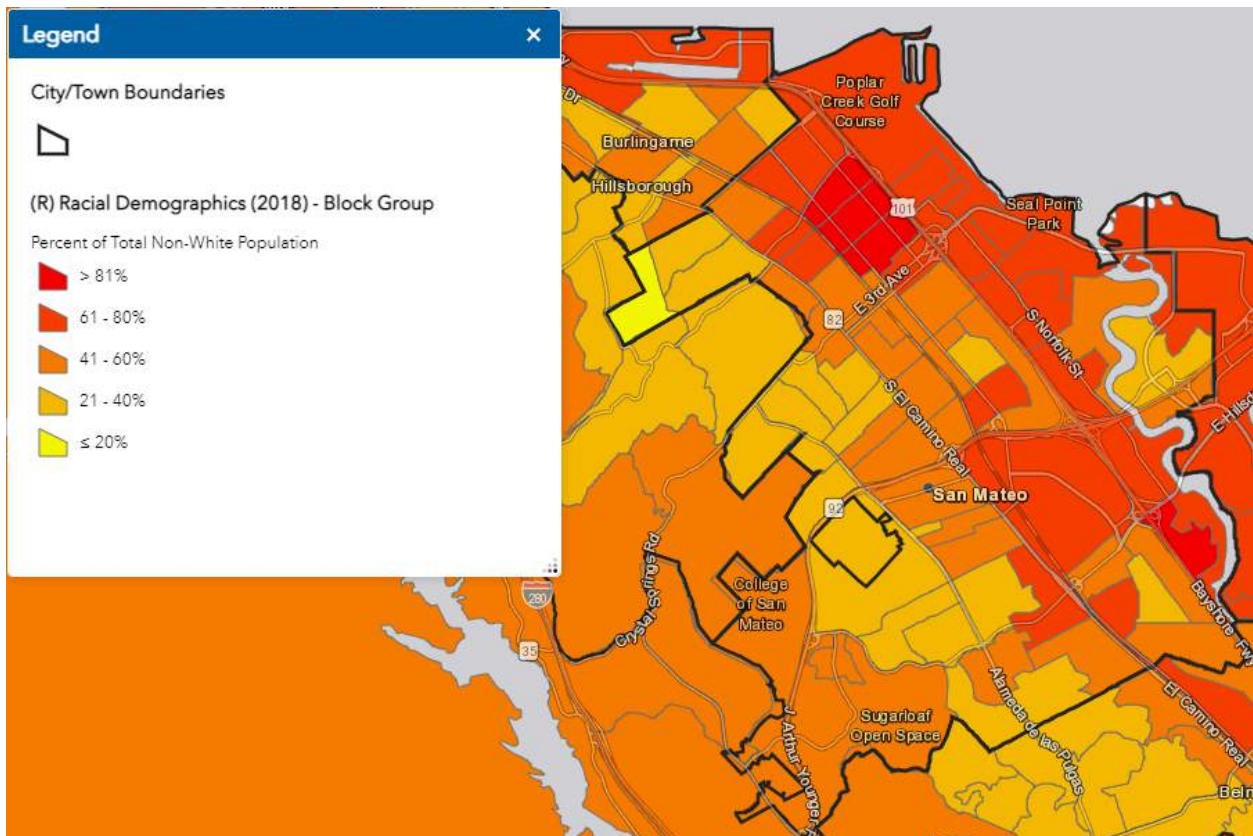
San Mateo’s draft Affirmatively Furthering Fair Housing narrative outlines many of the core components of AFFH, but it does not consistently identify barriers to AFFH or make concrete commitments to remove them. For example, the AFFH narrative recognizes “Two of the tracts [with Racially or Ethnically Concentrated Areas of Poverty and Affluence (R/ECAP)] are along Highway 101 near the waterfront—the North Central and Shoreview neighborhoods. The other edge R/ECAP is located along the border of the City of Belmont near the San Mateo Medical Center.”<sup>15</sup>

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<sup>13</sup> [Appendix A - Needs Analysis](#), p. 32

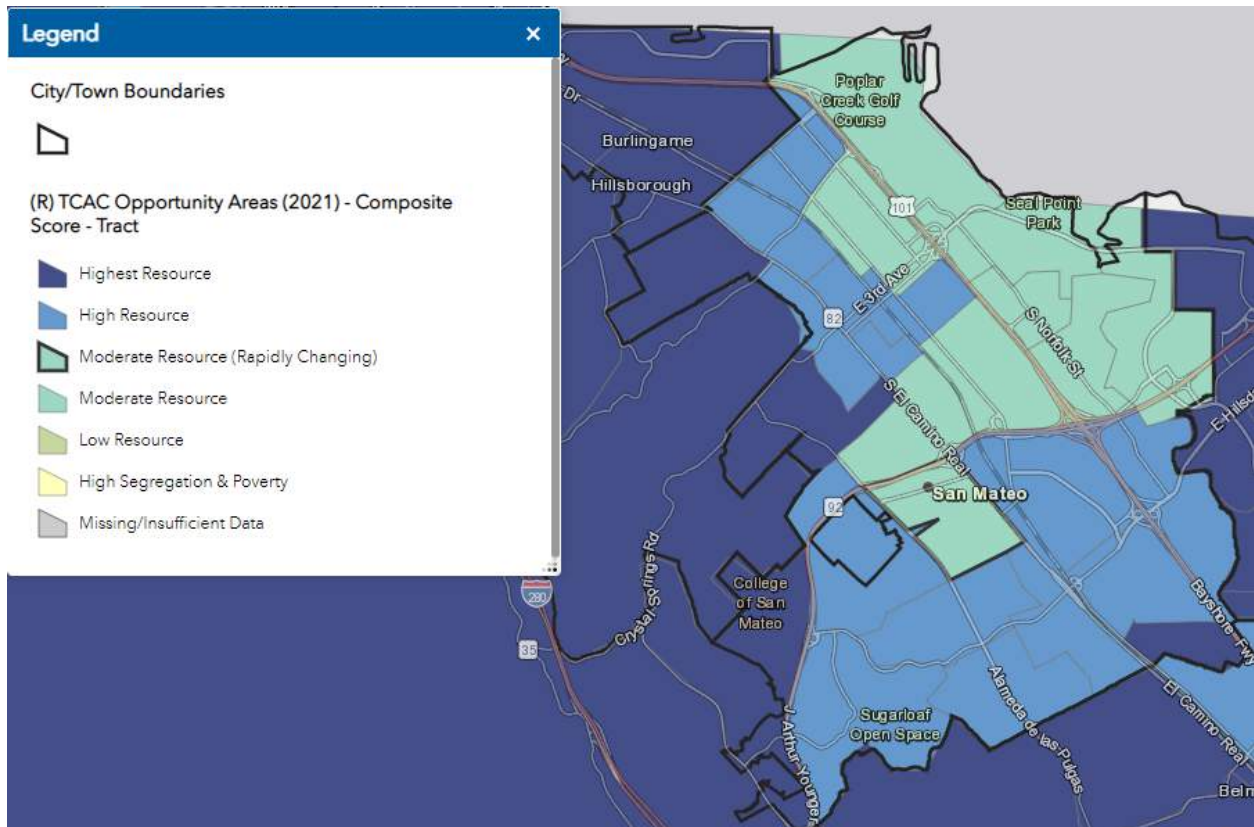
<sup>14</sup> [Appendix A - Needs Analysis](#), p. 34

<sup>15</sup> [Appendix D - Affirmatively Furthering Fair Housing Narrative](#), H-D-23



Like other portions of the draft housing element, this section selectively shares information; the draft accurately describes the city’s lack of Ethnically Concentrated Areas of Poverty, but it ignores the presence of areas of affluence. Some areas of the city are “Stable/Advanced Exclusive”; others are “Becoming Exclusive” or “At Risk Of Becoming Exclusive” (see the Needs analysis portion of this letter). Mapping data from HCD’s [AFFH Data Viewer](#) tool illustrates that

the highest-opportunity areas of San Mateo, the Western portions of the city, are also the least diverse. The city's own opportunity site map illustrates that none of the areas planned for affordable housing are located within the highest opportunity neighborhoods.



To justify AFFH in its opportunity site inventory, the draft AFFH narrative paints a misleading picture by using an arbitrary metric to judge the fairness of its housing allocation: the average share of Low-Moderate Income (LMI) households within a neighborhood. According to the draft AFFH narrative, 41% of households in San Mateo are LMI.<sup>16</sup> The city claims that it put approximately half the units in areas with less than 41% LMI households and another half in areas with more than 41% LMI households.

This is a fancy statistical trick. The methodology covers up the fact that the draft site inventory as currently written would entrench economic segregation by planning for no affordable housing—or multi-family housing of any kind—in the city's highest opportunity areas. Throughout this portion of the AFFH analysis, the city consistently uses the same meaningless metric to justify its decisions. No opportunity sites are located within the city's high-opportunity areas. On the other hand, significant housing is planned for some of the city's lowest-income neighborhoods. The draft site inventory does not meet the fundamental goal of AFFH policies, to reverse historic patterns of segregation and foster integrated communities.

<sup>16</sup> Id p. 37



Lastly, HLC strongly supports several of the actions described in the Fair Housing Action Plan, but we worry that some of those actions seem inconsistent with other parts of the city’s housing element. For example, for Action 2.1, the city claims it will “Add more city supported housing with affordability restrictions in moderate and high resource areas.” However, not one of the city’s opportunity sites are located in the city’s highest-resources areas, as identified in the Needs Analysis.<sup>17</sup> Commitments in the housing element only matter if they are made consistently. HLC recommends that the city commit to implementing a program that makes it easier for churches and nonprofits to build affordable homes on their land no matter the current zoning, most likely with a zoning overlay.

