



CITY COUNCIL SPECIAL AND REGULAR MEETING AGENDA

Tuesday, December 10, 2013
6:00 P.M.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers

6:00 P.M. CLOSED SESSION (1st floor Council Conference Room, Administration Building)

Public Comment on these items will be taken prior to adjourning to Closed Session

CL1. Closed Session pursuant to Government Code Section §54957 to conference with labor negotiators regarding labor negotiations with the Police Officers Association (POA) and Service Employees International Union (SEIU)

Attendees: Alex McIntyre, City Manager, Starla Jerome-Robinson, Assistant City Manager, Bill McClure, City Attorney, Gina Donnelly, Human Resources Director, and Drew Corbett, Finance Director

CL2. Closed Session pursuant to Government Code Section §54957:
Public Employee Performance Evaluation - City Manager

7:00 P.M. REGULAR SESSION

ROLL CALL – Carlton, Cline, Keith, Ohtaki, Mueller

PLEDGE OF ALLEGIANCE

REPORT FROM CLOSED SESSION

ANNOUNCEMENTS

SS. STUDY SESSION

SS1. Provide general direction to staff on an update to the City logo ([Staff report #13-198](#))

A. PRESENTATIONS AND PROCLAMATIONS

A1. Proclamation recognizing the Menlo Park Holiday Block Party Committee ([Attachment](#))

A2. Proclamation honoring Pat Carson on her retirement ([Attachment](#))

A3. Update from San Mateo County Mosquito and Vector Control District Trustee

B. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS

B1. Reappointment of San Mateo County Mosquito and Vector Control District Trustee ([Attachment](#))

B2. Consider applicants for appointment to fill three vacancies on the Housing Commission ([Staff report # 13-179](#))

C. PUBLIC COMMENT #1 (Limited to 30 minutes)

Under “Public Comment #1”, the public may address the Council on any subject not listed on the agenda and items listed under the Consent Calendar. Each speaker may address the Council once under Public Comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The Council cannot act on items not listed on the agenda and, therefore, the Council cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

D. CONSENT CALENDAR

- D1.** Adopt a resolution approving the City Council subcommittee recommendations regarding the 2013-14 Community Funding allocation in the amount of \$143,000 ([Staff report #13-183](#))
- D2.** Approve funding of \$8700 for the Greyhounds Youth Football Program and the Menlo Atherton Viking Cheerleading Team ([Staff report #13-201](#))
- D3.** Approve the annual report of the Below Market Rate (BMR) Housing Program, including the status of the BMR in-lieu fees collected as of June 30, 2013, in accordance with Government Code Section 66000 et.seq. ([Staff report #13-184](#))
- D4.** Adopt a resolution appropriating \$150,000 from the Transportation Impact Fee Fund Balance for the Willow Road/VA Hospital Entrance/Durham Street Signal Modification Project ([Staff report #13-186](#))
- D5.** Authorize the City Manager to award a contract to Towne Ford Sales in the amount of \$184,143 for the purchase of six police vehicles; award a contract to Priority 1 Public Safety Equipment in the amount of \$57,344 for the purchase and installation of emergency equipment; and authorize a total budget of \$247,487 for the purchase of the vehicles, equipment and contingencies ([Staff report #13-180](#))
- D6.** Authorize the Public Works Director to accept the work performed by Precision Emprise, Inc. for the Sidewalk Trip Hazard Removal Project Phase 2 ([Staff report #13-181](#))
- D7.** Authorize the Public Works Director to accept the work performed by VSS International, Inc. for the 2013-2014 Slurry Seal Project ([Staff report #13-182](#))
- D8.** Extend existing contract with CB&I in an amount not to exceed \$128,575 for engineering services to monitor, operate, maintain, repair, sample and report on the Bedwell Bayfront Park Leachate Collection System; and authorize the City Manager to extend the contract annually for up to three additional years ([Staff Report #13-190](#))
- D9.** Adopt a resolution appropriating \$8,093 from the Transportation Impact Fee fund balance, award a construction contract for the Oak Grove Avenue and Merrill Street Intersection In-Pavement Lighted Crosswalk Project to Bear Electrical Solutions, Inc., in the amount of \$30,110 and authorize a total budget of \$37,640 for construction, contingencies, inspection and project management ([Staff report #13-189](#))
- D10.** Authorize the City Manager to execute a funding agreement with City/County Association of Governments for the Willow Road Improvements at Newbridge Street and Bayfront Expressway Design Project for an amount of \$89,096 and subsequent agreements ([Staff report #13-194](#))

- D11.** Approve the Following Actions Related to Staffing in the Community Development Department: (1) Authorize the City Manager to Sign an Amended Contract with Metropolitan Planning Group for Contract Planning Services; (2) Appropriate \$1.1 Million for Contract Building Plan Check and Inspection Services; (3) Authorize the City Manager to Sign an Amended Contract with Interwest Consulting Group, Inc. for Contract Building Plan Check and Inspection Services; and (4) Extend the Terms for Two Limited Term Planning Positions ([Staff report #13-195](#))
- D12.** As Successor Agency, consider adopting a resolution of the Successor Agency to The Community Development Agency of the City Of Menlo Park approving an amendment to the amended and reinstated letter of credit and reimbursement agreement and authorizing certain actions in connection therewith ([Staff report #13-200](#))
- D13.** Accept minutes for the Council meetings of October 1, 15, 28, November 4 & 12, 2013 ([Attachment](#))
- D14.** Adopt a resolution designating the Menlo Park Office of Economic Development as the official Economic Development Agency of the City of Menlo Park for purposes of interacting with the California State Employment Development Department ([Staff report #13-199](#))
- E. PUBLIC HEARINGS – None**
- F. REGULAR BUSINESS**
- F1.** Review and Provide Feedback on the Implementation Programs of the Adopted Housing Element (2007-2014) and 2) Authorize the City Manager to Incorporate Council's Direction on the Preliminary Draft Housing Element Update (2014-2022) and then Submit the Draft Housing Element to the State Department of Housing and Community Development for Review and Comment ([Staff report #13-196](#))
- F2.** Approve Laurel Street Parking Restrictions Adjacent to Nativity School ([Staff report #13-193](#))
- F3.** Introduction of an Ordinance adopting the 2013 California Building Standards Code and local amendments ([Staff report #13-185](#))
- F4.** Consider approval of the Terms of an Agreement between the City of Menlo Park and the American Federation of State, County and Municipal Employees, Local 829 ([Staff report #13-187](#))
- F5.** Consider adopting salary ranges for non-represented and confidential employees, provide feedback on the Council policy regarding setting salary ranges, authorize the City Manager to administer salary increase within the range and authorize the City Manager to distribute one time bonuses of up to \$5,000 ([Staff report #13-191](#))
- F6.** Discuss recommendations for various seats for determination at the City Selection Committee meeting scheduled for December 13, 2013 ([Staff report #13-188](#))
- F7.** Consider state and federal legislative items, including decisions to support or oppose any such legislation, and items listed under Written Communication or Information Item: **None**
- G. CITY MANAGER'S REPORT – None**
- H. WRITTEN COMMUNICATION – None**

I. INFORMATIONAL ITEMS

- I1. Quarterly financial review of General Fund operations as of September 30
([Staff report # 13-173](#)) – Continued from November 19, 2013
- I2. Review of the City's Investment Portfolio as of September 30
([Staff report # 13-174](#)) – Continued from November 19, 2013
- I3. Quarterly review of Economic Development
([Staff report # 13-175](#)) – Continued from November 19, 2013

J. COUNCILMEMBER REPORTS

K. PUBLIC COMMENT #2 (*Limited to 30 minutes*)

Under "Public Comment #2", the public if unable to address the Council on non-agenda items during Public Comment #1, may do so at this time. Each person is limited to three minutes. Please clearly state your name and address or jurisdiction in which you live.

L. ADJOURNMENT

Agendas are posted in accordance with Government Code Section 54954.2(a) or Section 54956. Members of the public can view electronic agendas and staff reports by accessing the City website at <http://www.menlopark.org> and can receive e-mail notification of agenda and staff report postings by subscribing to the "Home Delivery" service on the City's homepage. Agendas and staff reports may also be obtained by contacting the City Clerk at (650) 330-6620. Copies of the entire packet are available at the library for viewing and copying. (Posted: 12/5/2013)

At every Regular Meeting of the City Council, in addition to the Public Comment period where the public shall have the right to address the City Council on the Consent Calendar and any matters of public interest not listed on the agenda, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the Mayor, either before or during the Council's consideration of the item.

At every Special Meeting of the City Council, members of the public have the right to directly address the City Council on any item listed on the agenda at a time designated by the Mayor, either before or during consideration of the item.

Any writing that is distributed to a majority of the City Council by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available for inspection at the Office of the City Clerk, Menlo Park City Hall, 701 Laurel Street, Menlo Park, CA 94025 during regular business hours. Members of the public may send communications to members of the City Council via the City Council's e-mail address at city.council@menlopark.org. These communications are public records and can be viewed by any one by clicking on the following link: <http://ccin.menlopark.org>.

City Council meetings are televised live on Government Access Television Cable TV Channel 26. Meetings are re-broadcast on Channel 26 on Thursdays and Saturdays at 11:00 a.m. A DVD of each meeting is available for check out at the Menlo Park Library. Live and archived video stream of Council meetings can be accessed at http://menlopark.granicus.com/ViewPublisher.php?view_id=2.

