Infill Developments: The Menlo Collaborative Amba Gupta, Andreas Manos, Audrey Chau, Holly Armstrong, Monica Rangaves May 2, 2023

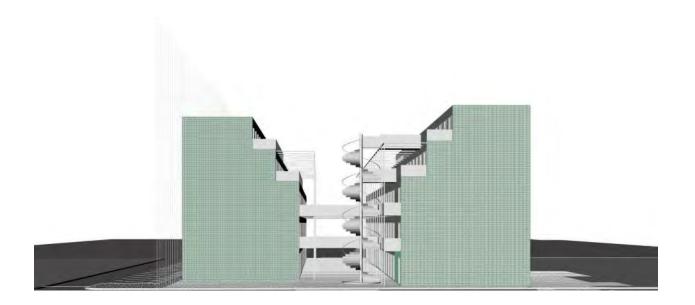


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I. Background



The City of Menlo Park seeks to commission the development of 345 affordable housing units on eight city-owned parking plazas in its downtown core. By collaborating with local stakeholders, residents, developers, and City staff, Infill Development's master plan is able to achieve 370 affordable housing units, 147 market-rate units, and two parking structures. This master plan, called The Menlo Collaborative, balances affordability, density, and the business district's parking needs, allowing the downtown core to be home to many and a point of pride for all. The Menlo Collaborative is a proposal for high-quality, high-opportunity, and mixed-income developments in Menlo Park's downtown core. The project will create opportunities for working families to live in high-resource areas, provide comfortable homes to Menlo Park's aging population, and integrate higher income, middle income, and lower income residents into Menlo Park's downtown fabric.

Infill Developments is a medium sized, non-profit developer specializing in multi-family affordable housing. Our model and philosophy emphasizes collaboration with other developers, both market-rate and affordable, to encourage strong sectoral connections and create heterogeneous, diverse, and beautiful neighborhoods. We have a proven track record of successful infill development in growing suburban communities wishing to revitalize their downtown commercial cores, and look forward to a fruitful and lasting partnership with the City of Menlo Park.

II. The Site

The site consists of eight city-owned parking lots located in downtown Menlo Park. The lots sit between El Camino Real to the east, University Drive to the west, Oak Grove Avenue to the north, and Menlo Avenue to the south. The City of Menlo Park has identified these eight lots as desirable sites to develop, and has committed via their 2023 Housing Element to develop at least 345 affordable housing units on them.



The above figure illustrates the eight lots' locations relative to each other, as well as their plaza numbers, numbered 1-8 counterclockwise. Currently, the eight plazas serve as free parking for residents visiting downtown Menlo Park, and also serve as loading zones for adjacent businesses. Waste collection for adjacent businesses is also located in various places among the eight parcels and will be carefully accommodated when developing the lots.

The site's soil and environmental conditions have yet to be established, but will be assessed during predevelopment. Infrastructure needs include increasing water and sewage capacity to the site, undergrounding existing power lines, and redistributing trash collection zones. Photos in <u>Appendix I</u> offer further context regarding the existing conditions.

The developable parcels are subject to Menlo Park's Downtown/Station Area Retail/Mixed-Use zoning designation. Though the sites are adjacent to a mixed use area that requires ground floor retail, our site's zoning allows for 100% residential use. Additionally, the new Housing Element allows application of the Affordable Housing Overlay (AHO) which grants greater density and other built incentives. Because the sites are within 0.5 miles of Menlo Park's CalTrain station (a major transit stop), the California State Density Bonus (SDB) dictates that local governments cannot impose a density limit on the area if a project is 100% affordable housing. SDB law also dictates that no parking can be required of affordable housing within one half mile of major transit. See <u>Appendix II</u> for a detailed summary of zoning guidelines.

Downtown Menlo Park is designated a Highest Resource Area by the California Tax Credit Allocation Committee. A full list of amenities and their geographic location can be found in <u>Appendix III</u>. These resources will be critical to ensuring sufficient state and tax credit funding for project development, and the link between amenities and financing will be discussed further throughout this proposal. Furthermore, downtown Menlo Park's designation as a Highest Resource Area makes it an ideal place to further California's Affirmatively Furthering Fair Housing (AFFH) goals by providing financially accessible homes to low-income residents. Rich surrounding amenities and community resources increase our confidence that The Menlo Collaborative will be a transformative place for residents to live.

III. Vision

The Menlo Collaborative has three core strategies:

1. Position Menlo Park to be an affordable housing leader

The City of Menlo Park has committed to planning for the development of at least 345 affordable housing units in its downtown core during the current housing element cycle. This is a bold target that puts Menlo Park in the position to be a leader in affordable housing development in the peninsula, and an inspiration to surrounding communities figuring out how they too can plan for substantial affordable housing development. Infill Developments' master plan successfully achieves Menlo Park's affordable housing goals while also elevating them by providing much-needed market rate housing, all while accounting for the city's parking needs.

2. Collaborate for efficient development

Leveraging collaborative partnerships with market rate and non-profit developers, The Menlo Collaborative targets an aggressive, five-year development timeline to efficiently deliver a revitalized downtown core to Menlo Park during the state's current Housing Element cycle. This aggressive development timeline will also limit disruption to downtown businesses and residents by minimizing construction time. By minimizing development timelines, the project also decreases risks and costs associated with drawn-out housing development.

3. Reimagine traditional affordable housing design

The Menlo Collaborative critically reimagines affordable housing design by undoing traditional double-loaded corridor typology. The design tears apart the dim-lit corridors that lack adequate ventilation to create single-loaded open corridors. By externalizing corridors and stairways, the design seeks to maximize resident access to light, fresh air, and neighborhood connection. Open corridors also allows 'eyes on streets' and provide opportunities for residents to interact with one-another as well as with activities taking place in the common green courtyards. Additionally, the design focuses on pedestrianizing the five linearly connected land parcels through the affordable housing and thus transforming parking lots to active streets that promote spontaneous social interactions, leisure, and play.