## Goals and Actions Implementation Plan

With their goals and actions, cities make concrete commitments to change their policies in ways that will promote housing production. More than any other portion of the housing element, this section represents a contract between the city, the state, and the people of California. By identifying specific ways they can encourage affordable housing production, cities demonstrate that they prioritize meeting the housing needs of all residents, present and future.

Many of the goals and actions laid out in the current implementation plan have been essential for San Mateo’s successes in past housing elements. We appreciate the city’s commitment to keeping boomerang funds, providing rental assistance, and providing an overlay on commercial properties. While we strongly support the current programs, there are specific steps the city could take to better meet the housing needs of its populatoin. We have followed the city’s format and condensed our feedback into the following table:

Policy	Proposed Measure(s)	Suggested Improvements
1.2	Preserve existing funding for affordable homes	Study the viability of a new dedicated funding source for affordable homes. Work with community members and partners to identify and pass a new dedicated funding source by June 2024.
1.3	Inclusionary housing alternative compliance	Measure Y prevents the implementation of a goal oriented inclusionary policy. The city should develop an alternative ballot measure to amend Measure Y to allow for transit oriented development and partnerships for better affordable housing developments.
1.6	Streamline application Review	Significant barriers exist after developments have been approved. Develop a checklist and commit to review applications within a certain amount of time. Allow applications for permits to be submitted electronically and make it easy for applicants to

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<sup>17</sup> Id p. 27

		understand where they are in the permitting process.
1.12	Encourage Residential Uses within Housing Overlay	Include public land and land owned by churches and nonprofits in the overlay.
1.18	Fee Schedule Review	Substantially reduce fees for affordable housing developments as part of the fee schedule update
2.2	Support Retention of Existing Lower Income Homes	Adopt a first right of refusal policy to allow affordable housing providers the opportunity to purchase BMR homes at risk of expiring.
3.3	Evaluate Housing Revenue Sources	Provide a clearer timeline for bringing proposals forward.
3.4	Expand Tenant Protections	Provide a clearer timeline for bringing the proposal forward.

The proceeding table outlines several of the most significant improvements the City of San Mateo could make to its goals and actions. We urge the city to contact more service providers for special needs populations in the community to learn about the policies they think would be most valuable.



May 6, 2022

City Council  
City of San Mateo  
330 W 20th Ave.  
San Mateo, CA 94403

RE: Comments on the Draft Housing Element

Thank you to the City of San Mateo for sharing a draft of your housing element with the public. Since 2001, the Housing Leadership Council of San Mateo County (HLC) has worked with communities and their leaders to create and preserve quality affordable homes. Over the past several months, city staff, elected and appointed officials, and the entire San Mateo community have worked hard to create a plan for new housing in the 6th RHNA cycle. We appreciate the opportunity to provide feedback on your current draft housing element.

In this letter, the Housing Leadership Council will provide feedback for the entirety of the City of San Mateo's draft housing element. HLC considers housing elements to be holistic documents, so we weight each component of the element with equal importance. Community outreach informs the needs, constraints, and affirmatively furthering fair housing analyses; these analyses inform the site inventory and the goals and actions. We will consider each of these sections independently, as well as how they interact with each other.

Housing elements are legal documents, contracts with the state to implement policies that will promote housing production; and they are also visionary documents, a synthesis of the community's hopes and dreams for the future. At times, the Housing Leadership Council will cite state statute to justify our recommendations to the city, but this letter is primarily a vision document. We are committed to creating inclusive communities, places where housing is available at all levels of affordability to meet the needs of a diverse range of residents, present and future.

HLC approaches housing elements as an opportunity to plan for diversity, to plan for sustainability, to plan for stronger community. We are excited to partner with the City of San Mateo on realizing this vision in the city's housing element. Some of the Housing Leadership Council's priority policies include:

- 1. Maintain the quantified objective for extremely low-income housing set out by staff in the current draft and implement new policies to support that objective.**
- 2. Develop a city-sponsored ballot measure to allow greater height and density than**

**Measure Y in transit rich areas and allow for goal-oriented (more flexible) inclusionary policy.**

- 3. Commit to adopting a new revenue source for affordable homes. Prioritize public funds for very low- and extremely low-income homes.**
- 4. Expand the commercial overlay zone to include land owned by faith communities and nonprofits to increase access to high opportunity areas of the city. Allow this development by right.**
- 5. Examine the city's permitting process post entitlement and compile a list of information needed to approve or deny a permit, develop timelines and deadlines for reviewing applications, and accept applications electronically.**
- 6. Comply with state density bonus law, as understood by the state legislature.**
- 7. Exempt affordable housing providers from all or most impact fees.**
- 8. Develop new policies and programs to prevent homelessness, particularly anti-displacement renter protections.**

This is the second of two letters that the Housing Leadership Council has sent regarding the city of San Mateo's draft housing element. With our [first letter](#), we outlined our perspective on the draft element, with particular emphasis on the needs and constraints analyses. In this letter, we elaborate on some portions of the draft, particularly the Site Inventory Analysis, the Affirmatively Furthering Fair Housing Narrative, and the Goals and Actions.

The rest of this letter will explore HLC's comments on the draft Site Inventory Analysis, Affirmatively Furthering Fair Housing Narrative, and Goals and Actions plan.

Thank you for your consideration,



Evelyn Stivers  
*Executive Director*  
*Housing Leadership Council of San Mateo County*

## Site Inventory Analysis

### Primary Recommendations

- Remove sites from the site inventory that have negligible probability of development over the next RHNA cycle.
- Use realistic site capacity and projected affordability breakdown for new housing based on past data. The city will likely need to change policies to create significantly more capacity than is demonstrated by current drafts.

Cities demonstrate capacity to meet their RHNA with the site inventory analysis. In its current draft site inventory analysis, San Mateo has attempted to demonstrate capacity for at least 150% of the city's RHNA allocation, an ambitious and admirable goal.

However, the current draft site inventory could be improved to more effectively demonstrate adequate capacity for San Mateo's affordable housing allocation. Several significant sites in the draft inventory have a low probability of development. At times, the city uses questionable methodology for calculating realistic site capacity, leading to an overestimation of the number of units the city can expect from each site under existing policy. HLC worries that, based on past production data, San Mateo is not adequately planning for the affordable housing necessary to meet the needs identified (and those not yet identified!) in its needs analysis. In order to demonstrate our concerns with the site inventory, HLC will consider two large sites that we would describe somewhat differently than the city's current draft site inventory:

*Hillsdale Mall:* The owners of this property have written to the city expressing that they will not develop the mall unless height and density limits rise, which is impossible under Measure Y. Unless the city commits to a ballot measure or another fix for the restriction, the site must be removed. Furthermore, the Hillsdale Mall owners recently invested approximately \$225 million to renovate 12 acres of the mall. Even with an exemption to Measure Y, only the site between Hillsdale and 31st should be considered as an opportunity site.

*Bridgepoint Shopping Center:* One tenant of the Bridgepoint Shopping Center (site APNs 035-466-060 through 035-466-110), Hobby Lobby, just signed an 8-year lease, as have others. HLC is optimistic that affordable housing might be possible on parking lots on the Bridgepoint property, but we do not expect the entire shopping center to be redeveloped. Therefore, we recommend that the city use a significantly discounted realistic site capacity calculation for the Bridgepoint property that is proportional to the total amount of parking lot space relative to built commercial space on the lot—say, 25%. The city currently projects 1,132 units will be built across the Bridgepoint Shopping Center lots; realistically, the city should expect fewer than 300 units from these sites. Even that rate of development is unlikely without other policy changes, as described in the “Goals and Actions” section of this letter.

These significant sites represent only a portion of the locations the City of San Mateo misidentifies as opportunity sites. Recent changes to state law have significantly increased the burden of proof that cities are required to present for non-vacant opportunity sites.

Requirements are particularly stringent if cities use non-vacant sites for more than 50% of their total sites—as San Mateo’s current inventory does.<sup>1</sup> Cities in this circumstance must provide “substantial evidence” non-vacant sites will be developed; HCD is specific that “use of the same findings for the [sic] multiple sites would not be appropriate.” In order to minimize risk of rejection for its site inventory analysis, San Mateo should present site-specific evidence supporting its claims that some large non-vacant sites are likely to be developed. Absent substantive evidence for a high likelihood of development on current draft opportunity sites, San Mateo could change local policies to make new sites feasible as opportunity sites.

Other potential miscalculations risk further chipping away at the city’s site inventory. For example, the city assumes a higher rate of accessory dwelling units than can be justified under formulas required by HCD. Based on calculations by the Campaign for Fair Housing Elements, the city should assume 344 units instead of 480.<sup>2</sup> The city concentrates the vast majority of its opportunity sites in just a few areas, all of them pre-existing multi-family neighborhoods.<sup>3</sup> Though opportunity sites are not primarily located in ethnically concentrated areas of poverty, they are also outside of San Mateo’s highest opportunity neighborhoods. San Mateo’s wealthiest neighborhoods are left out of consideration for affordable housing entirely.

At its core, the draft opportunity site inventory relies on unsupported assumptions. The draft claims that San Mateo will produce more than 7,000 units of housing without any change to current zoning—a greater than 350% increase in homebuilding rates. Yet the city’s draft needs analysis recognizes that 1,887 homes were built in San Mateo between 2010 and 2020.<sup>4</sup> Even with recent changes to state law, San Mateo cannot justify assuming housing production will more than triple without making significant changes to local policies.

Other inconsistencies arise between the draft housing needs analysis and the site inventory. The needs analysis notes that “Between 2015 and 2021, ... 83.6% of permits issued in San Mateo were for above moderate-income housing, 6.2% were for moderate-income housing, and 10.1% were for low- or very low-income housing.”<sup>5</sup> Yet the draft site inventory assumes that more than 50% of newly built units will be available to low- and moderate-income households. HLC recommends the city change policies so as to make new opportunity sites available as recommended in our Goals and Action section.