Persons with disabilities, who require auxiliary aids or services in attending or participating in City Council meetings, may call the City Clerk's Office at (650) 330-6620.



ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-198

Agenda Item #SS-1

STUDY SESSION: Provide General Direction to Staff on an Update to the City Logo

RECOMMENDATION

Staff recommends the Council review the logo design options and provide general direction on a design in order to allow an update to the City logo and other subsequent branding activities.

BACKGROUND

The City's existing logo was first developed in the 1960s and is still used today in its original, hand drawn form. The City's image has changed dramatically in the last 50 years and it is time to update the logo and the City's other branding materials. This is an important step before funds are spent on other updates, such as the City's website. Council approved funding for the branding update in the 2013-14 budget and it is included in the City Manager's goals for this year.

In November of 2012, staff began working through a standard branding process which included review of the City's organizational mission/values, identification of target audiences, identification of the City's brand identity (including current and heritage image and desired image) and development of a set of key image statements. The team then shared the results of this process with a design consultant who developed four logo options embodying the values and image concepts. See Attachment A for the results of the Strategic Brand Analysis process.

These four options were then reviewed by staff from across the organization and ranked based on their ability to express the values concepts. In April and May of 2013, staff sent an online survey to 50 "power customers" identified as regular users of City services by various departments and displayed the logo options in City facilities where program participants could provide comments and rank the choices. The results of these ranking activities are found in Attachment B.

The next step in the process is to provide the designers with a general logo direction for their refinement and finalization based on City feedback. The designers will then develop graphic standards for the City as well as templates for use of the updated logo in letterhead, the web page, social media, flyers, brochures, the Menlo Focus and more.

ANALYSIS

As the City has welcomed new businesses, constructed world class public facilities and implemented new customer service standards, there has been a need to improve the quality of our communications and marketing materials to better reflect the high quality of life in Menlo Park, the strong sense of community, the vibrancy and innovative culture. The graphic look of the organization can be an important reflection of Council's values and identity, and input from Council will help ensure the direction is in line with community expectations. Three design options are included for Council review in Attachment C.

IMPACT ON CITY RESOURCES

The initial contract with the design consultants was included in the Community Services budget for the 2012-13 fiscal year at \$30,000. Additional work to incorporate a new logo into the City's branding materials will be done in the 2013-14 fiscal year. The City Council approved funding for this activity from one-time revenues in the technology and communications category at the April 2, 2013 Council meeting and approved funding in the 2013-14 budget for this purpose. A contract with the design consultants for the next phase of the work will come back to Council for approval at a future meeting.

POLICY ISSUES

On March 26, 2013, Council approved goals for the coming year including enhancing communications and community engagement: *Create, with Council, initiatives that project the positiveness of Menlo Park, branding, and enhanced image of the City.*

ENVIRONMENTAL REVIEW

Environmental review is not required for this project.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Strategic Brand Analysis for Menlo Park
- B. Community feedback on logo options
- C. Logo options in three colors, reverse, and B/W

Report prepared by:
Cherise Brandell
Community Services Director

City of Menlo Park Brand Identity

Existing Brand Image (From Customer Perspective)

- Service-oriented
- Government agency
- Older or slower way of doing things
- Average
- Not a business
- Only option
- Desirable services and facilities
- A great place to live
- Beautiful place
- Sense of community
- Small-town and connected atmosphere
- Safe
- Divided community
- Difficult to navigate/red tape
- High-quality staff

Brand Heritage

- Stable
- Dependable
- Inclusive
- Family oriented
- Slow-moving
- High Standards/Compliance to regulations
- Available/Access Service
- Affluence
- Divided community
- Neighborhood identities
- Small town
- VC business community
- Resistant to change/risk adverse
- Difficult to navigate/red tape
- Regulatory
- Responsible, knowledgeable, and courteous staff

Organization Values

- Enhance the quality of life
- Create a sense of community
- Create a vibrant community
- Create a healthy community
- Create a beautiful, environmentally sound community
- Create a safe community
- Preserve public trust
- Provide opportunities for personal development and learning or building upon skills
- Provide clear and engaging communication
- Encourage innovation, deep collaboration and cross pollination
- Be resilient and adaptable to change
- Strive for professional excellence
- Develop leaders at all levels and within the community

Proposed Brand Identity (What do we want to communicate?)

Brand as Product/Service: Enhancing the quality of life, creating community, and providing security

Brand as Organization: Community Builder, Protector of Community Resources, Innovative

Brand as Person: Facilitator, Even-keeled, Dependable, Trustworthy, Fair, Ethical, Inclusive, Helper

Brand as Symbol: Tree --- Current Logo

Potential Future Symbols

- Images of people
- Update image of tree
- Create metaphors for trees - Life, Family, Connection, Beauty, Growth, Stability, Strength, Shelter/Protect, Sustainability



Potential Tag Lines

- *Enhancing the quality of life*
- *Something better*
- *Growing our future together*
- *The Perfect Life*
- *Everything I want is here*

Logo Update Community and Staff Ranking

First choice:



Comments included:

- Simplicity is a plus
- Too many small leaves
- Looks most like the current logo
- Doesn't communicate high quality
- Communicates strength, deep roots, room for growth
- Clean and open – tells a story
- Worried it will be difficult to reproduce

Second choice:



Comments included:

- Modern and keeps the tree
- Feels global and broad thinking
- My first choice but may be too abstract for some
- Use the font from #4
- Communicates open and involved
- Simple and interesting
- Drew me in – very engaging
- Grey around the trunk is distracting
- Looks a little like lobes of the brain

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Logo Options in Three Color, Reverse and B/W





City of
menlo park



City of
menlo park



City of
menlo park

TWO PMS COLOR AND CMYK LOGO



GRAYSCALE LOGO



REVERSE LOGO



TWO PMS COLOR AND CMYK LOGO WITH DEPARTMENT NAME



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Proclamation

Recognizing Menlo Park Holiday Block Party Committee

WHEREAS, the Menlo Park Holiday Block Party Committee, chaired by Brian Flegel, is a partnership between the Menlo Park Chamber of Commerce and the City of Menlo Park; and

WHEREAS, the goal of this partnership was to revitalize a lost, but cherished holiday tradition, including the lighting of a magnificent holiday tree; and

WHEREAS, the Holiday Block Party served to build community, and spread holiday joy and cheer to the children and residents of Menlo Park; and

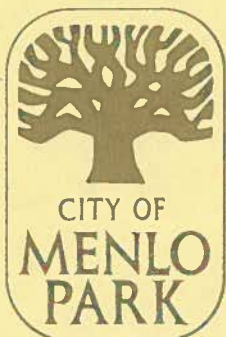
WHEREAS, the Holiday Block Party supported downtown merchants by attracting revelers to enjoy our beautiful downtown to enjoy the festive fun and merriment; and

WHEREAS, this effort was supported by Chamber of Commerce Board Members and City representatives through their service on the Committee and at the celebration; and

WHEREAS, the 2013 Holiday Block Party Committee brought together a diverse group of individuals dedicated to giving the gift of public service to their community; and

WHEREAS, their gift has enhanced the shared holiday experience of the greater Menlo Park Community.

NOW THEREFORE, BE IT RESOLVED that I, Ray Mueller, Mayor of the City of Menlo Park, do hereby recognize and offer thanks to the Menlo Park Holiday Block Party Committee for their dedication, commitment and service to the City of Menlo Park and its residents.



Ray Mueller, Mayor
City of Menlo Park

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Proclamation

Honoring Gwendolyn Patricia Carson

WHEREAS, Gwendolyn Patricia Carson best known as Pat Carson served the City of Menlo Park from August 21, 1981 to December 30, 2013; and

WHEREAS, Pat Carson began her employment with the City working as an Office Assistant in Community Resources; and

WHEREAS, Pat Carson was promoted to Administrative Secretary in 1984 and was responsible for the Recreation Activity Guide and the contractual recreation classes; and

WHEREAS, Pat Carson was promoted to Special Assistant to the City Manager in 1989; and her title was later changed to the Executive Secretary; and

WHEREAS, Pat Carson served the City as a State Commissioned Notary Public for three consecutive four year terms from 1996 through 2008; and

WHEREAS, Pat Carson has excelled in outstanding customer service and received numerous employee awards in customer service

WHEREAS, Pat Carson proved to be a natural leader establishing the Admin Support Staff meetings to foster communication and encourage teamwork; and

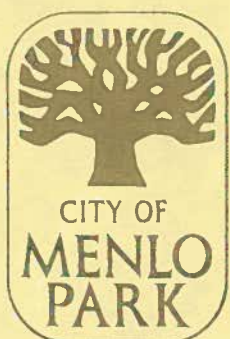
WHEREAS, Pat Carson assisted the City Clerk's Office for several years, preparing City Council agendas and filling in during Council meetings; and

WHEREAS, Pat Carson implemented many of the procedures still in practice today such as the use of green staff report covers, a staff report log-in sheet and a staff report log to assist in the Council packet process; and

WHEREAS, Pat Carson served as a Certified Mediator and staff liaison to the City of Menlo Park Mediation Services; and

WHEREAS, Pat Carson was instrumental in the Lobby Shop pilot program that provided fresh healthy foods to the City employees; and

NOW, THEREFORE, BE IT RESOLVED that Pat Carson is retiring effective December 30, 2013; and that I, Ray Mueller, Mayor of Menlo Park, do hereby honor and congratulate Pat Carson for outstanding leadership, commitment and contributions and service to the Menlo Park community.