IV. Master Plan

In order to infuse vibrancy into downtown, our master plan balances the needs for affordable housing needs, market rate housing, and parking. The relative location of each is depicted below.

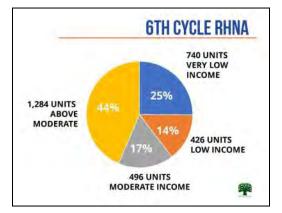


Affordable Housing

Infill Developments plans to develop affordable housing in five linearly contiguous parcels. Situating the affordable housing in this pattern allows for a linear walking path between parcels, service integration amongst the large family and senior populations, and efficiencies during construction due to site adjacency. The phasing of these projects have been further explained in <u>Section VIII</u>: <u>Development Timeline</u>.

Market Rate Housing and Parking

To reach Menlo Park's RHNA targets, the city must plan to accommodate not only substantial affordable housing, but also a significant amount of above moderate income (i.e. market rate) housing.



While the Menlo Collaborative master plan prioritizes using low-cost city-owned land for affordable housing, the plan also works towards RHNA targets for much needed market rate development. Recognizing the difficulty of funding replacement parking and the need for market rate housing, The Menlo Collaborative leverages market rate development to simultaneously meet downtown parking needs through a residual land value agreement, as well as meet hard to achieve moderate income housing needs through inclusionary units.

Partnership Structure

Infill Developments has identified AvalonBay as an ideal partner to develop market rate housing within this master plan due to AvalonBay's commitment to long term ownership and investment in their assets, as well as their experience in parking structure planning and construction. While AvalonBay can coordinate the construction of the parking structures, their funding will come from residual land value and a loan against the structures' parking fees (described further in <u>Section VII:</u> <u>Financial Structure</u>). Once the structures development is complete, the City of Menlo Park will maintain ownership but turn over operation and maintenance to a third-party management company.

For its affordable development, Infill Developments has partnered with MidPen Housing, whose expertise in senior affordable housing development increases the certainty of a successfully executed master plan. Partnership with MidPen also always for faster development timing, which will be explained more in <u>Section VIII: Development Timeline</u>. Through this master plan strategy The Menlo Collaborative utilizes the full potential of downtown parking lots to concurrently work toward affordable housing, market rate housing, and parking goals.

The numeric results of this master plan are described below.

Program Matrix

The following table describes the overall unit counts, densities, community and services spaces, and parking counts. Across the eight existing lots, The Menlo Collaborative will achieve 370 new affordable units, 147 new market rate units, and 65% replacement of existing commercial parking. The new housing developments will reach an average density of 80 dwelling units/acre.

PROPOSED PROGRAM							
	9% LARGE FAMILY	4% LARGE FAMILY	4% SENIOR	MARKET RATE	PARKING 1	PARKING 2	TOTAL
# Stories	4	5	6	5	5	5	
Total Units	32	163	144	196			535
Density (du/acre)	52	81	85	83			80
Market Rate Units				147			147
Affordable Units	32	145	144	49			370
Extremely Low Income (30% AMI)	6	17	42				65
Very Low Income (31-50% AMI)	18	108	72				198
<i>Low Income (51-80% AMI)</i>	8	19	30				57
Moderate Income (81-120% AMI)				49			49
Manager Units	1	1	1				3
Parking Spaces		20	20	98	650	225	1013
Resident Spaces		20	20	98	60	60	258
Retail Spaces					590	165	755
Parking Ratios	1/.75	1/.75	1/.25	1/.5	65% Replace	ement Parking	1/.5

Not only does The Menlo Collaborative surpass Menlo Park's Housing Element target of 345 affordable units in the downtown core, it also makes substantial progress toward overall RHNA targets for each income bracket (extremely low income to above moderate income) while also balancing the city's parking needs. The below table demonstrates the progress that Menlo Park would achieve toward its RHNA targets by developing The Menlo Collaborative.

RHNA GOALS			
	6TH CYCLE RHNA	MENLO COLLABORATIVE	
Very Low Income (0-50% AMI)	740	263	36%
Low Income (51-80% AMI)	426	57	13%
Moderate Income (81-120% AMI)	496	49	10%
Above Moderate Income (>120% AMI)	1284	147	11%
Total	2946	516	18%

Through The Menlo Collaborative master plan, Menlo Park has an incredible opportunity to facilitate the production of nearly 20% of its RHNA allocated housing production goals. The urgency of addressing its housing goals is discussed further in <u>Section VIII: Development Timeline</u>.

V. Programming

The proposed affordable developments are intended to provide Large Family and Senior housing for Menlo Park's residents and essential workers: households that earn between \$44,000 and \$135,000. Households will have jobs in fields such as healthcare, education, food services, and retail. Downtown Menlo Park's proximity to high performing schools makes it a great location for family affordable housing. The Menlo Collaborative's senior housing project also provides opportunities for low to moderate-income residents of Menlo Park to retire and downsize while staying in Menlo Park.

Through a variety of resident services across large family and senior buildings, the project seeks to create opportunities that advance the social and economic mobility of the low-income residents of Menlo Collaborative as well as for the Menlo Park community at large. Partnering with local community development organizations with strong on-ground networks will ensure access to a wide range of services in San Mateo county. By making services and facilities accessible to all residents - large families and seniors, the development aims to provide an intergenerational support system with opportunities to connect with one-another. With a series of interconnected cohesive spaces, the design seeks to create a vibrant and inclusive experience for the residents.