## **Affirmatively Furthering Fair Housing**

### **Primary recommendations**

- Identify new opportunity sites for affordable housing in San Mateo’s highest-opportunity neighborhoods. Commit to policy changes to create new opportunity sites as is necessary.

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<sup>1</sup> [Housing Element Sites Inventory Guidebook](#), p. 27

<sup>2</sup> April 20 public comment letter from Adam Buchbinder to the City of San Mateo

<sup>3</sup> [Appendix C - Housing Resources and Site Inventory](#), p. 15

<sup>4</sup> [Appendix A - Needs Analysis](#), p. 32

<sup>5</sup> [Appendix A - Needs Analysis](#), p. 34

- Use methodologies to evaluate fair housing distribution that reflect economic opportunity and neighborhood need, such as TCAC opportunity areas and mapping data from HCD and the Urban Displacement Project.
- Implement recommended changes to the goals and actions as described in the “Goals and Actions Implementation Plan” section of this letter.

Changes to state law in 2018 implemented new Affirmatively Furthering Fair Housing rules, a new mandate for cities to foster integrated communities and reverse historic patterns of segregation through concrete policy change. Affirmatively Furthering Fair Housing (AFFH) guidelines are supposed to be woven throughout the housing element, influencing every component from the recognition of a city’s needs to the planning of concrete actions a city will take to address those needs. This section is a preliminary review of San Mateo’s draft AFFH narrative, which will be followed up in greater detail by a letter on May 6, 2022, the public comment deadline for San Mateo’s draft housing element.

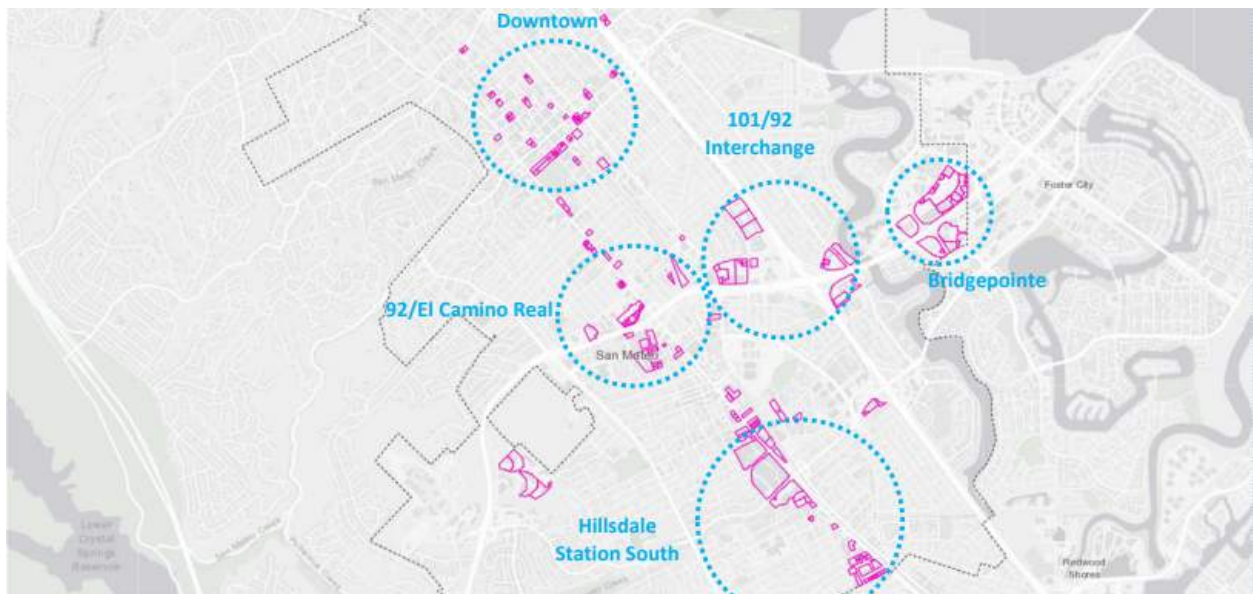
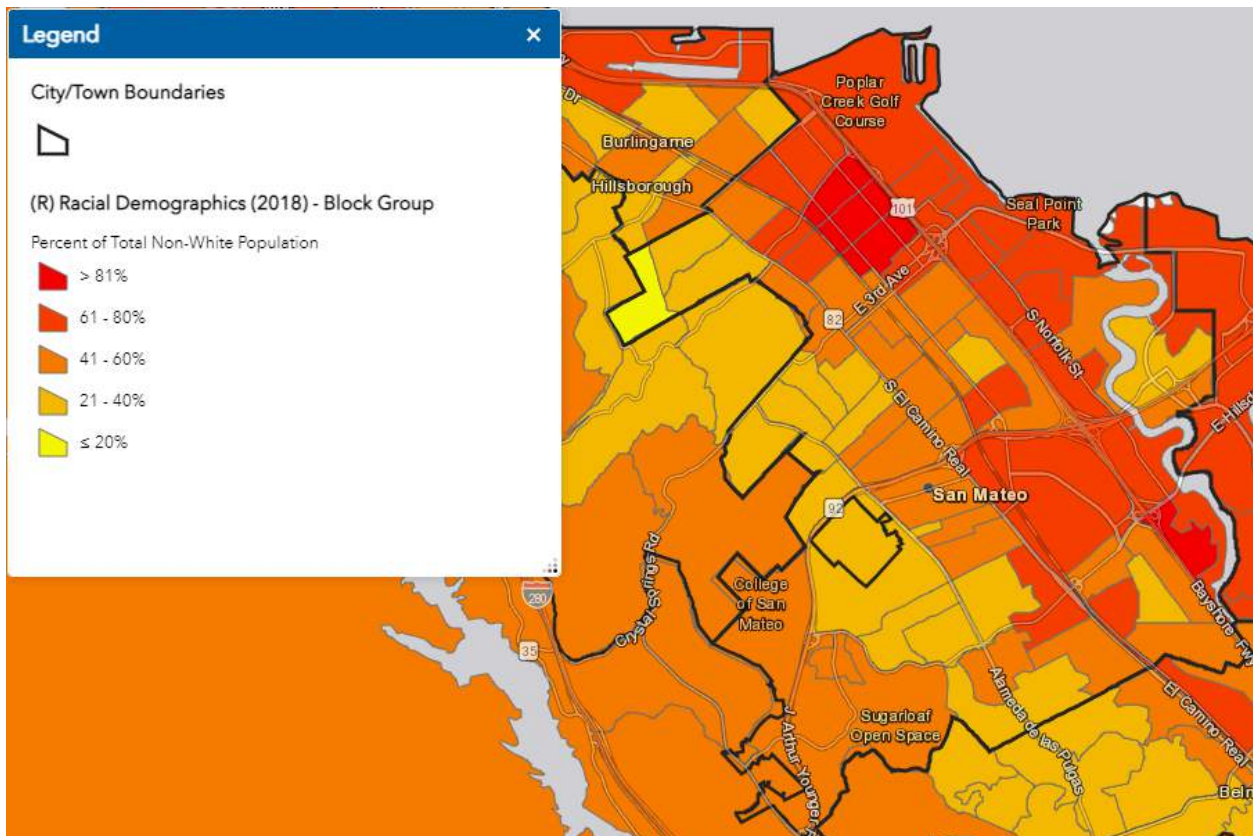
San Mateo’s draft Affirmatively Furthering Fair Housing narrative outlines many of the core components of AFFH, but it does not consistently identify barriers to AFFH or make concrete commitments to remove them. For example, the current draft element notes that there were only 57 fair housing complaints to HUD between 2017-2021, an important admission. However, this analysis does not consider complaints made to state agencies, county agencies, or local watchdogs. Project Sentinel, a state-certified program to promote transparency regarding fair housing, reports annual data regarding fair housing complaints. San Mateo would improve the quality of its estimates by considering a wider range of data regarding local fair housing issues.

Other potential areas of concern go underexplored in the current draft. At the bottom of page 20, the city recognizes that the rate of segregation in San Mateo “did not significantly change” from 2010 to 2015. The draft makes no attempt to explain this lack of progress. When considering segregation between San Mateo and surrounding cities, the draft accurately notes that a small subset of tracts in San Mateo have a disproportionately high number of residents with mental or physical disabilities. The draft posits that disabled residents live in these tracts primarily because of proximity to transit and amenities. To the contrary, service providers that work with disabled communities have indicated the concentration of disabled residents in some tracts is a product of affordability issues.