Ray Mueller, Mayor
City of Menlo Park

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**San Mateo County
Mosquito and Vector Control District**

1351 Rollins Rd
Burlingame CA 94010
(650) 344-8592 Fax (650) 344-3843
www.smcmad.org

September 11, 2013

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

Honorable Members of the Council:

The current term of office for Valentina Cogoni, representative to the Board of Trustees of this District from the City of Menlo Park will expire on December 31, 2013.

It is kindly requested that the reappointment be made for the ensuing term of January 1, 2014 to December 31, 2015 or to December 31, 2017, according to the California Health and Safety Code, Section 2022:

“The term of office for a member of the board of trustees shall be for a term of two or four years, at the discretion of the appointing authority”.

The common law incompatibility of office doctrine was addressed in SB 1574, Beverly, (1996) and now a City Council member may be appointed to the Board of Trustees.

Once the reappointment is made, please forward a letter to that fact indicating the term length. Thank you for your attention to this request.

Sincerely,

A handwritten signature in blue ink that reads "Rosendo Rodriguez". The signature is stylized and cursive.

Rosendo Rodriguez
Finance Director

cc: Valentina Cogoni, Trustee

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ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-179

Agenda Item #: B-2

COMMISSION REPORT: Consider applicants for appointment to fill three vacancies on the Housing Commission

RECOMMENDATION

Staff recommends appointing applicants to fill three vacancies on the Housing Commission.

BACKGROUND

Staff has been recruiting for the vacant positions by publishing press releases in the *Daily News* and the *Almanac*, posting notices on the City's website and downtown kiosk, displaying ads on the electronic bulletin boards throughout the City's recreation facilities, the main library and on Channel 29, the government access channel and on the social media site Next Door.

At its regular meeting on September 24, 2013, Council approved reducing the number of Housing Commission seats from seven to five.

Three vacancies on the Housing Commission exist due to the expiring terms of Carolyn Clarke in October 2013, Yvonne Murray in April 2013 and Anne Moser in October 2012.

Applicants for the 3 Housing Commission vacancies are:
Carolyn Clarke (incumbent)
Lucy Calder
Michele Tate

In order to maintain continuity on the Commission through a combination of new and experienced Commission members, terms are staggered. Appointments during this recruitment period are as follows: 1 term expiring April 2016 (this will be considered a full term for reappointment purposes) and 2 terms expiring April 2017.

ANALYSIS

Pursuant to City Council Policy CC-01-0004 (Attachment A), commission members must be residents of the City of Menlo Park and serve for designated terms of four years, or through the completion of an unexpired term. Residency and voter registration for all applicants has been verified by the City Clerk's office.

In addition, the Council's policy states that the selection/appointment process shall be conducted before the public at a regularly scheduled meeting of the City Council. Nominations will be made and a vote will be called for each nomination. Applicants receiving the highest number of affirmative votes from a majority of the Council present shall be appointed.

IMPACT ON CITY RESOURCES

Staff support for selection of commissioners is included in the FY 2013-14 Budget.

POLICY ISSUES

Council Policy CC-01-004 establishes the policies, procedures, roles and responsibilities for the City's appointed commissions and committees.

ENVIRONMENTAL REVIEW

The proposed action does not require environmental review.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Excerpt from Council Policy CC-01-004, page 5
- B. Commission Applications*

Report prepared by:
Pamela Aguilar
City Clerk

*Attachment B will not be available on-line, but is available for review at City Hall in the City Clerk's Office during standard City operating hours.

City of Menlo Park		City Council Policy
Department City Council Subject Commissions/Committees Policies and Procedures and Roles and Responsibilities	Page 5 of 10	Effective Date 3-13-01
	Approved by: Motion by the City Council on 03-13-2001; Amended 09-18-2001; Amended 04-05-2011	Procedure # CC-01-0004

Application/Selection Process

1. The application process begins when a vacancy occurs due to term expiration, resignation, removal or death of a member.
2. The application period will normally run for a period of four weeks from the date the vacancy occurs. If there is more than one concurrent vacancy in a Commission, the application period may be extended. Applications are available from the City Clerk's office and on the City's website.
3. The City Clerk shall notify members whose terms are about to expire whether or not they would be eligible for reappointment. If reappointment is sought, an updated application will be required.
4. Applicants are required to complete and return the application form for each Commission/Committee they desire to serve on, along with any additional information they would like to transmit, by the established deadline. Applications sent by fax, email or submitted on-line are accepted; however, the form submitted must be signed.
5. After the deadline of receipt of applications, the City Clerk shall schedule the matter at the next available regular Council meeting. All applications received will be submitted and made a part of the Council agenda packet for their review and consideration. If there are no applications received by the deadline, the City Clerk will extend the application period for an indefinite period of time until sufficient applications are received.
6. Upon review of the applications received, the Council reserves the right to schedule or waive interviews, or to extend the application process in the event insufficient applications are received. In either case, the City Clerk will provide notification to the applicants of the decision of the Council.
7. If an interview is requested, the date and time will be designated by the City Council. Interviews are open to the public.
8. The selection/appointment process by the Council shall be conducted open to the public. Nominations will be made and a vote will be called for each nomination. Applicants receiving the highest number of affirmative votes from a majority of the Council present shall be appointed.
9. Following a Council appointment, the City Clerk shall notify successful and unsuccessful applicants accordingly, in writing. Appointees will receive copies of the City's Non-Discrimination and Sexual Harassment policies, and disclosure statements for those members who are required to file under State law as designated in the City's Conflict of Interest Code. Copies of the notification will also be distributed to support staff and the Commission/Committee Chair.
10. An orientation will be scheduled by support staff following an appointment (but before taking office) and a copy of this policy document will be provided at that time.

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COMMUNITY SERVICES DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-183

Agenda Item #: D-1

CONSENT CALENDAR: **Adopt a Resolution Approving the City Council Subcommittee Recommendations Regarding the 2013-14 Community Funding Allocation in the Amount of \$143,000**

RECOMMENDATION

The Council Community Funding Subcommittee recommends that the City Council adopt a resolution (Attachment A) approving the proposed 2013-14 Community Funding allocation in the amount of \$143,000 and appropriating an additional \$33,000 for this purpose.

BACKGROUND

The City of Menlo Park adopted a formal policy in 1996 (see "Community Funding Program Guidelines" Attachment B) to respond to community needs and leverage City funds to respond to the human service needs of Menlo Park residents.

The program guidelines stipulate that eligible programs must address a verified community need and have a significant Menlo Park client base. Priority service areas include emergency assistance for those who are homeless or low-income; assistance to the disabled; help for seniors to be independent; senior daycare support; youth services including recreational and summer academic support; crisis and family counseling; and substance abuse prevention. Applicants must maintain accounting records with an independent audit at least once every two years.

Each fiscal year, according to the policy, no more than 1.7 percent of General Fund property tax revenue may be allocated to the Community Funding Program. This ceiling would amount to slightly over \$237,000 for the 2013-14 fiscal year. The General Fund budget for 2013-14 includes \$110,000 for eligible community programs selected for funding, the same as last year. In addition, the City funds \$48,750 in non-profit housing programs each year that, next year, will be included in the community funding program budget and process. The Subcommittee is recommending \$143,000 worth of funding awards for this year, given the outstanding needs in the community and the City's strong financial picture.

This year, the City provided notice of the grant program to agencies that received funding in prior years as well as three additional organizations referred by Council members and staff. Fifteen agencies responded with requests totaling \$173,500. Two agencies that received funding in the past failed to submit applications before the deadline this year. The applicant agencies provide services that include counseling, crisis intervention, employment assistance, shelter, hospice services, community health, risk reduction education, youth and senior services and more. All agencies that applied for funding this year were allocated at least \$500. The largest grant, \$30,000, was to Star Vista for youth counseling services at Menlo Atherton High School.

ANALYSIS

On December 11, 2012, the City Council appointed Council Members Keith and Carlton as the Community Funding Subcommittee for fiscal year 2013-14. The Subcommittee is charged with evaluating the funding requests and making recommendations to the full Council as to the allocation of the available funds budgeted for the community funding program.

The Subcommittee reviewed the weighted criteria established to assess the applications against factors such as: verified program results; impact on the Menlo Park community; percentage of total budget spent on administrative overhead; receipt of City funding in previous years; community need for the program; unduplicated service or, if duplicated, evidence of collaboration; and alignment with Council goals. These assessment criteria were included with this year's application and applicants were supplied with their scores from the prior year in order to support a more complete application.

The table below outlines funding allocations in FY 2012-13, requests for fiscal year 2013-14, and the Subcommittee recommendation.

	2012-13 allocation	2013-14 request	2013-14 recommended
Belle Haven Community Develop. Fund	0	10,000	5,000
Boys and Girls Club of the Peninsula	13,000	20,000	16,500
Community Overcoming Relationship Abuse	4,500	5,000	5,000
Family Connections	9,000	10,000	9,000
Inn Vision Shelter Network	16,000	20,000	18,500
Mt. Olive Crime Prevention Drugs Educ.	0	15,000	9,500*
Nuestra Casa	1,000	5,000	4,000
Ombudsman Services of San Mateo Co.	2,000	2,000	500
Pathways Hospice Foundation	5,000	10,000	7,000
Peninsula Volunteers, Inc	12,500	20,000	14,500
Ravenswood Education Foundation	7,000	10,000	7,000
Service League of San Mateo County	2,500	3,000	3,000
Star Vista	30,000	30,000	30,000
Vista Center for the Blind	0	7500	7000
Youth Community Service	4,000	6,000	5,500
Total	\$106,500	\$173,500	\$143,000

*Staff recommends the allocation to Mt Olive Church’s Crime Prevention Narcotics and Drugs Education Center be made contingent upon receipt of a copy of an independent financial audit.