Services provided:

Community Space with kitchen - 1000 square feet x 2

These are multipurpose rooms located centrally to be accessible and visible to all residents. These spaces will be managed by the property manager and the budget for maintenance has been included in the operating budget. These rooms are also envisioned to be rented out for events and recreational activities to residents, as well as externally. The project will partner with 'LifeMoves' – a nonprofit organization that provides supportive resident services such as education programs and workshops including financial literacy programs, health and wellness workshops, and children's education. The non-profit organization partners with various other community-based organizations to connect individual families with required needs as well as conduct workshops for all. These workshops are

envisioned to take place in the community rooms. To view plans of the community spaces, see <u>Appendix V.</u>

Food Pantry – 1000 square feet

Located in parcel 4, the food pantry will be developed in collaboration with the 'Food Pantry' of the Second Harvest of Silicon Valley who will provide groceries as well as ready-to-eat meals once a week in this space. At all other times, this space will be used as a common community room by the residents. Food pantry is essential to serve the basic needs of low- and very low-income residents free of cost. The pantry can also benefit from nearby grocery stores in procuring produce. To view plans of the pantry, see <u>Appendix V.</u>

Case Manager's office and waiting area – 100 + 680 square feet

10% of the affordable units are reserved for people with developmental disabilities. Case management will be contracted out to the Center for Independence of Individuals with Disabilities (CID). Case manager salaries have been included in operating budgets. Along with an office for the case manager, a waiting recreational space has been provided, which can be used for workshops conducted by CID.

<u>Security</u>

The population composition of the housing does not require heavy 24x7 security. Thus, night time mobile patrolling services along with 24x7 security cameras will be sufficient to ensure resident security in these downtown Menlo Park parcels. Security services will be contracted out to 'Creative Security Company' which operates in South Bay cities. The cost for security cameras have been included in the development budget and cost for patrolling services has been included in the operating budget.

VI. Financial Structure - Affordable Housing

Though each project within The Menlo Collaborative has a unique funding structure and strategy, there are also overarching funding strategies that apply to all of the affordable housing parcels. This section details overarching strategies, the large family 9% and 4% project specific strategies, and then the market rate and parking financing strategies. A detailed proforma for MidPen's senior housing project can be found in Appendix IX.

1.1. Financing Strategies - All Affordable Projects

Because all of The Menlo Collaborative's projects will take place on city-owned parking lots, and the City of Menlo Park has expressed urgency and support for their development, the land will be donated to Infill Developments with a capitalized ground lease payment of \$1 for 99 years, and no acquisition costs. Through this financial agreement, The Menlo Collaborative is able to leverage donated land value of the parcels to increase competitiveness for HCD and other funding programs. Furthermore, because the City of Menlo Park has expressed willingness to pursue SB35 streamlining, no entitlement costs will be incurred for affordable housing.

Additionally, Infill Developments' decision to partner with MidPen Housing is not only a strategy to further the spirit of collaboration, it is also an important financial strategy. Under current regulations, affordable developers are financially disincentivized from simultaneously developing adjacent projects that use similar funding sources. Therefore, partnering with MidPen allows each of the three affordable housing projects (9%, 4%, and Senior) to be built without delay caused by financial regulations.

The Menlo Collaborative's 4% and Senior components are both relatively large projects at 145 units and 144 units respectively. This decision allows the entire master plan to be built more quickly, adding timing and cost efficiencies, and also allows the projects to achieve economies of scale in some costs such as per unit operating expenses and marketing. To account for the higher risk that equity partners take on when investing in a larger project, the 4% proformas use a lower than usual LIHTC pay-in factor.

Lastly, each project prioritizes different buckets of funding sources– local, state, and federal. While each project uses LIHTC tax credits, our 9% project relies on local funding sources, our 4% project relies on state funding sources, and The Menlo Collaborative's senior project relies on federal funding sources. These sources will be discussed in more detail below.

Underwriting assumptions for The Menlo Collaborative's affordable projects were developed using expert financial consultants and comparable projects from the last year. Because both projects are Large Family, The Menlo Collaborative assumed an absorption rate of 30 units/month and conservatively estimated a 5% vacancy rate. Each projects' sources and uses are balanced, indicating financial feasibility across the master plan's affordable component.

1.2. Financing Strategy - Large Family, 9%

Financing Sources: Large Family, 9%							
9% LIHTC Equity	\$23 MM						
Permanent Loan - Apple	\$3.7 MM						
Meta Community Housing Fund	\$1.8 MM						
АНР	\$600K						
Donated Land	\$5.8 MM						
Total Sources	\$35 MM						

Parcel 4 will contain a Large Family 9% project with 32 units, with 8 of the building's units occupied by residents with developmental disabilities. This project will receive the bulk of its funding from 9% LIHTC tax credits, as illustrated above. Crucially, this project does not rely on any of California Housing and Community Development (HCD) highly competitive funding programs, decreasing funding uncertainty and increasing the likelihood of speedy development. In addition to 9% LIHTC tax credits, the project leverages the following four local funding sources.

<u>Silicon Valley Housing Trust (Apple Affordable Housing Fund)</u> - Using Silicon Valley Housing Trust (SVHT) loan instead of a traditional permanent loan allows the project to benefit from a 2% interest rate with 20 year term and ammortization. This saves the project \$1M when compared to a conventional loan. The project meets the technical requirements for the loan (such as the loan amount being less than \$5M) as well as other selection requirements and preferences. Since this deal does not use HCD capital, the development schedule will be immensely streamlined, providing an advantage on project readiness criteria. Secondly, the project's achievement of AFFH goals through choice of site, deep affordability, inclusion of special needs units, as well as utilizing unique resident services partnerships (described in Section V: Programming), makes it extremely competitive for SVHT which is committed to advancing Diversity, Equity, and Inclusion principles in Bay Area cities with large tech company presence. SVHT has provided loans to similar projects in the recent past such as Washington Avenue Apartments in San Leandro and La Avenida in Mountain View.

<u>Affordable Housing Program (AHP)</u> - The project will be applying for AHP general funds from Federal Home Loan Bank of San Francisco for predevelopment. This project is extremely competitive for this funding source as the project uses government-owned property donated for affordable housing development, with deep rental affordability as well as 25% of its units serving special needs populations.