Furthermore, the AFFH narrative recognizes “Two of the tracts [with Racially or Ethnically Concentrated Areas of Poverty and Affluence (R/ECAP)] are along Highway 101 near the waterfront—the North Central and Shoreview neighborhoods. The other edge R/ECAP is located along the border of the City of Belmont near the San Mateo Medical Center.”<sup>6</sup>

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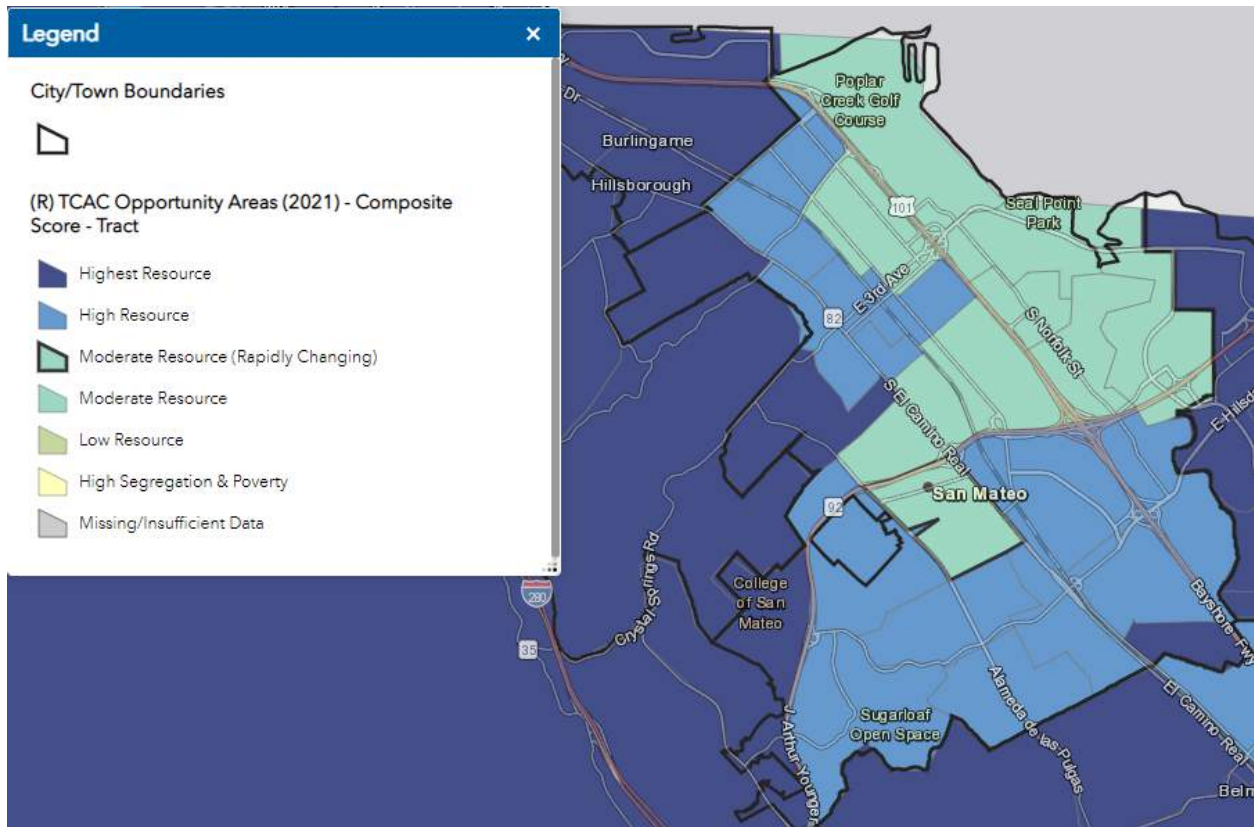
<sup>6</sup> [Appendix D - Affirmatively Furthering Fair Housing Narrative](#), H-D-23



Like other portions of the draft housing element, this section selectively shares information; the draft accurately describes the city’s lack of Ethnically Concentrated Areas of Poverty, but it ignores the presence of areas of affluence. Some areas of the city are “Stable/Advanced Exclusive”; others are “Becoming Exclusive” or “At Risk Of Becoming Exclusive” (see the Needs analysis portion of this letter). Mapping data from HCD’s [AFFH Data Viewer](#) tool illustrates that



the highest-opportunity areas of San Mateo, the Western portions of the city, are also the least diverse. The city's own opportunity site map illustrates that none of the areas planned for affordable housing are located within the highest opportunity neighborhoods.



To justify AFFH in its opportunity site inventory, the draft AFFH narrative uses a unique metric to judge the fairness of its housing allocation: the average share of Low-Moderate Income (LMI) households within a neighborhood. According to the draft AFFH narrative, 41% of households in San Mateo are LMI.<sup>7</sup> The city claims that it put approximately half the units in areas with less than 41% LMI households and another half in areas with more than 41% LMI households.

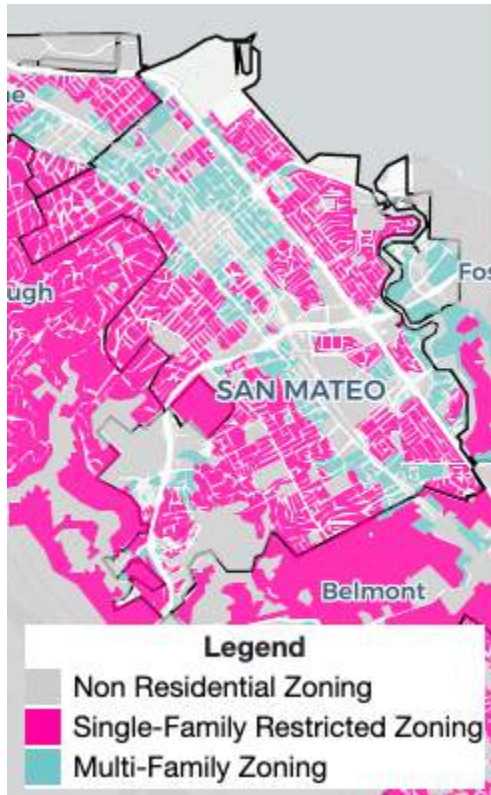
This is an arbitrary metric. By using the median LMI rate, the city inadvertently plans for no affordable housing—or multi-family housing of any kind—in the city's highest opportunity areas. Throughout this portion of the AFFH analysis, the city consistently uses the same meaningless metric to justify its decisions. No opportunity sites are located within the city's high-opportunity areas. On the other hand, significant housing is planned for some of the city's lowest-income neighborhoods. The draft site inventory does not meet the fundamental goal of AFFH policies, to reverse historic patterns of segregation and foster integrated communities.

Other information regarding the city's zoning indicates the draft housing element could do more to foster an integrated community. For example, the city's highest opportunity areas have no

<sup>7</sup> Id p. 37

affordable housing; they are all zoned exclusively for single-family homes. The city's draft Affirmatively Furthering Fair Housing Narrative notes "The western portions of the City of San Mateo, adjacent to the City of Hillsborough and Belmont, score more than 0.75 for economic opportunity, whereas tracts in the central City score between 0.5 and 0.75."<sup>8</sup> Those areas of San Mateo with the most economic opportunity have the least economic access—and city zoning laws exacerbate these conditions. They should be considered in the context of AFFH.

Maps from UC Berkeley's [Othering & Belonging Institute](#) illustrate zoning in San Mateo.



Furthermore, the draft constraints analysis does not acknowledge the constraint Measure Y places on housing development. Measure Y is a ballot measure passed in 2020 that sets an explicit limit on density and height for new buildings for the next ten years, encompassing the entirety of the 6th RHNA cycle.<sup>9</sup> Under Measure Y, the maximum density allowed throughout the city is 50 dwelling units per acre built at five stories and 55 foot height—a clear constraint on housing.

Thus far the city has used dubious interpretations of the density bonus to enforce Measure Y's limitations in some circumstances. To HLC's knowledge, the city of San Mateo has given few development proposals concessions under state Density Bonus Law to go above the height and density limits specified in Measure Y. Additionally, we have heard from a number of our development partners that the city does not allow developers to choose the concessions that they would like, but are instead advised to choose from a list of concessions that are much less valuable. Specifically,

parking requirements have been mentioned a number of times as being "off the table." HLC believes the city should commit to implement state bonus law as passed by the state legislature.

In several places, the city makes loose commitments without clear deadlines or measurable metrics in its AFFH goals and actions. According to HCD's Affirmatively Furthering Fair Housing Guidebook, "Programs in the element must have specific commitment to deliverables, measurable metrics or objectives, definitive deadlines, dates, or benchmarks for implementation."<sup>10</sup> These standards work well for all policies!

<sup>8</sup> [Appendix D - Affirmatively Furthering Fair Housing Narrative](#), p. 27

<sup>9</sup> [Measure Y Resolution and Text](#)

<sup>10</sup> Housing and Community Development's [Affirmatively Furthering Fair Housing Guidebook](#), p. 54

Lastly, HLC strongly supports several of the actions described in the Fair Housing Action Plan, but we worry that some of those actions seem inconsistent with other parts of the city’s housing element. For example, for Action 2.1, the city claims it will “Add more city supported housing with affordability restrictions in moderate and high resource areas.” However, not one of the city’s opportunity sites are located in the city’s highest-resources areas, as identified in the Needs Analysis.<sup>11</sup> Commitments in the housing element only matter if they are made consistently. HLC recommends that the city commit to implementing a program that makes it easier for churches and nonprofits to build affordable homes on their land no matter the current zoning, most likely with a zoning overlay.

## Goals and Actions Implementation Plan

With their goals and actions, cities make concrete commitments to change their policies in ways that will promote housing production. More than any other portion of the housing element, this section represents a contract between the city, the state, and the people of California. By identifying specific ways they can encourage affordable housing production, cities demonstrate that they prioritize meeting the housing needs of all residents, present and future.

Many of the goals and actions laid out in the current implementation plan have been essential for San Mateo’s successes in past housing elements. We appreciate the city’s commitment to keeping boomerang funds, providing rental assistance, updating the linkage fee, implementing a fee reduction program, streamlining approvals, and providing an overlay on commercial properties. We have followed the city’s format and condensed our feedback into the following tables:

**Proposals HLC Supports with Minimal Changes**

Policy	Proposed Measure(s)	Comments
1.2	Utilize Public Funding for Low/Moderate Income Housing; Set aside 20% of general fund property tax revenues from former RDA areas (aka "Boomerang Funds") to use for affordable housing development. Prioritize available local housing funds to assist the production of 535 below market rate units.	This is an admirable goal that (in conjunction with other funding and fee reductions) will help finance affordable homes. HLC outlines funding measures the city could implement to best ensure the city meets its production target of 535 BMR units.  One small adjustment: HLC would like to see the city specify the income levels for the BMR units it strives to produce under this policy.
1.13	Encourage Development of Missing Middle Housing	HLC would like to see staff bring forward a proposal for an upzoning ordinance—under SB 10 or otherwise—for the 2024 ballot, so we are happy

<sup>11</sup> [Appendix A - Needs Analysis](#) p. 27

		to support the city’s plans to consider such a proposal.
2.4	Explore Capital Improvements in lower-resourced Neighborhoods	HLC supports the use of “CDBG funds to make CIP improvements in target neighborhoods.” We also would support a master plan for sustainable transit in lower-income neighborhoods.
5.11	Adjust the city's Below Market Rate (inclusionary) program to provide larger density bonuses, and/or increased City support in exchange for affordable units that address the needs of residents with disproportionate housing needs	HLC supports the provision of extra benefits to incentivize production of BMR homes. We hope the city will elaborate on the specific benefits it intends to provide.