IMPACT ON CITY RESOURCES

The FY 2012-13 adopted budget includes an appropriation of \$110,000. The Community Funding Subcommittee is recommending an additional \$33,000 be allocated to the fund from General Fund reserves (currently showing an estimated balance of \$22 million).

POLICY ISSUES

The Subcommittee’ recommendation is consistent with the Council’s current Community Funding Program Policy, including the allowance for an additional allocation up to 1.7 percent of property tax revenue.

ENVIRONMENTAL REVIEW

Environmental Review is not required.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Resolution
- B. Council Policy on Community Funding

Report prepared by:
Cherise Brandell
Community Services Director

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MENLO PARK APPROVING THE COUNCIL
SUBCOMMITTEE RECOMMENDATIONS REGARDING
ALLOCATION OF 2013-14 COMMUNITY FUNDING**

The City of Menlo Park, acting by and through its City Council, having considered and been fully advised in the matter and good cause appearing therefore.

BE IT AND IT IS HEREBY RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby approve the City Council Subcommittee recommendations regarding the allocation of 2013-14 community funding in the amount of \$143,000, as more particularly set forth in the Exhibit A of the resolution.

I, Pamela Aguilar, City Clerk of the City of Menlo Park, do hereby certify that the foregoing resolution was approved at a regular meeting of the City Council held on the tenth day of December, 2013, and adopted by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this tenth day of December, 2013.

Pamela Aguilar
City Clerk

EXHIBIT A

	2012-13 allocation	2013-14 request	2013-14 recommended
Belle Haven Community Develop. Fund	0	10,000	5,000
Boys and Girls Club of the Peninsula	13,000	20,000	16,500
Community Overcoming Relationship Abuse	4,500	5,000	5,000
Family Connections	9,000	10,000	9,000
Inn Vision Shelter Network	16,000	20,000	18,500
Mt. Olive Crime Prevention Drugs Educ.	0	15,000	9,500*
Nuestra Casa	1,000	5,000	4,000
Ombudsman Services of San Mateo Co.	2,000	2,000	500
Pathways Hospice Foundation	5,000	10,000	7,000
Peninsula Volunteers, Inc	12,500	20,000	14,500
Ravenswood Education Foundation	7,000	10,000	7,000
Service League of San Mateo County	2,500	3,000	3,000
Star Vista	30,000	30,000	30,000
Vista Center for the Blind	0	7500	7000
Youth Community Service	4,000	6,000	5,500
Total	\$106,500	\$173,500	\$143,000

City of Menlo Park		COUNCIL POLICY	
Department	Page 1 of 2	Effective Date: June 4, 1996	
Finance	Approved by: City Council On June 4, 1996	Procedure #	
Subject		FIN-01-1996	
Community Funding Program Guidelines			

PURPOSE

To provide guidelines for the award of monetary support to local non-profit agencies whose programs respond to the human service needs of Menlo Park residents. This funding is not intended for use as the sole support of any agency. All recipients of financial assistance grants enter into a contractual agreement with the City detailing the specific objectives to be accomplished as a result of the grant.

POLICY**1. GOALS AND PHILOSOPHY**

The City of Menlo Park recognizes that:

- 1.1 the availability of basic human service programs is a key determining factor in the overall quality of life of Menlo Park residents;
- 1.2 the most cost-effective and efficient manner to insure that these services are available to local residents is through the development of agreements with existing non-profit agencies;
- 1.3 contractual agreements with non-profit agencies allow the City to influence the human service programs offered to Menlo Park residents; and
- 1.4 financial assistance grants demonstrate the City's support of the activities of specific non-profits and make it possible for these agencies to leverage additional funds which will benefit local residents.

2. ELIGIBILITY

- 2.1 All applicants must be formally incorporated non-profit entities and must be tax exempt (under Section 501(c)(3) of the IRS Code, and Section 2370(d) of the California Revenue and Taxation Code).
- 2.2 All applicants must be agencies based in Menlo Park or agencies which provide services throughout the County of San Mateo who can demonstrate a significant Menlo Park client base.
- 2.3 All applications must provide a service that is not a duplication of an existing public sector program, OR if the service is duplicated, the applicant must show why it is not an unnecessary duplication of service.
- 2.4 All applicants shall maintain accounting records which are in accordance with generally accepted accounting practices. The agency must have an independent audit performed at least once every two years.
- 2.5 The agency must have bylaws which define the organization's purposes and functions, its organization and the duties, authority and responsibilities of its governing body and officers.

City of Menlo Park			COUNCIL POLICY		
Department	Page 1 of 2	Effective Date: June 4, 1996			
Finance					
Subject	Approved by:	Procedure #			
Community Funding Program Guidelines	City Council On June 4, 1996	FIN-01-1996			

- 2.6 Governance of the agency should be vested in a responsible and active board which meets at least quarterly and establishes and enforces policies. The board should be large enough and so structured to be representative of the community it serves. It should have a specific written plan for rotation or other arrangements to provide for new members.
- 2.7 The agency must provide for adequate administration of the program to insure delivery of the services. The agency must provide that it has a written job description for each staff position and an organizational chart approved by the board. One individual should be designated as the full time director of the agency.
- 2.8 No less than 85% of City funds granted must be used for direct services as opposed to administrative costs.
- 2.9 City grants can represent no more that 20% of an applicant's total operating budget.
- 2.10 All recipients agree to actively participate in City efforts to coordinate and to improve human services within the City.
- 2.11 The program described must respond to a verified community need as defined by the City Council:
 - DISABLED** emphasizes support of programs that will allow the disabled to actively participate in their community and maintain independence from institutional support.
 - EMERGENCY ASSISTANCE AND LOW INCOME SUPPORT** emphasizes support of programs that can meet emergency needs for people in crisis such as victims of homelessness, rape, and domestic violence and the basic needs such as food, etc., for low income residents.
 - SENIORS** emphasizes support of programs which serve predominantly low income, frail and minority seniors; and those programs which make it possible for seniors to continue to be independent and active community participants.
 - YOUTH** emphasizes support of delinquency prevention services including recreation; crisis and family counseling; substance abuse prevention; child care and acculturation of ethnic minorities.

PROCEDURE

Any agency requesting financial assistance must complete the required application and submit it to the Finance Department. The City Council subcommittee is responsible for reviewing all proposals and submitting recommendations for funding to the City Council.

FUNDING

Grants are funded by the General Fund. Each fiscal year, no more than 1.7 % of general fund property tax will be allocated to the Community Funding Program.



ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-201

Agenda Item #: D-2

CONSENT CALENDAR: **Approve funding of \$8700 for the Greyhounds Youth Football Program and the Menlo Atherton Viking Cheerleading Team**

RECOMMENDATION

The Mayor has asked that the City support the financial request of \$3000 from the undefeated Greyhounds Youth Football team to compete in the Pop Warner National Championships game in Florida. Also, to support a funding request from the Menlo Atherton Viking Cheerleading team in the amount of \$5700 to compete in the National Cheerleading competition in Florida.

BACKGROUND

The City Council may have been contacted recently by supporters of the Greyhounds Youth Football program to financially support their invitation to compete in the Pop Warner National Championship games in Florida this month. The undefeated team is comprised of residents of both Menlo Park and East Palo Alto.

The funding request of \$3000 will support the team and its coaches' transportation, lodging, food and incidentals for their participation in the competition.

Separately, the MA Viking Cheerleading team recently secured 1st place in the Pacific Northwest Regional Cheerleading Competition at the Santa Clara Convention Center.

In securing first place, the team has the opportunity to perform at the National Cheerleading Competition in Orlando, Florida December 7th - December 13th. These girls attend MA and are from East Palo Alto and Menlo Park. East Palo Alto has provided funding of \$5700 for airfare and lodging for five team members and two chaperones and the Mayor requests that Menlo Park make a similar contribution.

ANALYSIS

The City of East Palo Alto recently contributed \$3000 towards the Greyhound team and another \$5714 towards the MA Cheerleading squad. The Mayor is suggesting that the City of Menlo Park match these respective contributions.

IMPACT ON CITY RESOURCES

Total combined contributions towards these two requests is \$8700 and there should be adequate funding available in the City Manager's budget to support these groups.

POLICY ISSUES

The City has previously provided financial support to area non-profit organizations through the annual Community Funding process.

ENVIRONMENTAL REVIEW

Funding these activities does not require environmental review.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

None

Report prepared by:

Alex D. McIntyre

City Manager



COMMUNITY SERVICES DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-184

Agenda Item #: D-3

CONSENT CALENDAR: Approve the Annual Report of the Below Market Rate (BMR) Housing Program, including the Status of the BMR In-Lieu Fees Collected as of June 30, 2013, in Accordance with Government Code Section 66000 et.seq.