<u>Meta Community Housing Fund (MCHF)</u> - This project will apply for the Meta's Community Housing Fund. Located in the heart of Menlo Park which is home to Meta, this project is extremely competitive for MCHF as it serves households of extremely low income, as well as partners with other local developers and community partners.

<u>Predevelopment Developer Loan by the Housing Endowment and Regional Trust (HEART) of San</u> <u>Mateo County</u> - Lastly, this project will be applying for a quick start short-term loan from HEART. The project meets all the funding preferences as it is part of a master plan that will create a large number of total units. HEART has funded various projects similar to this 9% project, including a few along El-Camino and in East Palo Alto. They have awarded up to \$3.3M to their most recent projects.

Unit counts and AMI mixes for this project can be found in <u>Section IV: Master Plan</u>. A detailed proforma for this project can be found in Appendix VI.

Financing Sources: Large Family	, 4%						
4% LIHTC Equity \$50 MM							
Permanent Loan	\$13 MM						
Section 8	\$8 MM						
HCD MHP - Large Family	\$35 MM						
HCD IIG	\$2.5 MM						
Menlo Park BMR Fund	\$1.5 MM						
Donated Land	\$18 MM						
Deferred Developer Fee	\$1.3 MM						
Total Sources	\$129 MM						

1.3. Financing Strategy - Large Family, 4%

Funding for this Large Family 4% project, located on Parcels 5 and 6, comes from 4% LIHTC tax credits, Section 8 project-based vouchers, California's MultiFamily Housing Program (MHP), Infill Infrastructure Grant (IIG), and a small soft loan from the City of Menlo Park. This project will receive maximum points in CDLAC's bond application scoring and on MHP's SuperNOFA. Section 8 Project Based Vouchers and local soft source funding was estimated using comparable projects built in Menlo Park and surrounding communities in the last 5 years. Because this project's bond request will slightly surpass CDLAC's \$75 million bond limit, Infill Developments plans to petition the State of California for a waiver to the bond limit.

The MHP SuperNOFA self-scoring for this 4% project summed up to 101 points out of 113 points due to deep affordability, cost containment, and several units service people with developmental disabilities. Additionally the project is an infill development located in a highest resource area which aids its competitiveness. Most awards in 2023 were granted to projects which scored between 105-111 points. Additionally, Infill Developments' track record of successful affordable development in suburban peninsula communities and the site's location among numerous community amenities makes it a particularly strong competitor for CDLAC bonds, scoring the maximum 120 points possible for new construction projects.

Unit counts and AMI mixes for this project can be found in <u>Section IV: Master Plan</u>. A detailed proforma for this project can be found in Appendix VII.

VII. Financial Structure - Market Rate Housing and Parking

Market rate housing is a crucial piece of The Menlo Collaborative's master plan, and also aids in the development of replacement parking. Infill Developments understands the need for replacement parking to allow for continued economic vibrancy in downtown Menlo Park. However, our preliminary parking study indicated a 1-1 replacement may not be necessary. Using data from mid-day on a Monday in April 2021, slightly less than 60% of parking was utilized in the eight parking lots.

To reach 70% replacement parking in order to accommodate fluctuating needs throughout the year, as well as extra spots prioritized for residents of affordable housing, The Menlo Collaborative proposes building two parking structures on parcels 2 and 3. The Menlo Collaborative estimates that through AvalonBay's market rate development of parcel 1, roughly \$9 million can be contributed to the development of the parking structures. To fund the remaining estimated \$30 million, The Menlo Collaborative proposes that the City of Menlo Park takes a loan leveraging small parking fees (averaging \$1/hour) from the structures' usage.

Infill Developments and AvalonBay are particularly excited about partnering for The Menlo Collaborative master plan, as AvalonBay will be able to create hard-to-achieve middle-income housing units at 100% AMI. Such units are not financeable using traditional affordable housing funding sources, but are critical to providing robust housing options for Menlo Park residents, and are also required by the state's RHNA allocations.

The Residual Land Value and parking fee loan calculations can be found in Appendix VIII.

VIII. Development Timeline

California is at the center of national conversations around affordable housing shortages. Low housing supply in many cities has led to such high prices that middle and low-income residents struggle to find quality homes they can afford. In Menlo Park, Zillow estimates the median home value to be \$2.5 million, while Redfin estimates nearly \$3 million. That means that only 50% of the housing options in Menlo Park will sell for less than \$2.5 million. The severity of the affordable housing shortage in Menlo Park and surrounding peninsula communities has led to workforce shortages, increased traffic impacts from commuters who can't afford to live near their jobs, and increased housing instability, cost burdens, and homelessness. It is, in short, a crisis.

While the state of California has begun taking legal action against cities who fail to plan for increased housing production, Menlo Park has demonstrated earnestness to plan for increased housing stock in a realistic and urgent manner. By committing itself to the development of at least 345 affordable housing units on city-owned parking lots in its current Housing Element, Menlo Park has undertaken a binding first step in its plan to address a dire need for housing. Through this type of bold and important action, Menlo Park is uniquely poised to become a leader and example for other peninsula communities struggling to gain momentum in housing planning and development. To quickly and efficiently execute its Housing Element commitments and grow toward a new and improved downtown, The Menlo Collaborative proposes an aggressive development timeline that accurately reflects the urgency of the area's housing crisis.

The assumed development timeline begins in January 2024, with the issuance of Menlo Park's RFP for development of the 8 public parking plazas. Once the ENA is awarded in July 2024, the Design process

will begin. Because the Large Family projects are applying for different LIHTC tax credits (4% and 9%), and the Senior project is being developed by MidPen Housing, all of the projects can simultaneously apply for funding and begin construction while still collecting developer fees. To accommodate the retail sector's parking needs as well as streamlining construction logistics, we will go through design, entitlement, and permitting for the Parking Structure and Infrastructure Upgrades ahead of the Affordable Housing Projects. The target date of completion for the Parking Structure and Infrastructure Upgrades will be May 2026, one month before beginning construction on the affordable housing projects.