This is a non-exhaustive list of the policies HLC supports in the City of San Mateo’s draft housing element. While HLC approves of many of the city’s current draft programs, there are specific steps the city could take to better meet the housing needs of the community.

**Changes to Existing Proposals**

<b>Policy</b>	<b>Proposed Measure(s)</b>	<b>Suggested Improvements</b>
1.3	Increase Below Market Rate Unit Production through Density Bonus/Community Benefits Programs	Measure Y prevents the implementation of a goal-oriented inclusionary policy. The city should develop an alternative ballot measure to amend Measure Y to allow for transit oriented development and partnerships for better affordable housing developments. San Bruno has already indicated that it plans to put an initiative to amend their density limits on the 2024 ballot, and HLC believes San Mateo could follow in their footsteps.
1.6	Streamline Housing Application Review	HLC supports the city’s efforts to streamline approval processes, and we have heard from our developer partners that significant barriers exist after developments have been approved. Develop a checklist and commit to review applications within a certain amount of time. Allow applications for permits to be submitted electronically and make it easy for applicants to understand where they are in the permitting process.
1.12	Encourage Residential Uses within Housing Overlay	Include public land and land owned by churches and nonprofits in the overlay.

1.18	Fee Schedule Review	Substantially reduce fees for affordable housing developments as part of the fee schedule update
2.2	Support Retention of Existing Lower Income Units	Adopt a first right of refusal policy to allow affordable housing providers the opportunity to purchase BMR homes at risk of expiring.
3.3	Evaluate Housing Revenue Sources	<p>Provide a clear timeline for bringing proposals for revenue sources forward. HLC supports the city's current proposal to evaluate "a potential increase of the Commercial Linkage Fee," and we urge the city to model their program off of Redwood City's Commercial Linkage Fee, which follows current best practices. We also recommend the city consider two new potential revenue-raising proposals:</p> <ol style="list-style-type: none"> <li data-bbox="899 737 1414 1037">1) <b>Vacancy Tax</b> - Parcel taxes in the form of a vacant property tax have been used by cities (VPT, Oakland) to fund affordable housing and homeless services; as well as to entice owners of undeveloped sites to either sell or build homes on their parcels.</li> <li data-bbox="899 1045 1414 1381">2) <b>Transfer Tax</b> - A one-time tax payment that is levied by a government on the transfer of ownership to property (i.e. sale of a home) from one individual or entity to another within its defined boundaries. The raised revenue can then be utilized to fund affordable housing within the jurisdiction.</li> </ol>
3.4	Expand Tenant Protections	Provide a clear timeline for bringing proposals forward.
5.2.1	Add more city supported housing with affordability restrictions in moderate and high resource areas. Affirmatively market the housing to households with disproportionate housing needs including persons with disabilities, farmworkers, single parents, and Hispanic	By definition, people with special needs <i>have special needs</i> —city-supported housing will have to be geared towards specific special needs populations in order to be effective. Affirmative marketing for general-use housing won't work for many special needs groups.

	households (e.g., Spanish and English, targeted to northeast neighborhoods).	
5.4.1	Establish tenant protections in local ordinance to extend measures of AB1482 related to relocation, documentation, and right to return policy in eviction cases.	HLC believes San Mateo could do significantly more to protect tenants beyond the requirements of state law, including: <ul style="list-style-type: none"> <li>- Require just cause for eviction from day one of occupancy</li> <li>- Allow compensated relocation option for all “no-fault” evictions</li> </ul>

The preceding table outlines several of the most significant improvements the City of San Mateo could make to its goals and actions. We urge the city to contact more service providers for special needs populations in the community to learn about the policies they think would be most valuable.

HLC also has several novel recommendations for the city’s consideration. Some of these policies are drawn from HLC’s [housing element policy platform](#), while others were gathered from our stakeholders—a coalition of service providers, nonprofit and for-profit developers, and activists. We elaborate on new policies the city could add to its housing element below:

### New Policies to Promote Housing Opportunity

Goal	Proposed Measure(s)	Justification
1	Provide extra density bonus incentives beyond those mandated by state law for projects with a high number of extremely low-income units.	Cities will be more likely to facilitate the state-mandated ELI units required by RHNA if they provide extra incentives for developers to build those units.
5	Increase flexibility for displaced renters by giving displaced residents a choice between “right of first return” and a negotiated cash buyout with the property owner.	In some circumstances, a renter displaced by new construction or renovation may decide they do not want to move back into their original unit. Under current rules in San Mateo, that renter would be unable to receive any benefit if they decide to move elsewhere. Allowing renters to negotiate cash buyouts with developers can allow for mutually beneficial exchanges in circumstances where a renter does not want to take advantage of “right of first return” policies.
5	Produce parking proportional to needs by waiving all parking minimums for homes within 1 mile of transit that	Many people with mental or physical disabilities do not drive. Requiring parking for facilities intended to serve those with disabilities imposes a high cost on housing.

	are geared toward people with mental or physical disabilities.	
5	Expand access to high-opportunity areas by commissioning an Environmental Impact Report to study upzoning for mixed-use multi-family housing in all "R"-zoned neighborhoods within .75 miles of transit.	Affirmatively Furthering Fair Housing requires cities to increase access to opportunity and reduce patterns of segregation. One effective policy to work towards these goals is to gradually allow denser, more affordable multi-family housing and mixed-use commercial development in high-opportunity residential neighborhoods.

All of the above policies will be most effective if they are implemented to the standards of HCD's AFFH requirements: "Programs in the element must have specific commitment to deliverables, measurable metrics or objectives, definitive deadlines, dates, or benchmarks for implementation."



City of Menlo Park  
701 Laurel Street  
Menlo Park, CA 94025

RE: Housing Element Public Comment

To the honorable Menlo Park City Council,

The Housing Leadership Council (HLC) appreciates this opportunity to comment on the City of Menlo Park's housing element. HLC works with communities and their leaders to create and preserve quality affordable homes. We were founded by service providers and affordable housing professionals over 20 years ago to change the policies at the root cause of our housing shortage.

With this letter, HLC provides proposals for changes and additions that will produce more housing for Menlo Park's most vulnerable residents. Menlo Park's last housing element was more successful than most in San Mateo County: From 2015-2021, the city has met more than 80% of its low- and very low-income housing goals. HLC applauds the city's recent successful efforts to promote housing development for residents of all backgrounds.

Nonetheless, Menlo Park faces new challenges as it crafts a new housing element. We want to help Menlo Park continue its great work into the 6th RHNA cycle, sharing our knowledge of state law and best practices to facilitate fair housing.

### **Site Inventory**

In its site inventory, Menlo Park does a wide-ranging analysis of its sites. Many sites, especially those that are on the market or those that already have demonstrated owner interest for housing development, have a high likelihood of development over the next eight years. HLC appreciates the city's due diligence for these sites, and we support their inclusion in the final site inventory.

On the other hand, several sites in the Menlo Park site inventory have a low probability of development in the next eight years under current city regulations. HLC recommends the city either remove these sites or make substantial changes to status quo policies such that the city can demonstrate a higher likelihood of development.

- **Remove 900 Santa Cruz Avenue from the site inventory.** The property owner [has indicated](#) in a recent San Francisco Chronicle article that they "have no plans to sell our property or build houses on our property."



- **Remove 2200 and 2730 Sand Hill Road from the site inventory.** These sites host some of the most expensive commercial real estate in the world, the offices of some of Silicon Valley’s most prestigious venture capitalists. Yet these sites are predicted to be entirely redeveloped for affordable housing, with no supporting evidence.
- **Either upzone the Bohannon site (Site #66), as requested by the property owner, or remove the site for the inventory.** David Bohannon, who owns this site, wrote a letter to the city indicating that it would not be economically feasible for him to redevelop the site for housing unless the city allows higher densities.
- **Lower realistic capacity and affordability expectations for all “Non-Residential Parcels with Carveout” (NRPC) sites in the inventory, or remove these sites entirely.** The city has not demonstrated any track record of similar types of development occurring, and its affordability claims do not reflect historic development trends.
  - 16.8% of all units built in Menlo Park from 2014-2020 were designated “affordable” (including moderate income units), yet Menlo Park’s draft housing element claims that its NRPC lots will be developed with 100% affordable units because of its affordable housing overlay.<sup>1</sup> Menlo Park’s affordable housing overlay has been in place since 2013, the entirety of the prior planning period. Therefore, Menlo Park must implement new policies to justify its assumption that new housing development on NRPCs will be 100% affordable. Alternatively, the city can significantly lower its realistic capacity estimates and affordability assumptions, or remove low-likelihood sites entirely.
  - Two NRPC sites should be included in the site inventory, though with lower realistic capacity and affordability expectations: the USGS site (Site #12) because it is up for auction, and the US Dept. of Veteran Affairs Site (Site #64) because the US Dept. of Veterans Affairs has expressed interest in developing 2 acres of parking lots into veterans housing.<sup>2</sup>
- **Add new opportunity sites from the city’s inventory of city-owned parking lots.** Designating more city-owned land as opportunity sites will demonstrate Menlo Park’s commitment to producing large affordable housing projects, and will fill gaps in the city’s site inventory created by the removal of sites with a low likelihood of development.