RECOMMENDATION

Staff recommends that the City Council approve the Below Market Rate (BMR) Housing Program Annual Report for fiscal year 2012-13, and make the following findings regarding the unexpended BMR fees:

1. The City has unexpended funds held for more than five years for programs/projects intended to provide affordable housing through the BMR Program;
2. The purpose of the BMR Housing Fund is to develop BMR housing for persons who live and/or work in the City of Menlo Park and have very low, low or moderate incomes and there exists a continuing need for the program given the extremely high cost of living in Menlo Park;
3. There is a reasonable relationship between the BMR Housing Program fee and its purpose; and
4. Housing and new commercial developments are anticipated that will provide housing or financing of approved uses of the BMR Fund within a reasonable time.

BACKGROUND

The BMR Housing Program requires an annual report on the City's activities focused on production of affordable housing. The annual report is prepared in conjunction with the annual audit of the BMR Housing Fund. This year's annual report addresses activities during the 2012-13 fiscal year.

Additionally, the BMR in-lieu fees qualify as development impact fees under California Government Code Sections 66000 through 66003. As required by law, these fees are segregated from the General Fund and accounted for as special revenue funds.

Government Code Section 66001 requires that the City make available to the public information regarding development impact fees for each fund within 180 days after the end of each fiscal year. This report meets that requirement.

Government Code Section 66000 et. seq. also requires that findings describing the continuing need for the BMR in-lieu fees be made annually if a jurisdiction has had possession of a developer fee for five or more years and has not expended the money. If the findings are not made, the City must refund the fees collected. As described in the *Analysis* section of this report, the City has committed the fees held for five or more years but has not yet fully expended the money, therefore the required findings must be made in order to retain the fees.

ANALYSIS

BMR Housing Program

The BMR Housing Program was established in 1987 to increase the housing supply for people who live and/or work in Menlo Park and have very low, low, or moderate incomes as defined by income limits set by San Mateo County. The primary objective of the program is to create actual housing units rather than generate a capital fund. Currently, all owner-occupied residential developments of five or more units are required to provide a BMR unit. If that is not feasible, developers of five to nine unit projects are required to pay an in-lieu fee that is deposited into the BMR Housing Fund. Residential developments of 10 to 19 units are required to provide 10 percent of the housing at below market rates. Development projects of 20 units or more are required to provide 15 percent of the housing at below market rates. If the number of BMR units required includes a fraction of a unit, the developer must either provide a whole BMR housing unit or make a prorata in-lieu payment.

The BMR Housing Program also applies to new commercial developments of 10,000 square feet or more that generate employment opportunities. The 2012-13 in-lieu fees to mitigate the demand for affordable housing were \$14.50 per square foot of net new gross floor area for most commercial uses and \$7.87 per square foot of net new gross floor area for defined uses that generate fewer employees. Collected in-lieu fees are deposited into the BMR Housing Fund. The fee is adjusted annually on July 1.

In order to ensure the current in-lieu fee is appropriate, the City is partnering with other San Mateo County jurisdictions to issue a Request for Proposal (RFP) for the preparation of affordable housing fee nexus and feasibility studies. Participation in this RFP will also help the City comply with Housing Element program H4.D, which calls for the preparation of an updated nexus study, and will help ensure compliance with the State Mitigation Fee Act (AB1600 – Government Code Section 66001 through 66003). The City last prepared a nexus study in 2001. Given this multi-city partnership, which is seen as an innovative and collaborative approach for conducting legally defensible studies that can be used on a City-by-City basis to establish individual policy, the Enterprise Community Partners, Inc, a national Section 501(c)(3) charitable organization that provides expertise for affordable housing and sustainable

communities, is offering to underwrite up to \$25,000 of the cost of the study. The City's contribution to the cost of the studies will come from the existing budget for the Housing Element.

Developers who build five or more housing units enter into BMR Agreements with the City concerning the BMR units' location, size and other details, including deed restrictions to preserve the BMR units' affordability. There were no BMR units approved in FY2012-13, but there were the following commercial linkage fees paid:

Commercial Development	Total Fee Paid
4025 Bohannon	\$ 13,170.61
1035 O'Brien.	\$ 53,763.38
1460 ECR	\$ 298,340.32
TOTAL	\$ 365,274.31

Attachment G provides a list of all BMR units generated through the history of the program.

BMR Housing Fund

The BMR Housing Fund has a variety of Council-approved uses, all of which are designed to increase or maintain the housing supply for people who live and/or work in Menlo Park and have very low, low, or moderate incomes, including:

Purchase Assistance Loan Program

On April 26, 2005, the City Council approved a resolution reserving \$3.5 million of the BMR Housing Fund for use in the Purchase Assistance Loan (PAL) program, which would supplement the \$982,000 already dedicated to the program. This brought the total amount dedicated to the PAL program to \$4.482 million as a beginning loan fund. Since the creation of the PAL program, almost 90 loans have been made toward purchases of BMR homes and market rate units. This fund currently has a designated and available balance of approximately \$2 million.

Under the PAL program, purchase assistance has previously been given to qualifying low- and moderate-income first-time homebuyers purchasing homes in the City of Menlo Park. The maximum loan was \$75,000, or 20 percent of the home purchase price, whichever was less. The program imposed a 3.5% interest rate. There have been 89 PAL loans made since its inception in fiscal year 1990-91 (Attachment H). In the current reporting period, one new PAL loan was made.

Given the availability of other first-time buyer programs provided through the County and private lenders and the elimination of the City's Housing staff, staff had recommended in July 2013 the elimination of the City's PAL program and allocating

those funds to the development of more affordable units through the notice of availability of funds process (described below).

The City's existing PAL loans are currently managed through a contract with HELLO Housing, a housing non-profit created in 2005 with experience in a range of housing services in partnership with local governments across the Bay Area. This contract is funded from the BMR program at an annual cost of approximately \$12,000 (varies depending upon number of loans that are more than 90 days past due).

Grant to Habitat for Humanity

In FY 2008-09, City Council approved funding of \$500,000 for Habitat for Humanity's Neighborhood Revitalization Program, providing \$100,000 per home for up to five foreclosure purchases. These homes were rehabilitated and sold to buyers selected from the City's BMR wait list. On February 10, 2010, Council approved funding of an additional \$625,000 to Habitat for five homes at \$125,000 per home. Habitat closed on the fifth home in this second allocation in early February, 2012. On February 13, 2012, Council approved a third allocation of \$650,000 for five more homes (\$130,000 each), bringing the total allocated to Habitat to \$1,775,000.

Habitat has acquired ten homes through the Neighborhood Revitalization Program (NRP), utilizing the first \$1,125,000 grant through two allocations but has not yet purchased a home with the third grant. Habitat staff report that they will probably end the foreclosure acquisition program as the market has rebounded and they will most likely not use the allocated funding for foreclosure acquisitions. Habitat has indicated an interest in requesting a reallocation of the dollars for a new development in Menlo Park should they find a site to purchase. City staff will work with Habitat on an official request for reallocation and present that to Council at a future meeting.

City Neighborhood Stabilization Program

Council also approved \$2 million in FY 2008-09 at the height of the housing crisis for the City-run Neighborhood Stabilization Program (NSP) to purchase and rehabilitate foreclosed homes for resale to BMR wait list households. Two homes were purchased and rehabilitated for resale through the BMR program. These homes were completed in the spring of 2012 and one has been sold to an eligible family on the BMR waiting list during the 2012-13 fiscal year. The second home is currently under contract with the buyers awaiting financing approval.

Approximately \$984,822 was expended for these two NSP homes:

- 1382 Hollyburne – purchased for \$251,652; rehab costs \$232,926 (total cost \$484,579)
- 1441 Almanor – purchased for \$350,471; rehab costs \$149,771 (total cost \$500,243).

This leaves a balance of \$1,015,178 allocated to the NSP. However, the private market in the neighborhood now appears healthy, eliminating the need for the program. Additionally, with the elimination of the Housing Division in 2011, the funds allocated to

this program are now reallocated to housing projects to be identified as a result of the current Housing Element update and subsequent Notice of Funding Availability (NOFA).

Foreclosure Prevention Program

A third program to address foreclosure issues, the Foreclosure Prevention Program (FPP), was approved by Council on August 25, 2009, allocating \$1,000,000 to assist homeowners in avoiding foreclosure. As of the end of FY 2012-13, no funds had been expended from the FPP, though staff from the former Housing Division had participated in yearly foreclosure prevention workshops in partnership with the County and local non-profit organizations. The requirements placed on the program, especially the requirement that applicants be current on all debt other than their mortgage, eliminated all potential applicants from the program. On April 24, 2012, Council approved a resolution to provide a \$1,849,047 loan from the City's BMR Fund to HIP Housing for the purchase of a 12-unit apartment complex located at 1157 and 1161 Willow Road for low- and very low- income rental housing opportunities. Council supported the staff recommendation that this transaction be funded from the \$1,000,000 allocated to the FPP along with \$849,047 from uncommitted funds. The Foreclosure Prevention Program has been eliminated as a result.

Loan to HIP for Willow Road Rental Project

1157-1161 Willow Road is a 12-unit complex located east of Hwy 101 in the Belle Haven neighborhood of Menlo Park. The property was purchased in July, 2012 by HIP Housing for \$1,990,000. The primary financing for the purchase came from the City of Menlo Park with a \$1,850,000 investment from its BMR fund. Additional funding was leveraged from the County of San Mateo, the City of Redwood City, and a private construction loan from Boston Private Bank. The BMR loan from the City imposed a 55-year year deed restriction for low-income housing as well as the Menlo Park live/work requirement for 9 units and when possible, a preference for 5-units of veteran housing.