We expect that the housing Entitlement Process will be complete by March 2025 and the Building Permit Issued by April 2026. The financing process will begin with Menlo Park's award of BMR funds at the time of the ENA. Having this local funding secured will help us remain competitive for the Q3 2024 SuperNOFA issuance by HCD. We will apply for Tax Exempt Bonds and Tax Credits with TCAC and CDLAC in September 2025, with the award by December 2025. We will close on construction financing and begin construction 180 days later by June 2026. Construction completion and lease up for the 9% Large Family project will be completed by December 2027, within the placed in service deadline for 9% deals. Lease up and conversion to permanent financing for the 4% large family project and senior project will be completed in Q4 2028, 59 months after the issuance of Menlo Park's RFP.

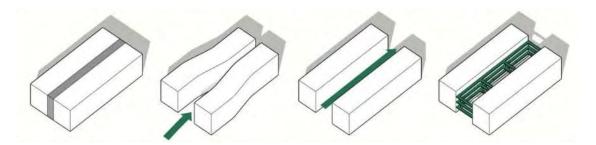
Phase 1 also includes AvalonBay's market rate housing development. This project is not subject to affordable housing funding application timelines, as it is privately financed. As such, once the parking and infrastructure improvements are completed, the market rate housing development will begin construction in May 2026. AvalonBay will then complete lease up and convert to permanent financing in Q4 2028.



A more detailed development timeline can be found in Appendix X.

IX. Design Strategies

The Menlo Collaborative critically reimagines affordable housing design by undoing traditional double-loaded corridor typology. The design tears apart the dim-lit corridors that lack adequate ventilation to create single-loaded open corridors. By externalizing corridors and stairways, the design seeks to maximize resident access to light, fresh air, and neighborhood connection. Open corridors also allows 'eyes on streets' and provide opportunities for residents to interact with one-another as well as with activities taking place in the common green courtyards. Additionally, the design focuses on pedestrianizing the five linearly connected land parcels through the affordable housing and thus transforming parking lots to active streets that promote spontaneous social interactions, leisure, and play.



Site Plan



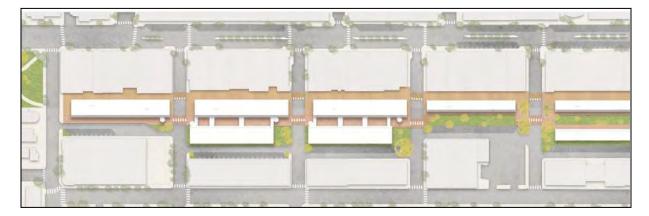
Broad Strategy:

The composition of the site plan responds to the integration of the existing urban fabric to our development. The module we are using as a base for our design is a 25'-0" unit, which are shifted in pairs to mimic the facade modulation of Santa Cruz Avenue where two shops often share a single 50' storefront.

Vehicular Strategy (See Appendix IV for site sections):

Additionally, short term surface parking stalls will be provided with affordable housing buildings for loading unloading of goods and groceries, for temporary parking, and reserved ADA parkings. By creating space for parklets on the rear side of retail outlets, more parking can be incorporated on Santa Cruz Avenue. The existing trash services on the rear side have been neatly incorporated in covered spaces in the housings.

Active streetscapes:



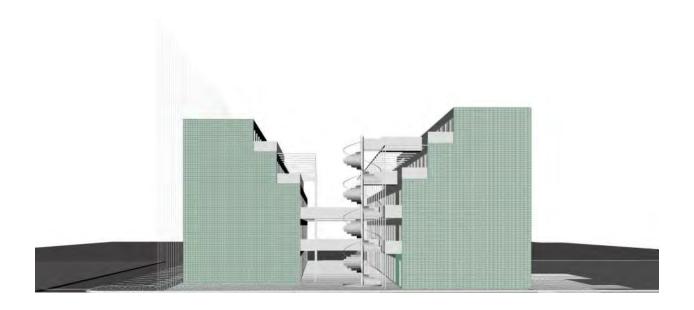
The design celebrates the linearity of the sites by creating two integral streets knitting all five parcels together:

The north street connects the existing retail fronts facing the site which is publicly accessible With a structured orthogonal clay tile arrangement, this street is envisioned to create a system of spaces that allows both functional and community activities, along with neatly aligning infrastructural services. This street also integrates many of the residents' services such as food pantry and computer lab to the streetscape, making them accessible to all. The tiles also bridge over the arterial roads not only to establish crosswalks but also facilitate pedestrian movement and wayfinding.

The south street connects the internal courtyard and green spaces of the affordable housing developments. Integrating the entrances/ porches of the ground floor units and the vertical circulation, this street creates a safe, secure, and personalized space for the residents. The open single-loaded corridors look down to this street and in many ways enclose it as well. With a randomized pattern of red clay tiles, this internal street seeks to induce explorative and intimate spaces. It connects the more private community spaces like community hall, community kitchen, and laundry rooms.

Building Design Concept

<u>Open single-sided corridors:</u> These corridors serve as elevated streets for the residents. Running along the building as well as across, they connect the two buildings allowing them to efficiently share services such as elevators and thus bringing cost down. Extended nooks have been provided through the length of the corridors serving as breakout spaces for residents to enjoy outdoors and facilitate interactions with other residents. Additionally, a fun spiral staircase vertically connects these 'streets' emerging from the community spaces at the ground floor.



X. Conclusion

The City of Menlo Park has a once-in-a-century opportunity to positively transform its downtown core while advancing solutions to the region's most difficult challenges– housing affordability. As discussed throughout this proposal, The Menlo Collaborative has detailed strategies to achieve its three guiding goals.