## Goals, Policies, and Programs

HLC supports the policy proposals made by MidPen Housing in their letter to the city dated June 6. We have heard from other affordable housing providers that they would support other changes and additions, including:

- **Strengthen Program H1.I and release an annual Notice Of Funding Availability (NOFA) for use of the city’s affordable housing fund.** The city currently has more than \$10 million in its affordable housing fund, which developers have been unable to access because of the city’s relatively slow process for making the funding available.

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<sup>1</sup> [Draft Housing Element](#), p. 294

<sup>2</sup> [Draft Housing Element](#), p. 297

- **Remove part “e” of Program H2.B**, “Consider rezoning of properties for consistency to match and protect their existing residential uses.” This clause directly contradicts the mandate of affirmatively furthering fair housing to promote fair housing in new areas, regardless of preexisting residential uses.
- **Amend Program H4.D to reform the city’s Affordable Housing Overlay (AHO) zone** to allow concurrent use with state density bonus law, rather than as a substitute. Furthermore, amend the AHO such that:
  - All city-owned land, especially surplus land, is covered by the AHO.
  - All land currently owned by nonprofits or religious institutions is covered by the AHO, regardless of base zoning.
- **Upzone sites with a high likelihood of development** to maximize development potential. These include, but are not limited to, the USGS (Site #12), the VA (Site #64), the Bohannon Site (Site #66), and the Sharon Heights Safeway (Site #1) sites.
- **Amend Program H4.G to add specific, quantified goals for conversion of city-owned land, particularly parking lots, to housing.** Designate specific city-owned parking lots as opportunity sites, upzone these sites, and commit to issuing an RFP for these sites on an annual basis until the city accepts a project application for all of them. Do not “consider” city-owned land for housing; “Designate” city-owned land for housing.
- **Amend Program H4.M to make specific, actionable commitments to reform parking requirements.** HLC recommends that the city eliminate parking minimums for 100% affordable housing projects within 0.5 miles of transit; eliminate parking minimums for all housing serving those with physical or mental disabilities, who for the most part cannot drive; and reduce the minimum parking ratio to 0.5 for all housing projects located within 0.5 miles of transit.
- **Add new program committing to expedite ministerial review for ADUs and multi-family projects.** Ministerial review in Menlo Park takes an average of 8-12 weeks, tied with East Palo Alto for the longest processing time for ministerial approval in San Mateo County.<sup>3</sup>

By implementing these recommendations and those of our allies at MidPen Housing, the city of Menlo Park will demonstrate its commitment to promoting fair housing for all residents. The city has already done excellent work promoting new housing development over the prior RHNA cycle, and HLC looks forward to seeing that work continue over the next eight years.

Thank you for your consideration,



Jeremy Levine

*Policy Manager, Housing Leadership Council of San Mateo County*

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<sup>3</sup> [Draft Housing Element](#), p. 256-257



City of San Bruno  
567 El Camino Real  
San Bruno, CA 94066

RE: Housing Element Public Comment

To the honorable San Bruno City Council,

The Housing Leadership Council (HLC) appreciates this opportunity to comment on the city of San Bruno's housing element. HLC works with communities and their leaders to create and preserve quality affordable homes. We were founded by service providers and affordable housing professionals over 20 years ago to change the policies at the root cause of our housing shortage.

In recent years, San Bruno has implemented ambitious new policies to facilitate housing development. In particular, the San Bruno city council's leadership on Measure N in 2014—and the community's widespread embrace of the measure—creates potential for significant new housing production along the city's primary transit and commercial corridors. Ordinance 1898, passed in 2021, has significantly increased ADU production by allowing ministerial approval; the city's internal efforts to simplify the review process for ADUs further facilitate production. These policies and many others set San Bruno apart from other cities in the county, demonstrating the city's commitment to promoting housing production.

San Bruno's draft housing element continues this trend, with strong commitments to introduce important policies and programs. Nonetheless, San Bruno faces new challenges in the 6th RHNA cycle as the city plans for more than 3,000 new homes by 2031.

This letter provides proposals for changes and additions that will enable San Bruno to meet its housing obligations for all residents regardless of income. The first part of this letter examines San Bruno's needs, constraints, and AFFH analyses. The second part evaluates San Bruno's site inventory. In conclusion, we propose specific policy recommendations San Bruno can implement to increase likelihood of development on its opportunity sites, affirmatively further fair housing, and otherwise promote housing.

### **Needs, Constraints, and AFFH Analyses**

State law requires housing elements to have several technical analyses, including an analysis of housing needs within the jurisdiction, an analysis of the governmental and nongovernmental constraints to meeting those housing needs, and an analysis of fair housing patterns in the city.

Each of these analyses must connect directly to the site inventory and the goals, policies, and programs of the housing element.

Of the three analyses, San Bruno's draft AFFH analysis is exemplary for San Mateo County. The draft housing element considers distribution of units by census tract, evaluates concentration and segregation, and proposes specific policies to further fair housing goals. These proposals are informed by a fair housing survey with diverse respondents, which garnered feedback from a significant number of renters, households with disabled residents, and single-parent households.<sup>1</sup>

Though still stronger than most other San Mateo County jurisdictions, San Bruno's draft needs and constraints analyses would benefit from further improvements. The needs analysis in particular reads like a list of statistics, without significant effort to describe the housing needs indicated by the data. This disconnect between evidence and identified housing needs results in discrepancies between the needs analysis and the goals, policies, and programs.

For example, the city recognizes 8% of residents have a disability, and that "There is a limited supply of handicap accessible, affordable housing generally, and the supply is especially tight near transit."<sup>2</sup> Yet the city then proposes vague programs (Programs 2-F, 4-G), with quantified metrics to produce 5 units of handicap accessible housing over the next RHNA cycle—an objective that seems somewhat divorced from the identified need and the city's capacity to meet it by providing incentives for more handicap-accessible housing. (See the Goals, Policies, and Programs section of this letter for amendments and additional policy proposals.)

The needs analysis also does not connect its data to the need for very low- and extremely low-income housing, though several data points indicate such need. 63% of jobs in San Mateo pay less than \$75,000. Less than 15% of San Bruno's housing is available at rents of \$1,500 or below, compared to almost 20% in San Mateo County and 35% in the Bay Area region. Yet the city does not consider how this difference indicates a lack of housing in the San Bruno community for the highest need residents.<sup>3</sup> One table lists households by income buckets; approximately 3,500 households make less than 50% of AMI in San Bruno, comprising more than 20% of the town's population.<sup>4</sup> More than 60% of those renters are cost burdened. Explicitly recognizing the housing needs demonstrated by this data will ensure the city implements adequate policies to promote deeply affordable homes.

On the other hand, the city's constraints analysis makes a strong argument that the height limits imposed on San Bruno by Ordinance 1284 do not pose a constraint to housing because of Measure N.<sup>5</sup> HLC has reviewed a number of housing elements for cities with strict height limits, none of which have taken the steps that San Bruno has to promote denser housing

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<sup>1</sup> [Draft housing element](#), p. 133

<sup>2</sup> [Draft housing element](#), p. 86

<sup>3</sup> [Draft housing element](#), p. 51

<sup>4</sup> [Draft housing element](#), p. 58

<sup>5</sup> [Draft housing element](#), p. 106

development. The city also analyzes the constraints posed by its minimum lot size requirements, and takes significant action to address them in R-2 zones (Program 2-D).

A few constraints could be further analyzed, with stronger policies implemented to address them. The city does not adequately consider the extent to which its floor-area ratio (FAR) requirements affect feasibility of housing development. In particular, FARs of 3.0 in the Central Business District, 2.0 for parcels smaller than 20,000 square feet in the TOD districts, and similarly low FARs in the Multi Use-Residential Focus zones. Several small non-vacant opportunity sites have a negligible likelihood of development without implementation of new policies that exempt them from FAR requirements.

The constraints analysis would also benefit from a more robust analysis of fees. San Bruno's fees on large multi-unit projects are above average for the county, at \$39,412 per unit.<sup>6</sup> The city claims its fees are "a small portion of overall housing development costs," when, according to data provided to the city by the 21 Elements consulting team, fees make up 5% of the total cost of large multi-unit projects—a significant portion that often makes the difference between a project being financially viable or not. In its AFFH analysis, the draft housing element bizarrely classifies Housing Development Impact Fee as a policy in place that encourages housing production,<sup>7</sup> when fees are by definition a disincentive on production. Alternatively, HLC proposes several fee waivers for different kinds of housing in the Goals, Policies, and Programs portion of this letter (Programs 4-G and 4-L in particular).

In some cases, the constraints analysis recognizes important barriers to housing development that then go unaddressed in the rest of the draft housing element. Most importantly, the city says that its parking requirements "could still be considered a barrier to the development of affordable housing. Recent development applications and inquiries indicate that developers prefer housing developments with fewer parking spaces than the city's revised parking requirements require."<sup>8</sup> However, none of the draft housing element's policies or programs address parking minimums as a constraint on housing, especially for affordable housing or housing serving populations with special housing needs, such as disabled groups.

Fully analyzing the housing needs present in San Bruno and the governmental constraints to meeting those needs will help the city implement the necessary policies and programs to make its site inventory viable.

## **Site Inventory**

San Bruno's Regional Housing Needs Allocation requires the city to plan for 3,165 units at the affordability levels described in the "San Bruno's RHNA Allocation" table as listed below. The site inventory requires cities to demonstrate that they have adequate locations with the necessary policies in place to produce the RHNA allocations.

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<sup>6</sup> [Draft housing element](#), p. 111

<sup>7</sup> [Draft housing element](#), p. 127

<sup>8</sup> [Draft housing element](#), p. 98

Recent changes to state law require cities to meet a higher burden of proof for affordable housing in their site inventories. In particular, sites projected for lower-income housing must meet higher standards than in prior cycles, particularly if more than 50% of sites are non-vacant—as is the case in San Bruno.<sup>9</sup> HLC’s proposals in this section are intended to help the city comply with state law and create the best possible plan for new housing.