Consisting of two buildings, the property is two-story with tuck under parking. There are 10 one-bedroom units upstairs and 2 two-bedroom ground units. Each building has a laundry room and storage areas for each unit in the covered parking area. The property has been fully occupied since May. Of the 12 families that now occupy the property, four households belong to the Veterans Affairs Supportive Housing (VASH) program for vouchered veterans who, prior to being at the property, were homeless. Six of the units have children and two units are home to Self Sufficiency Program participants, a State recognized top welfare to work program administered by HIP Housing.

The renovated complex features new interiors for all units including new kitchens, baths, flooring, and lighting. One lower level 2-bedroom unit is now completely ADA compliant and home to a family with a wheelchair-bound child. Roof-mounted solar panels bring discounted electrical power to each unit. An old storage area was converted into a community room and new landscaping incorporates paved courtyards with arbors. Free WiFi helps to close the digital divide for all tenants.

CORE project at the Menlo Park Veterans Affairs Facility

In May of 2013, Council conditionally approved a loan of \$2.5 million to CORE Affordable Housing Development from the BMR fund for a 60-unit affordable project at the Veterans Affairs facility on Willow Road. Since that date, costs for the project have more clearly defined and CORE is now requesting Council approval of a \$3.5 million loan. This allocation will appear in the financial statements for next fiscal year as the agreement is anticipated to be finalized sometime this spring, although the project is included here as a reminder to Council of this pending conditional obligation which would require re-allocation of additional funds from the PAL program and/or Habitat allocation in order to be met (see Attachment A).

NOFA

Subsequent to the adoption of the Housing Element, and as a final requirement of the lawsuit brought against the City, staff had advertised the availability of BMR funds for development of affordable housing units through a Notice of Funding Availability, or NOFA. Approximately \$3.2 million in Below Market Rate housing funds was made available under this NOFA to support the acquisition, rehabilitation or new construction of housing that will provide long term affordability. The funding is intended to fill the financing gap between the projected total development costs and other available funding sources.

Qualified non-profit affordable housing developers meeting the NOFA qualifications and demonstrating their ability to design, build, and manage affordable housing were encouraged to submit proposals by November 4, 2013.

The NOFA sought proposals demonstrating:

- an understanding of the community;
- the unique attributes and opportunities of the neighborhood where the project would be located;
- successful experience in developing and managing affordable housing (applicants must have successfully completed a minimum of three affordable housing projects of similar size and complexity as the proposed project to be eligible to submit a proposal); and
- a commitment to an inclusive and informative public participation process.

Eligible projects include new construction or acquisition with or without rehabilitation for the purpose of developing affordable rental housing for extremely low, very low, and low income households. Development of emergency shelters for the homeless are not eligible because they do not result in permanent affordable housing.

Mixed income projects containing both affordable and market rate rental units are eligible, however, only the affordable housing portion of the project can be assisted under the NOFA.

To be considered for funding under the NOFA, Project Goals must include:

- Housing units will remain affordable through deed restrictions for at least 55 years
- The project's management plan promotes a healthy living environment for tenants and a compatible relationship with neighbors
- The project is consistent with the goals and objectives of the City's Housing Element and General Plan
- The project has reasonable costs, the ability to compete well in securing competitive funding sources, and is soundly underwritten
- The project will allow the City to spend housing funds expeditiously
- The project site is near transit and services and is convenient for the target population
- The project site allows a development to achieve maximum density
- The building incorporates green building practices and materials
- The project is consistent with the zoning and neighborhood setting
- The project incorporates appropriate community spaces, amenities, and services for the target population
- The development team has demonstrated experience with successful affordable housing projects and the capacity to work cooperatively with the community in the design and development of the project

The housing priorities identified in the NOFA included:

- Rental housing targeting extremely low, very low and low income households earning 50 percent or less of the median income for San Mateo County.
- Proposals providing dual benefits by developing affordable housing and creating a substantial improvement of a blighted property and or neighborhood.

Staff is currently reviewing the single proposal received from MidPen Housing to develop 90 units of new construction affordable senior housing in the 1200 block of Willow Road. Staff anticipates reviewing this proposal with Council through a two-step process similar to that used for the CORE VA project, which would include conditional approval of the project in January and final approval at some subsequent date once terms of the development have been finalized.

Current BMR Fund Balance

At the end of fiscal year 2012-13, the BMR Housing Fund had total assets of \$10,644,517 including \$2,092,562 in PAL loans receivable, \$20,304 in interest receivable, and \$5,949,007 in cash. A Below Market Rate Housing Fund Balance Sheet is included in this report as Attachment A.

At the end of fiscal year 2012-13, the BMR Housing Fund had a total fund balance of \$10,629,904. This includes \$4,482,000 designated for PAL loans (of which \$2,389,438 is available for new loans), \$650,000 for Habitat for Humanity's Neighborhood Revitalization Program (NRP), \$3,200,000 designated for the NOFA project and \$2,297,904 not currently designated to a particular project or program. Total liabilities

included an accounts payable balance of \$14,613. The fund balance is also shown on Attachment A.

Sale of 25 Riordan

In September 2009, the City Council authorized the City Attorney's office to file a lawsuit to enforce the BMR deed restriction on a property in the City's BMR housing program. The lawsuit concerned the BMR Agreement and deed restriction recorded on 25 Riordan Place in August 1998. The owners had encumbered the property in excess of \$1,000,000, despite being aware that their property had a restricted value of only \$281,809 (City's repurchase price).

On November 1, 2011, the Court issued a tentative ruling granting the City's motion for summary judgment. Subsequent to this tentative ruling, counsel for the owner's first mortgage bank, Wells Fargo, requested rehearing on the ruling and indicated his client's intent to appeal. The City Council approved an agreement with Wells Fargo whereby the City would pay them \$400,000 in exchange for the bank reconveying and releasing its deed of trust. Wells Fargo Bank, N.A., through this settlement, released the property from its claim for an additional half a million dollars owed on the note encumbering the Property. The City also reached a settlement with the owners, who transferred their interests in the Property to the City by Grant Deed. In exchange, the City agreed not to seek recovery of its attorney's fees and costs against them and agreed to take the Property subject to the outstanding real property taxes due and owing on the Property.

On June 11, 2013, Council decided to sell the unit at market rate and return the proceeds to the BMR fund. Following a \$60,000 renovation, the house was placed on the market through a local realtor and listed at \$1.05 million dollars. Multiple offers were received and the final sales price was \$1.3 million. Closing occurred on October 10, 2013 so is NOT included in the fund balance information shown for the 2012-13 analysis but will appear in the financial statements for the next fiscal year.

Verification of meeting State Requirements

Attachments B, C, and D illustrate that the City of Menlo Park has dedicated sufficient BMR Funds for development of low- and moderate-income housing to meet the State requirement for collection of BMR fees. The State requires that BMR funds held for five years or more (excluding interest earned) must be designated to affordable housing programs or projects. In fiscal year 2012-13, the City of Menlo Park met this State requirement. At the end of fiscal year 2012-13, the City had collected a total of \$9,599,825 in fees paid, excluding interest earned. Of this, \$5,975,451 had been held for five years or more. At this same time, the City had committed a total of \$8,332,000 for the development of low- and moderate-income housing through the PAL, NOFA, and Habitat NRP, satisfying the State requirement (see Attachment C). It is anticipated that all funds will be committed or expended within the required timeframe given the receipt of a viable response to the NOFA.

Although the funds have been committed, but not been fully expended, the City Council is required to make a finding that the City continues to need the BMR fund to further

BMR development for persons who live and/or work in Menlo Park and that these funds are necessary for that purpose. Without this finding, the fees would need to be returned to the developers.

BMR Residential Program Needs

Through a contract with Palo Alto Housing Corporation, the City maintains a waiting list of persons who are interested in and eligible to occupy BMR housing units. To be eligible for the BMR Waiting List, persons must have low or moderate household incomes and must currently live or work in Menlo Park. The City's BMR Waiting List currently shows 103 households. Several dozen BMR Waiting List applications are received every year both for rental and purchase of BMR units. During the 2012-13 fiscal year, several BMR rental units became available through the HIP project on Willow Road. Attachment E provides additional details about the BMR Waiting List.

At the end of the reporting period, the program had 62 BMR housing units located throughout the city. As shown in Attachment G, one new unit was occupied in this reporting period. There were no resales during this reporting period.

IMPACT ON CITY RESOURCES

The BMR Housing Fund is a special revenue fund separate from the General Fund. Activities funded in the BMR Housing Program are independent of, but may be used with, other funds, such as State, Federal or private funding sources. There is no impact on City resources resulting from this Annual Report.

State law requires that all BMR in-lieu fees be committed to affordable housing development within five years of collection. In fiscal year 2012-13, this requirement has been met for the City of Menlo Park's BMR Housing Fund. At the end of fiscal year 2012-13, \$8,332,000 in BMR funds had been committed to affordable housing development. This amount includes funding committed to the PAL Program for first-time homebuyers (\$4,482,000), the Notice of Funding Availability (\$3,200,000), and the Habitat for Humanity Neighborhood Revitalization Program (\$650,000) as shown in Attachments A, B, C and D. Although the funds collected have been committed, because the funds have not been fully expended, adoption of findings describing the continuing need for the funds will eliminate the need to refund fees to developers.