1. Position Menlo Park to be an affordable housing leader

The Menlo Collaborative jumpstarts Menlo Park's plan to develop its downtown parking lots. Through an ambitious master plan, the city will surpass its affordable housing target, work toward its market rate RHNA targets, and make substantial progress toward its overall RHNA goals. Furthermore, the Menlo Collaborative's affordable developments push the envelope of innovative affordable housing design, delivering high-quality and unique buildings to the community. This type of bold development plan will position Menlo Park as a housing leader for other suburban communities in the peninsula and beyond.

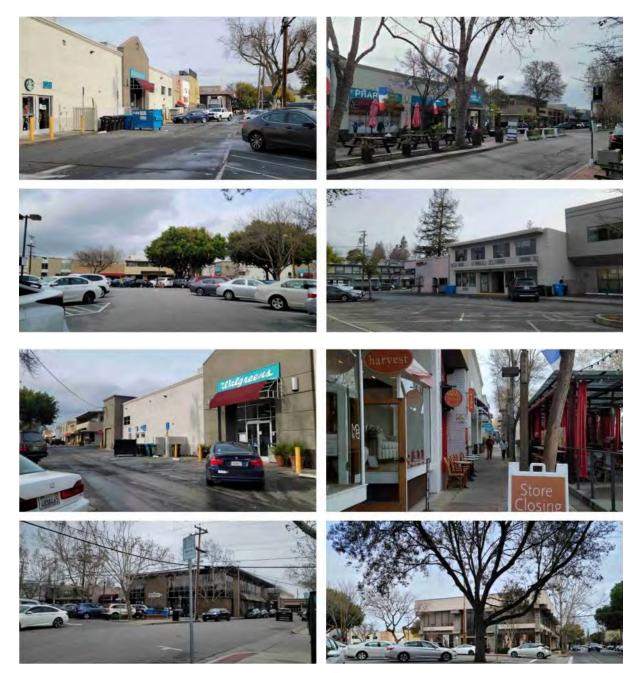
2. Collaborate for efficient development

Not only will the quantity and quality of Menlo Collaborative's developments inspire other suburban cities, the speed that this proposal can be developed is important and unique. Strategic partnerships between Infill Developments, MidPen Housing, and AvalonBay make a five-year development timeline possible. This is important for Menlo Park's RHNA targets, but also for its commitment to affordable housing production. The housing crisis is now, and a five-year development timeline does justice to its urgency.

3. Reimagine traditional affordable housing design

The Menlo Collaborative rethinks traditional affordable housing design to offer residents a unique and pleasant housing experience. By maximizing access to light and fresh air by breaking open a typical double-loaded corridor design, the design transforms would-be hallways into courtyards, walking routes, and moments of connection. Via this design, residents can expect to know their neighbors, build community, and enjoy their homes.

Appendix I - Site Photos



Fire Station Images

Caltrain Station



Existing Parking Plaza Images



University Dr. and Parcel A



Evelyn St. and Parcel B



Crane St. and Parcel C





Appendix II - Zoning

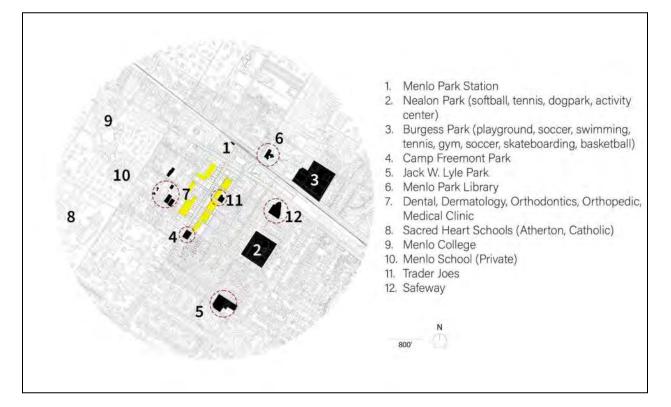
Zoning/Planning	Requirements Chart	
Requirement	Requirement Description	Planning Code Citation
Zoning - El Camir (Ord. 979§6 (par	no Real/Downtown specific plan district (SP-ECR-D) t), 2012)	
Uses	Downtown/Station Area/Retail/Mixed-Use: Allows 100% residential (Only mainstreet overlay area requires ground floor retail)	E7
FAR	2-2.25	Table E2 Development Standards in the Land Use section of the Specific Plan page E15
du/acre	25-40	Table E2 Development Standards
Height	38'	Table E2 Development Standards
facade Height 30' facing a public ROW or a public open space.		Table E2 Development Standards
LEED	Must be at least LEED Silver	E41
Parking	Car Parking Requirements for Station Area Sphere of Influence: ≥2 bedrooms: 2 spaces; <2 bedrooms: 1-1.5 spaces;	Table F2
Bike Parking	Without private garage for each unit: 1 space/unit + 1 guest space/10 units	Table F1
Setback - Front and Side facing a public ROW	Minimum: 0 feet with limited setbacks allowed for store or lobby entrances, retail frontage and outdoor seating. Maximum: 0 feet	E91-E92
Setback - Interior Side	Minimum: 0 feet Maximum: 0 feet	E91-E92
Setback - Rear	Minimum: 0 feet	E91-E92
Setback - Allowed Projections	Building and Architectural projections are allowed	E91-E92 Section E.3.3.
Massing and Modulation	Major portions of the building facing a street shall be parallel to the street.	E91-E92
Building Façade Modulation	Building Façade Modulation is required	E91-E92 Section E.3.4.2
Building Profile	A 45-degree Building Profile above the maximum façade height is required for façades fronting a public ROW or a public open space	E91-E92 Section E.3.4.3.