**Table I: San Bruno’s Regional Housing Needs Allocation<sup>10</sup>**

	Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
San Bruno’s RHNA Allocation	704	405	573	1,483	3,165
San Bruno’s Site Inventory According to Draft HE	684	468	580	2,002	3,723

In order to demonstrate capacity for enough housing units, San Bruno’s housing element first demonstrates that the city has 670 units in the pipeline. HLC applauds the city’s demonstrated success promoting housing in recent years, and we believe the pipeline count to be accurate.

Next, the city assumes 345 ADUs will be built in the next eight years, a rate of just over 43 ADUs per year—nearly tripling ADU production from the past cycle, with 121 ADUs permitted from 2015-2021. In order to generate this assumption, the city notes that it updated its ADU regulations to comply with state law and streamlined the approval process in 2021, resulting in 68 building permits for ADUs in 2021. However, the city only issued 7 building permits in 2020, despite issuing 51 project approvals, meaning that a large portion of the ADU building permits issued in 2021 were a result of rollover from the prior year. Though HLC applauds San Bruno’s recent ADU production, San Bruno’s assumptions are more generous than HCD’s standard methodology for calculating ADU counts.<sup>11</sup> The city should either provide stronger justification for its assumption of 43 ADUs per year or recalculate the number using data from 2018-2021.

The rest of San Bruno’s housing element relies on projected development from opportunity sites. Though the city provides limited justification for its assumption that all sites will have a

<sup>9</sup> HCD’s [Site Inventory Guidebook](#), p. 27

<sup>10</sup> The city did not aggregate this information on its own, so I did by adding up the draft housing element’s counts for ADUs, pipeline units, and expected units from opportunity sites. In its housing element, San Bruno claims it has capacity for 3,640 dwelling units (see top of page 165 of the [Draft Housing Element](#)); this appears to be a slight miscount based on data available in San Bruno’s draft housing element.

<sup>11</sup> HCD’s [Site Inventory Guidebook](#), p. 31, “Use the trends in ADU construction since January 2018 to estimate new production.”

100% realistic capacity,<sup>12</sup> HLC believes adequate evidence exists for this assumption based on recent development on San Bruno’s high-density corridors. We recommend the city provide more data to justify this assumption to HCD, but we support its inclusion for sites located in San Bruno’s TOD-1 TOD-2, C-N, and P-D zoning districts—the majority of sites.

Though HLC supports San Bruno’s use of 100% realistic capacity, the city assumes inconsistent, unreasonably high unit yields for a number of sites. In the TOD zones, assumed densities range from 76 du/ac (Site #20, 104 San Bruno Ave W) to 200 du/ac (Site #23, 401 San Mateo Ave). The city provides no justification for this massive variation in assumed density within the same zoning district.

Below, the “Small Opportunity Sites with Limiting FAR in TOD Zones” table lists four sites that are smaller than 20,000 square feet, meaning they would be limited by a FAR of 2 based on the restrictions of San Bruno’s TOD zone.<sup>13</sup> Yet the city inexplicably assumes these sites will be developed at densities ranging from 144 du/ac to 200 du/ac. Several sites have active businesses. Limited to a FAR of 2, with parking requirements of at least 1 car per unit, these sites have a very low likelihood of development over the next RHNA cycle. Under current city policies, they should be struck from the inventory.

**Table II: Small Opportunity Sites with Limiting FAR in TOD Zones**

Site Number	Site Address	Lot Size (acres)	Implicit Assumed Density (du/ac)	Projected Unit Count
15	170 San Bruno Ave W	0.29	<b>144</b>	42
21	104 San Bruno Ave W	0.17	<b>147</b>	25
22	426 El Camino Real	.30	<b>166</b>	50
23	401 San Mateo Ave	.20	<b>200</b>	40
<b>Unit Total</b>				157

In order to justify inclusion of these sites in the inventory, the draft housing element must:

1. Standardize assumed density for sites located within the same zoning district or demonstrate why different densities are appropriate. HLC proposes the city use the

<sup>12</sup> [Draft housing element](#), p. 174, “The calculations used to estimate realistic development capacity along the transit corridors assume complete redevelopment of each site primarily based on conversations with developers and based on the density of similar housing developments that were approved or proposed nearby.”

<sup>13</sup> The city’s TOD zones limits FAR to 2 on sites smaller than 20,000 square feet.

conservative assumption of 100 du/ac in its TOD zoning districts absent substantial policy changes.

2. Remove FAR limits for all sites in TOD zones regardless of lot size and decrease parking requirements by 50% for sites smaller than 1 acre (See proposed Program 2-L). This program should have been in place anyway, since the city’s constraints analysis explicitly recognizes the FAR and parking requirements as barriers to housing development.

Furthermore, some large non-vacant opportunity sites do not have adequate evidence to justify their inclusion in the site inventory. In particular, San Bruno’s draft housing element relies on the Tanforan shopping center for 1,000 units of housing, which would be an excellent location for new housing if feasible. Though the shops at Tanforan are closing, the site was recently bought by a commercial real estate developer.<sup>14</sup> Though the Tanforan sites would be an excellent location for new housing, the city does not have policies in place that make it likely to expect any housing development there. HLC would support inclusion of this site in the inventory at the assumed density if the draft housing element presented evidence that the developer had made some commitment to pursue at least 1,000 units of housing on the site; absent such evidence, housing development at this location is highly uncertain.

In order to promote development of housing at the Tanforan sites, San Bruno’s city council has adopted a nonbinding Land Use Fact Sheet.<sup>15</sup> With program 2-F of the draft housing element, the city promises to “Meet with the developer of the Tanforan site to ... emphasize the need of including a minimum of 1,000 housing units onsite.” HLC believes the city must make significantly stronger commitments to incentivize housing at Tanforan in order to justify inclusion of the site in its housing element. Absent commitment to substantial policy changes—or credible evidence from the city that they have a commitment from the new Tanforan owner to build at least 1,000 units of housing—the Tanforan sites must be removed from the inventory. In the next section, we recommend policies that would validate inclusion of Tanforan as an opportunity site.

Similarly, the city has not demonstrated a high likelihood of development at other non-vacant sites, such as the Bayhill Shopping Center and 2101 Sneath Ln, a current golf driving range. The city provides no specific incentives for housing development at these sites; in fact, the city explicitly recognizes that Bayhill remains a viable shopping center. In order to ensure compliance with state law, HLC recommends the city remove these sites entirely as well, or implement specific policies as described in the following section to facilitate new development.

**Table III: San Bruno’s Site Inventory with Removal of Sites 3, 6, 14, 15, 21-23**

Very Low Income	Low Income	Moderate Income	Above Moderate Income	Total
380	388	320	1,261	2,238

<sup>14</sup> SF Gate, [Bay Area mall The Shops at Tanforan will be razed for a massive biotech campus](#)

<sup>15</sup> [Reimaging Tanforan: Land Use Fact Sheet](#)



This total would be further reduced if the city accounted for several other non-vacant sites with pre-existing uses that could further impede housing development. For example, the draft housing element assumes housing will be built on school district sites, without providing any justification for inclusion of these sites in the inventory. We also do not make adjustments to the city's ADU counts or to the unexplained variation of projected density in TOD zones.

As demonstrated above, San Bruno must identify new sites or implement new strategies to create the necessary capacity for its site inventory. Fortunately, the city's goals, policies, and programs already have a number of strong policies to incentivize development, and the city can easily implement new policies that will spur housing development further on key sites.

Though our analysis may seem overly conservative, HLC believes all of the sites we have removed from the site inventory can be justified for inclusion if San Bruno implements new policies increasing the likelihood of housing development on those sites.

### **Goals, Policies, and Programs**

In the following section, HLC describes how San Bruno can strengthen its Goals, Policies, and Programs to more effectively promote low- and very low-income housing as needed to create a viable site inventory. With its explicit action items, discrete timelines, and quantified objectives, San Bruno's draft goals, policies, and programs are significantly better than any HLC has yet seen in San Mateo County. Still, the programs in particular must be strengthened to remove constraints to housing needs and demonstrate high likelihood of development on opportunity sites.

Similarly to the site inventory, new state laws have added new requirements to the goals, policies, and programs section of a housing element. Passed in 2018, AB 1397 requires cities to directly connect policies and programs to the identified needs, governmental constraints, and site inventory, among other analyses.<sup>16</sup> Another 2018 law, AB 686, implemented Affirmatively Furthering Fair Housing mandates, specifically requiring cities to consider how their goals, policies, and programs can better advance fair housing goals, especially the production of low- and very low-income housing. The specific programs cities implement must include "concrete steps, timelines and measurable outcomes."<sup>17</sup>

HLC recognizes that San Bruno has many goals, policies, and programs that have these characteristics. All of the programs under Goal 1, "Improve the development review and approval process to reduce processing times and simplify administration," are exemplary. Others, such as Programs 2-A and 2-B, set the city up for success in the next RHNA cycle by committing to consider ambitious new policies on a reasonable timeframe. Program 2-D, "Amend the R-2 zoning district to not allow new SFDs on vacant sites and allow two dwellings

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<sup>16</sup> See, e.g., Gov. Code, § 65583, subs. (b), (c); HCD, Building Blocks, at <https://www.hcd.ca.gov/community-development/building-blocks/index.shtml>

<sup>17</sup> HCD's [Affirmatively Furthering Fair Housing Guidebook](#), p. 55

per lot regardless of lot size,” is the strongest program to increase missing middle density yet proposed in San Mateo County for this RHNA cycle (as of the date the city receives this letter).

However, some programs do not meet the standards of AB 1397 or AB 686, and others must be strengthened in order to justify inclusion of several significant proposed opportunity sites in the site inventory. The city must also introduce new policies to remove constraints to and implement new incentives for housing development.