The Council will be considering a request for a loan from the BMR fund from CORE Affordable Housing Development for a project at the VA Facility on Willow Road at the December 17, 2013 meeting. This accounting of the BMR fund shows roughly \$4.5 million available for this and other future projects the Council may wish to consider if the PAL program is suspended and funding reallocated.

POLICY ISSUES

The BMR Annual Report was prepared as required in accordance with the BMR Housing Program Guidelines and State requirements related to developer impact fees.

ENVIRONMENTAL REVIEW

The BMR Housing Program Annual Report is not a project under current California Environmental Quality Act Guidelines

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Below Market Rate Housing Fund Balance Sheet
- B. Total BMR Funds Held 5+ Years vs. Total BMR Funds Committed to Projects and Programs Per Fiscal Year 02/03 – 14/15
- C. BMR Reserve Fees and Fund Commitment Summary
- D. BMR Reserve Fees and Fund Commitment
- E. Status Report-BMR Housing Program Waiting List
- F. BMR Housing Agreements
- G. Inventory of Occupied BMR Units
- H. PAL Accounting

Report prepared by:

Drew Corbett

Finance Director

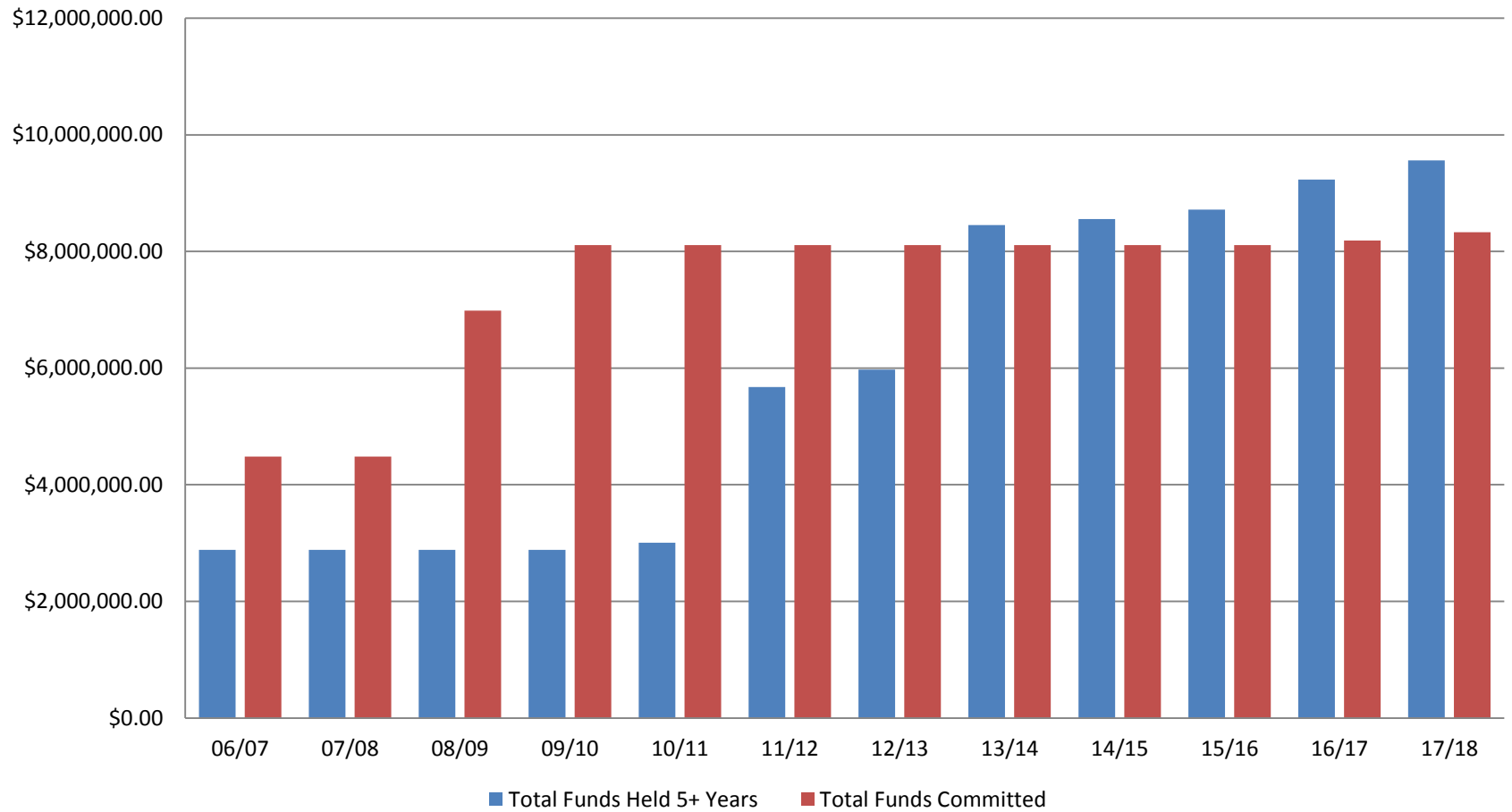
Cherise Brandell

Community Services Director

**BELOW MARKET RATE HOUSING RESERVE
BALANCE SHEET
6/30/12 AND 6/30/13**

	6/30/2012	6/30/2013
ASSETS		
BMR Housing Reserve Cash	7,017,750	5,949,007
BMR Accounts Receivable	593	0
BMR Interest Receivable	14,024	20,304
PAL Loans Receivable	2,279,031	2,092,562
Other Loans Receivable	-	1,849,047
Real Estate Held for Resale	1,643,404	733,597
TOTAL ASSETS	10,954,802	10,644,517
LIABILITIES		
Accounts Payable	7,549	14,613
TOTAL LIABILITIES	7,549	14,613
FUND BALANCE		
Designated for PAL Loans	4,482,000	4,482,000
Designated for Neighborhood Stabilization Program	2,000,000	-
Designated for Habitat for Humanity Neighborhood Revitalization Program	650,000	650,000
Designated for Foreclosure Prevention Program	1,000,000	-
Designated for Housing Project	57,815	-
Designated for Notice of Funding Availability (NOFA)	-	3,200,000
Undesignated	2,757,438	2,297,904
TOTAL FUND BALANCE	10,947,253	10,629,904
TOTAL LIABILITIES AND FUND BALANCE	10,954,802	10,644,517

Total BMR Funds Held 5+ Years vs. Total BMR Funds Committed Per Fiscal Year 06/07 - 17/18



BMR Reserve Fees and Fund Commitment Summary
Fiscal Year 2012-2013

I. Fees Paid to Date

Total Fees Held 5 or More Years as of Fiscal Year 2012-2013:		\$5,975,451
Fees paid (per annum)	6/13-6/14	\$2,476,212
Reaching 5+ years in:	6/14-6/15	\$102,000
	6/15-6/16	\$165,168
	6/16-6/17	\$515,720
	6/17-6/18	\$365,274
Fees Paid Through 6/30/13:		\$9,599,825
Interest Earned Through 6/30/13 on Paid Fees:		\$3,273,963
Total Fees Paid + Interest Earned Through 6/30/13 =		\$12,873,788
Total Expenditures Through 6/30/13:		-\$2,243,884
Total BMR Fund Balance (rounded) as of 6/30/13 =		\$10,629,904

II. Committed and Designated Funds in FY 2012-2013

PAL Loan Funds (Committed):		\$4,482,000
Notice of Funding Availability (NOFA)		\$3,200,000
Affordable Housing Development (Committed):		\$650,000
Total Funds Committed as of 6/30/13 =		\$8,332,000
Accounts Payable/Liabilities		\$14,613
Undesignated Funds:		\$2,297,904
Total BMR Fund Balance as of 6/30/13 =		\$10,629,904
Total Liabilities and BMR Fund Balance as of 6/30/13 =		\$10,644,517

Note: Fees paid and fees held include miscellaneous fee payments for years 1989-1999. Total miscellaneous fee payments equal \$3,826.97. Miscellaneous fees are not required to be included in the Fees Held 5+ Years vs. Funds Committed requirement and are included in this report for accounting purposes only.