	100 SF per unit if common, 80sf per unit if private with	
Open Space	minimum dimensions of 6ft by 6ft if private.	E35
Affordable Housir	ng Overlay (AHO)	
	To get residential density bonus, proposed projects need as a minimum either: 21% Ll	
	12% VLI	
	Combo of LI/VLI to achieve 35% density bonus	
	Note: % is as of base unit density without any bonuses. See chart from goldfarb & lipman pasted below for more info. Max bonus is 60%.	MC 16.98.020
	100/acre (Not yet passed, but HE promises this)	
du/acre	Currently: base zoning + 60%	16.98.030
FAR	"Public benefit levels"	16.98.040 (f) (1)
	<=45% density bonus	
	Max 4 stories/48ft	
	>45% density bonus + 50% VLI / 25% ELI	
Height/Stories	Max 5 stories/60ft	16.98.040
Facade Height	30' facing a public ROW or a public open space (from specific plan)	16.98.040 (f) (3)
	Whichever is less of the SP-ECR-D or the below: Studio: 0.8 spaces	
	1BR: 1 space	
	2BR+: 1.5 spaces	
	"Station area sphere of influence": affordable units grant -0.2 spaces	
	Senior projects: 0.8 spaces / du	
Parking	50% of EV parking reqs	MC 16.98.040
Bike Parking	Whichever is less of the SP-ECR-D or the below: 0.5 spaces / du	MC 16.98.040
Coverage	+5% for buildings/paving, -10% for open space/landscaping	MC 16.98.040
Setbacks	-5 ft (this means 0 feet because we were already at 0 with base zoning)	16.98.040

	waived if 50% LI / 20% VLI Can reduce other fees for density bonus if request to CC	MC 16.98.050
Processing lees	Call reduce other lees for density bonus if request to CC	MC 16.98.030
	and have different interior finishes and features than market rate units so long as the features are durable, of good quality and consistent with contemporary standards for new housing as determined by the community development director in his/her sole and absolute discretion.	
	Number of bedrooms in the low and very low income units shall at minimum be consistent with the mix of market rate units	MC 16.98.070
State Density Bon	u <u>s</u>	
	+80% base density for 100% affordable projects (if less that 100% affordable, see table on page 4) However: If a 100% affordable project is located within a half mile of a major transit stop, the local government may not impose any maximum density limits at all, and the project is further entitled to receive a maximum height increase of up to three additional stories or 33 feet (page 8)	Page 4, 8
		1 age 7, 0
	0 spaces required for 100% affordable to low income, within ½ miles of major transit	Page 6
Housing Flement	(1/6/2023) - Promises	

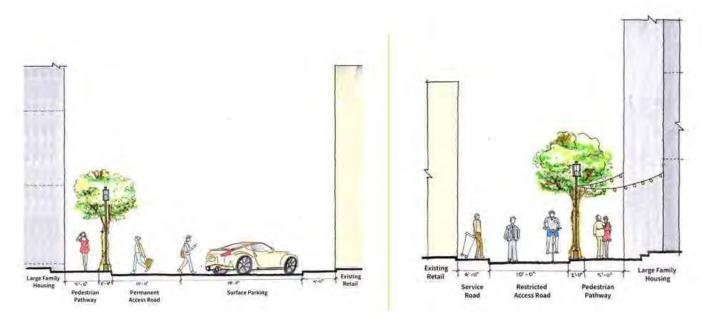
Density	Adopt modifications to the El Camino Real/Downtown Specific Plan to include, but are not limited to, the following changes: a. Eliminate housing cap in El Camino Real/Downtown Specific Plan to align with SB 330. b. Increase the maximum base level density to at least 30 units/acre across all subareas. c. Increase the maximum bonus level density in certain subareas to encourage more housing. d. Establish a minimum density of 20 units/acre to all subareas, upon the addition of residential uses on a site. e. Review development standards such as height and parking ratios to reduce potential constraints on development and evaluate the design guidelines to establish objective design standards. Investigate opportunities for shared or district parking and parking in-lieu fees as part of district parking.	Program H4.L
Density	Update AHO so that state density bonus incentives can be utilized in conjunction with the AHO, providing for densities of up to 100 units/acre. Consider outlining housing development targets for special needs populations.	Program H4.D
Hopes and dreams for our site	seek to complete development of 345 or more affordable housing units on a combination of parking lot sites (2028).	Program H4.G