Below, HLC proposes specific policies recommended by affordable housing developers and service providers to encourage affordable housing, as well as specific policy proposals to help San Bruno generate a viable site inventory.

### New Policies to Promote Housing Opportunity

Proposed Policy or Program	Proposed Measure(s)	Actions and Justification
Amend Program 2-B	Put Forward a Ballot Measure to Increase Building Heights and Floor Numbers Along the El Camino Real Corridor	Unclear language like “Evaluate the possibility of putting forth a ballot initiative” (the current draft program’s text) undermines this program. Making a firmer commitment to pursue a ballot measure to increase allowable heights and floors along Camino Real may be necessary to demonstrate that the sites along Camino Real outside of the current TOD zones qualify as opportunity sites.
Amend Program 2-F	Incentivize Housing Development at Tanforan	In order to justify inclusion of the Tanforan sites in its site inventory, San Bruno must <i>either</i> present evidence demonstrating commitment from the property owner to build 1,000 homes <i>or</i> implement specific policies incentivizing housing on this site, especially affordable housing. These policies could include but are not limited to: <ul style="list-style-type: none"> <li>- 50% parking reduction for all housing units</li> <li>- Impact fee waiver for very low- and extremely low-income units</li> <li>- City-funded subsidies for stand-alone affordable housing development built in partnership with a nonprofit developer</li> </ul>
Amend Program 2-H	Identify Publicly Owned Sites for Affordable Housing	In addition to commissioning a study for housing development analysis on publicly owned sites, HLC recommends San Bruno also consider sites owned by religious organizations and nonprofits.

Program 2-I	Allow Pre-Approved ADU Designs with Expedited Permitting	Cities can incentivize ADU development by lowering costs. Pre-approved ADU designs have successfully spurred ADU production in a number of cities, from big cities such as <a href="#">San Jose</a> to smaller ones like <a href="#">Encinitas</a> .
Program 2-J	Waive Impact Fees for ADUs With Low- or Very Low-Income Deed Restrictions	Lowering costs for deed-restricted affordable ADUs in particular will incentivize production of the lower-income ADUs that San Bruno needs in order to meet the needs of all residents and create a compliant site inventory.
Program 2-K	Partner With Nonprofit Property Management to Incentivize Property Owners to Rent Their ADUs at Affordable Rates	Nonprofit property management organizations such as Hello Housing or HIP Housing can provide low-cost property management services to help households rent ADUs out at affordable rates. The city can actively partner with these providers and promote their services to encourage ADU affordability.
Program 2-L	Facilitate Housing on Small High-Density TOD Parcels	<ul style="list-style-type: none"> <li>- Allow unlimited FAR for all parcels in TOD-1 and TOD-2 districts regardless of lot size.</li> <li>- Reduce parking requirements by 50% for all sites smaller than 1 acre expected in TOD-1 and TOD-2 zones.</li> <li>-</li> </ul>
Program 3-C	Rental Registry	Create a rental registry listing all properties available for rent in the city, especially affordable rentals and those accessible to people with disabilities.
Program 3-D	Emergency Rental Assistance	Work with organizations to increase funding available to tenants at risk of not making rent.
Program 3-E	Improved Just Cause Eviction Ordinance	Commit to a local ordinance that protects more renters from unreasonable and unfair evictions.
Program 3-F	Relocation Benefits and First Right of	Commit to passing an ordinance that requires landlords to provide tenants with money to cover moving costs and finding a new rental when evictions are the result of not maintaining

	Return	the health and safety of the building. Require that a tenant be reserved a new unit at the prior level of affordability in the case they are displaced during redevelopment.
Amend Program 4-G	Create 25 Housing Units For Developmentally Disabled Community During Planning Period	As currently written in the draft housing element, Program 4G's commitment to create 5 ADA-accessible units over the planning period does not reflect the identified need for housing for those with disabilities in the city's needs analysis. HLC proposes the city set a higher goal, and then make specific commitments to implement new policies, including but not limited to: <ul style="list-style-type: none"> <li>- Waive parking requirements for units geared toward the disabled.</li> <li>- Waive impact fees.</li> <li>- Allow extra density bonus for projects with more units accessible to disabled communities.</li> <li>- Provide expedited by-right approval for projects that have facilities for special needs populations.</li> </ul>
Program 4-J	Fee Exemptions for 100% Affordable Housing Projects	According to the 21 Elements Fee Survey, San Bruno's fees for large multi-family housing projects cost an average of 5% of the total development costs. These fees can make many affordable housing projects, which rely on public subsidy, infeasible. Waiving or lowering fees for 100% affordable housing projects can promote the production of more affordable housing across a spectrum of income levels.
Program 4-K	Expand Sources of Funds for the City Affordable Housing Fund.	In order to raise reliable revenue, the city would benefit from internal revenue-raising proposals, such as: <ol style="list-style-type: none"> <li>1) <b>Vacancy Tax</b> - Parcel taxes in the form of a vacant property tax have been used by cities (VPT, Oakland) to fund affordable housing and homeless services; as well as to entice owners of undeveloped sites to either sell or build homes on their parcels.</li> <li>2) <b>Transfer Tax</b> - A one-time tax payment that is levied by a government on the transfer of ownership to property (i.e. sale of a home) from one individual or entity</li> </ol> <p>HLC recommends that the city commit to dedicating staff time and arranging a range of public meetings to discuss opportunities to raise revenue from local sources to subsidize affordable housing.</p>
4-L	Promoting very low- and extremely	<ul style="list-style-type: none"> <li>- Allow flexible inclusionary housing ordinance, with a lower proportion of BMR units if they are more deeply affordable</li> </ul>

	low-income housing	<ul style="list-style-type: none"> <li>- Waive parking requirements for units geared toward the disabled.</li> <li>- Waive impact fees.</li> <li>- Allow extra density bonus for projects with more units accessible to disabled communities.</li> <li>- Provide expedited by-right approval for projects that have facilities for special needs populations.</li> </ul>
4-M	Upzone	

HLC wants to be a partner to the city, sharing our collective knowledge of state law and best practices to facilitate fair housing. Please contact me or other HLC staff if you would like to talk further about how San Bruno can identify and implement policies that will best meet the community's needs.

Thank you for your consideration,



Jeremy Levine  
*Policy Manager, Housing Leadership Council of San Mateo County*

Alex Melendrez,  
*Organizing Manager, Peninsula For Everyone/YIMBY Action*



June 29, 2022

Hillary Prasad, Housing Policy Specialist  
2020 W. El Camino Avenue, Suite 500  
Sacramento, CA 95833

Dear Hillary Prasad,

The Housing Leadership Council works with communities and their leaders to create and preserve quality affordable homes. We were founded by service providers and affordable housing professionals to change the policies at the root cause of our housing shortage.

Over the past four months, HLC has submitted letters on every draft housing element released for public comment in San Mateo County. Our goal has been to help cities plan for housing at all income levels and comply with state law. With this letter, we outline the primary portions of each letter we believe HCD should consider. We also comment briefly on HLC's engagement with the cities' processes and describe how each jurisdiction responded to public comment.

### **San Mateo**

- Read [April 22, 2022 letter](#) pages 3-7, considering the Outreach, Needs, and Constraints analyses.
- Read [May 6, 2022 letter](#) pages 3-13, considering the Site Inventory and AFFH analyses as well as reviewing the goals, policies, and programs.
- *HLC Recommendation*: Reject housing element and require substantial modifications.

The Housing Leadership Council sent two letters to the City of San Mateo during their housing element public comment period, one on April 22 before a planning commission meeting and another on May 6 before a city council meeting. The first letter focuses primarily on the needs and constraints analyses. The second letter focuses primarily on AFFH and goals, policies, and programs.

Despite robust public input on San Mateo's housing element, the city council voted to implement very few of HLC's recommendations or those of other organizations--including the city's own planning commission, which responded much more proactively to public comments than the city council or staff. The final draft submitted to HCD on July 1st has few differences from the one released for public comment almost three months earlier.

### **Menlo Park**

- Read entire [June 10 letter](#), since it's only three pages.

- *HLC Recommendation*: Reject housing element and require substantial modifications.

Menlo Park's housing element received substantial engagement from the public, similar in magnitude and quality to San Mateo. Yet also similarly to San Mateo, Menlo Park made few changes to their element between the end of its public comment period and submission to HCD; HLC has not heard from Menlo Park staff despite calling multiple times.

In fact, Menlo Park is currently considering a [ballot measure](#) that would make housing element compliance much more difficult. The ballot measure, which will go before voters in November of 2022, would require voter approval before upzoning any single-family neighborhood, de facto fencing off approximately 80% of the city's residential land from affordable housing.

### **San Bruno**

- Read entire [June 24 letter](#).
- *HLC Recommendation*: Reject housing element unless city adds additional information to justify several sites and makes minor changes and additions to its policies and programs.

Though San Bruno made no substantial changes to its housing element before submission to HCD after the mandated public comment period, San Bruno's staff have been particularly communicative with HLC regarding our concerns. In HLC's letter, we describe several sites that either need more supporting evidence or additional policies and programs to justify inclusion in the housing element.

Michael Smith, the primary planner behind San Bruno's draft housing element, has assured HLC that the city has pending applications or stated developer interest for many of its sites, including the Tanforan site and several smaller sites for which HLC raised concerns. Though this information is not present in the draft San Bruno submitted to HCD on July 8, Mr. Smith told HLC that San Bruno's planning staff are working to add more justification.

If San Bruno can demonstrate pending applications or developer interest to justify its sites, HLC believes that San Bruno's housing element could merit approval with only minor changes and additions to its goals, policies and programs as outlined at the end of our letter.

Thank you for your consideration,



Jeremy Levine  
*Policy Manager*  
*Housing Leadership Council of San Mateo County*