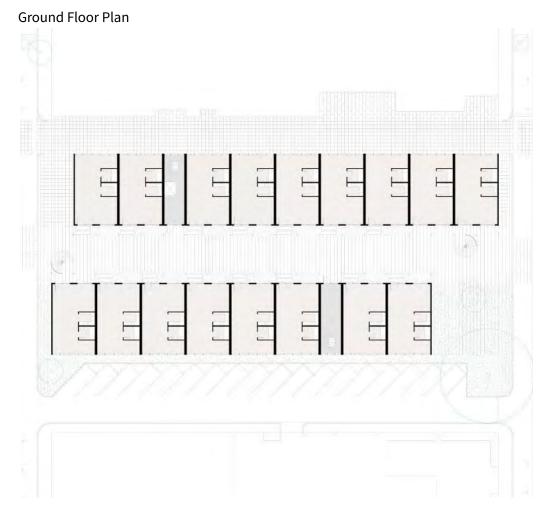
Appendix III - Site Amenities



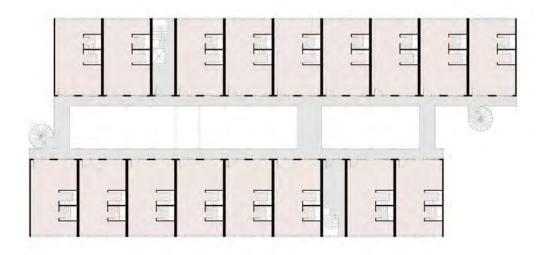
Appendix IV - Architectural Drawings

Site Sections



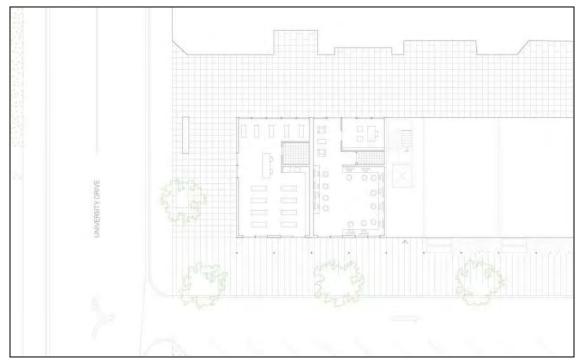


First Floor Plan

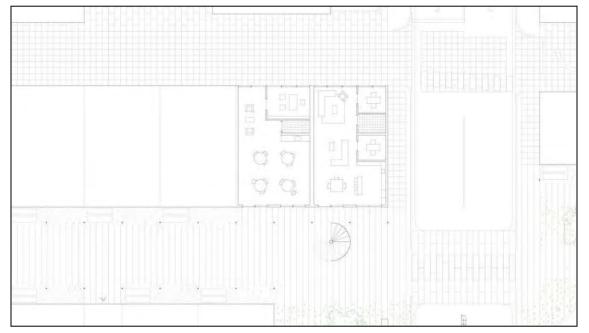


Appendix V - Community Spaces

Food Pantry plan



Community Room plan



DESCRIPTION				DURATION (months)	DURATION (months)			202	24			2025			2025			2025			2025			2025	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025	2025)25			.025			;		202	7		2028		
	RESPONSIBLE PARTY	START	DURATION (months)	END	Q1	Q2	Q3	Q4	Q1 Q	2 Q3	Q4	Q1	Q2	Q3 Q4	Q1	Q2 Q	3 Q4	4 Q1 (Q2 Q3	Ç																														
Predevelopment																																																		
City of Menlo Park RFP Issued	City	1/1/2024	3	3/29/24																																														
City of Menlo Park RFP Application Deadline and ENA Award	City	3/29/2024	3	7/1/24																																														
Community Engagement for Master Plan	Developer Team	8/1/2024	5	1/1/2025																																														
Due Diligence and Technical Studies (Soil, Sewer, Water)	Developer Team	7/1/2024	4	10/29/24																1																														
Phase 1A: Schematic Design (Infrastructure and Parking Structure)	Architect	7/1/2024	4	10/29/24																																														
Phase 1A: Design Development	Architect	10/29/2024	4	2/26/25																																														
Phase 1A: Construction Documents	Architect	2/26/2025	4	6/26/25																_																														
Phase 1: Schematic Design (Residential Structures)	Architect	8/1/2024	6	1/28/25											_					-																														
Phase 1: Design Development	Architect	1/28/2025	6	7/27/2025											-																																			
Phase 1: Construction Documents	Architect	7/27/2025			-																																													
Government Approvals																																																		
Phase 1A: Entitlement Process	Architect	9/14/2024	3	12/13/2024																																														
Phase 1A: Building Permits	Architect	6/26/2025			-																																													
Phase 1: Entitlement Process	Architect	12/14/2024			-										_					+																														
Fire and life safety, structural, and accessibility approvals	City of Menlo Park	1/12/2025		5/12/2025	-						_				_					+																														
Utility connections approvals (water, sewer/stormwater, electric)	City of Menlo Park	5/12/2025		9/9/2025	-										_					-																														
Phase 1: Building Permits	Architect	1/23/2026																																																
Financing																																																		
Menlo Park BMR Fund Application and Award	City of Menlo Park	3/29/2024	3	7/1/24																-																														
SuperNOFA (MHP and IIG)	HCD	7/1/2024		12/1/24	-															-																														
Meta Community Housing Fund	Partnership for the Bay's Future	1/1/2024		4/1/2025	-										_																																			
4% Tax Exempt Bond Allocation and 9% Tax Credit Allocation	TCAC/CDLAC	9/6/2025		12/6/2025	-															+-																														
-		12/6/2025			-										_					-																														
Close on Construction Financing	Developer	12/0/2025	6	0/4/2020																-																														
Grading and Construction																																																		
PG&E Approvals and Release of Switchgear	Contractor	9/1/2024	9	6/1/25																																														
Phase 1A: Parking Structure	Contractor	10/7/2025	7	5/5/2026																																														
Phase 1A: Infrastructure	Contractor	2/4/2026	3	5/5/2026																																														
Phase 1: Market Rate: Construction	Contractor	5/5/2026	22	2/24/2028																																														
Phase 1: Large Family (9%): Construction	Contractor	6/4/2026	15	8/28/2027																																														
Phase 1: Large Family (4%): Construction	Contractor	6/4/2026	22	3/25/2028																																														
Phase 1: Senior (4%): Construction	Contractor	6/4/2026	20	1/25/2028																																														
Unit Absorption and Stabilization																																																		
Community Engagement - Neighborhood Open House	Developer	6/1/2028																																																
Large Family (9%): Lease Up	Developer	8/28/2027	4	12/26/2027																1																														
Large Family (9%): Conversion to Permament Financing	Developer	12/26/2027	3		-															1																														
Large Family (4%): Lease Up	Developer	3/25/2028	4	7/23/2028	-															1																														
Large Family (4%): Conversion to Permament Financing	Developer	7/23/2028		10/21/2028	-																																													
Senior (4%): Lease Up	Developer	1/25/2028			-																																													
Senior (4%): Conversion to Permament Financing	Developer	5/24/2028			-															F																														
Market Rate: Lease Up	Developer	2/24/2028			-						_																																							
Market Rate: Conversion to Permament Financing	Developer	8/22/2028		11/20/2028	-										1					Þ																														
market rate. Conversion to Fernament Finanoling		0,22,2020	3	11/20/2020	·						_																																							