**BMR Reserve Fees and Fund Commitment
Annual Report 2012-13**

Fee Payments and Interest Earned per Year					Total Funds Held 5 or More Years vs. Total Funds Committed		
Fiscal Year	Fees Paid Per Year	Total Fees Paid To Date	Interest Earned Per Year	Fees + Interest To Date	5 Year Commitment Date for Fees Paid	*Total Funds Held 5 or More Years as of Commitment Date	Total Funds Committed as of Commitment Date
Balance Carryover 88/89-89/90	441,430.89	441,430.89	51,705.70	493,136.59			
1990-1991	9,004.26	450,435.15	35,735.22	537,876.07	1995-1996	450,435.15	832,000
1991-1992	5,180.00	455,615.15	29,846.88	572,902.95	1996-1997	455,615.15	832,000
1992-1993	-	455,615.15	-	572,902.95	1997-1998	455,615.15	2,782,000
1993-1994	662,448.40	1,118,063.55	59,522.30	1,294,873.65	1998-1999	1,118,063.55	2,932,000
1994-1995	872,076.80	1,990,140.35	115,252.86	2,282,203.31	1999-2000	1,990,140.35	2,932,000
1995-1996	14,265.00	2,004,405.35	120,352.23	2,416,820.54	2000-2001	2,004,405.35	3,482,000
1996-1997	227,977.66	2,232,383.01	138,744.83	2,783,543.03	2001-2002	2,232,383.01	3,782,000
1997-1998	308,157.01	2,540,540.02	169,307.66	3,261,007.70	2002-2003	2,540,540.02	3,782,000
1998-1999	164,573.25	2,705,113.27	170,809.00	3,596,389.95	2003-2004	2,705,113.27	3,785,061
1999-2000	89,300.04	2,794,413.31	192,902.01	3,878,592.00	2004-2005	2,794,413.31	4,482,000
2000-2001	89,112.36	2,883,525.67	267,906.54	4,235,610.90	2005-2006	2,883,525.67	4,482,000
2001-2002	-	2,883,525.67	185,907.22	4,421,518.12	2006-2007	2,883,525.67	4,482,000
2002-2003	-	2,883,525.67	129,772.02	4,551,290.14	2007-2008	2,883,525.67	4,482,000
2003-2004	-	2,883,525.67	47,072.18	4,598,362.32	2008-2009	2,883,525.67	6,983,909
2004-2005	-	2,883,525.67	94,648.47	4,693,010.79	2009-2010	2,883,525.67	8,107,000
2005-2006	123,705.52	3,007,231.19	144,410.00	4,961,126.31	2010-2011	3,007,231.19	8,107,000
2006-2007	2,668,170.50	5,675,401.69	253,842.00	7,883,138.81	2011-2012	5,675,401.69	8,107,000
2007-2008	300,050.00	5,975,451.69	395,933.30	8,579,122.11	2012-2013	5,975,451.69	8,107,000
2008-2009	2,476,211.80	8,451,663.49	348,457.00	11,403,790.91	2013-2014	8,451,663.49	8,107,000
2009-2010	102,000.00	8,553,663.49	123,558.00	11,629,348.91	2014-2015	8,553,663.49	8,107,000
2010-2011	165,168.00	8,718,831.49	79,220.00	11,873,736.91	2015-2016	8,718,831.49	8,107,000
2011-2012	515,720.00	9,234,551.49	53,399.00	12,442,855.91	2016-2017	9,234,551.49	8,189,815
2012-2013	365,274.00	9,599,825.49	65,659.00	12,873,788.91	2017-2018	9,599,825.49	8,332,000
Total (all years)	9,599,825.49	9,599,825.49	3,273,963.42	12,873,788.91			

**Includes only fees paid. Interest earned is not required to be included in the Funds Held 5+ Years vs. Funds Committed requirement.*

Notes regarding the "Fees Paid" columns and the column "Total Funds Held 5 or More Years as of Commitment Date":

"Fees Paid" columns include miscellaneous fee payments for years 1989-1999. Total miscellaneous fee payments equal \$3,826.97

"Total Funds Held 5 or More Years..." reflects/includes these miscellaneous fee payments. Miscellaneous fees are not required to be included in the Funds Held 5+ Years vs. Funds Committed requirement and are included in this report for accounting purposes only.

Note regarding "Fees + Interest To Date" for 2012-2013: The total of \$12,873,788 minus total expenditures equals a final fund balance of \$10,629,904

STATUS REPORT
CITY OF MENLO PARK
BELOW MARKET RATE HOUSING PROGRAM WAITING LIST
NOVEMBER 12, 2013

Total households on BMR Waiting List	106
>Total households on list that <u>only</u> want to OWN	33
>Total households on list that <u>only</u> want to RENT	13
>Total households on list that want to OWN or RENT	60

Cities of Residence

Menlo Park	77
Redwood City	5
East Palo Alto, Sunnyvale	4 each
Mountain View, San Mateo	3 each
Newark	2
Berkeley, Campbell, Dublin, Fremont, San Carlos, San Jose, Woodside	1 each

Places of Work

43 households have a worker/workers in Menlo Park.
17 households live and have a worker/workers in Menlo Park.
46 households live in Menlo Park but work elsewhere.

Household Size Information

Household Size	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8+</u>
Number of Households	27	26	23	17	8	5	0	0

Households with Children

Children	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>
Number of Households	53	30	14	6	3	0	0

Number of Workers in the Household

Workers	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>
Number of Households	5	69	30	2

Single Heads of Household (One Adult with Dependent Child/Children) = 17

Households with a Person Confined to a Wheelchair = 0

City of Menlo Park
BMR Agreements Approved by City Council for Residential Developments
Since Inception of the BMR Program in 1987
Through June 30, 2013

Development	Date Agreement Approved by City Council	Number of BMR Units Approved and Occupied	Number of BMR Units Approved But Not Yet Occupied
2160 Santa Cruz (Pacific Hill)	June 22, 1995	2	
600 Willow Rd. (Pacific Parc)	September 18, 1996	2	
Vintage Oaks	Phase I – May 15, 1996 Phase II – Dec. 24, 1996 Phase III – Dec. 24, 1996	14	
Classics Communities	May 19, 1998	3	
20 Willow Rd. (Park Lane)	June 28, 1998	4	
Menlo Square	December 7, 2000	3	
1050-60 Pine St.	August 30, 2005	1	
966-1002 Willow	September 20, 2005	2	
507-555 Hamilton (Hamilton Park)	October 25, 2005	20	
1944-48 Menalto	March 13, 2006		1
110-175 Linfield (Morgan Lane)	March 21, 2006	8	
1460 El Camino Real (Beltramo's)	August 1, 2006* (for 3 BMR units) *Amended on January 11, 2011 (for 1 BMR unit + in lieu fees + profit sharing of revenues)	0	1
75 Willow Road (Lane Woods)	November 14, 2006	2	
1382 Hollyburne (NSP Program)	January 12, 2010		1
1441 Almanor (NSP Program)	September 14, 2010	1	0
389 El Camino Real	July 31, 2012		3
TOTALS =		62	6

City of Menlo Park
Below Market Rate Housing Program
Inventory of Occupied BMR Units
As of June 30, 2013

<u>Development</u>	<u>Location (Street Only)</u>	<u>Initial Date of Sale</u>	<u>Initial Sale Price</u>	<u># BR/BA</u>
Pacific Hill	BMR #1 Santa Cruz Ave	5/29/96	\$150,820	2/1.0
Pacific Hill	BMR #2 Santa Cruz Ave*	1/23/96	\$135,490	1/1.0
Pacific Parc	BMR #1 Willow Road	4/2/1996	\$192,780	3/2.5
Pacific Parc	BMR #2 Willow Road	8/27/96	\$182,888	2/2.5
Vintage Oaks	BMR #1 Gloria Circle	12/18/96	\$217,895	3/2.5
Vintage Oaks	BMR #2 Gloria Circle	1/28/97	\$217,895	3/2.5
Vintage Oaks	BMR #3 Gloria Circle*	4/11/97	\$217,895	3/2.5
Vintage Oaks	BMR #4 Gloria Circle	3/21/97	\$217,895	3/2.5
Vintage Oaks	BMR #5 Seminary Drive	9/26/97	\$232,630	3/2.5
Vintage Oaks	BMR #6 Seminary Drive	9/26/97	\$232,630	3/2.5
Vintage Oaks	BMR #7 Seminary Drive	11/26/97	\$232,630	3/2.5
Vintage Oaks	BMR #8 Seminary Drive*	11/25/97	\$232,630	3/2.5
Vintage Oaks	BMR #9 Santa Monica*	12/10/97	\$232,630	3/2.5
Vintage Oaks	BMR #10 Santa Monica	12/9/97	\$232,630	3/2.5
Vintage Oaks	BMR #11 Hanna Way	7/22/98	\$251,990	3/2.5
Vintage Oaks	BMR #12 Hanna Way	7/22/98	\$251,990	3/2.5
Vintage Oaks	BMR #13 Riordan Place	8/28/98	\$251,990	3/2.5
Vintage Oaks	BMR #14 Riordan Place*	8/28/98	\$251,990	3/2.5
Park Lane	BMR #1 Willow Road	1/6/99	\$205,630	1/1.0
Park Lane	BMR #2 Willow Road*	2/12/99	\$253,500	3/2.0
Park Lane	BMR #3 Willow Road	2/24/99	\$234,390	2/2.0
Park Lane	BMR #4 Willow Road*	3/16/99	\$234,390	2/2.0
Classics at Burgess Park	BMR #1 Barron Street	3/1/99	\$264,900	3/2.5
Classics at Burgess Park	BMR #2 Barron Street	4/6/99	\$264,900	3/2.5
Classics at Burgess Park	BMR #3 Hopkins Street	4/22/99	\$286,530	4/2.5
Menlo Square	BMR #1 Merrill Street	9/4/02	\$257,290	3/2.0
Menlo Square	BMR #2 Merrill Street	1/23/03	\$223,520	2/2.0
Menlo Square	BMR #3 Merrill Street*	3/2/04	\$190,540	1/1.0
Hamilton Avenue Park	BMR #1 Sandlewood Street*	5/11/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #2 Sandlewood Street	5/11/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #3 Sandlewood Street	5/18/07	\$375,270	4/2.5
Hamilton Avenue Park	BMR #4 Sandlewood Street	5/17/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #5 Sandlewood Street	5/22/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #6 Sandlewood Street	5/25/07	\$375,270	4/2.5
Hamilton Avenue Park	BMR #7 Sandlewood Street	5/31/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #8 Sandlewood Street	6/12/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #9 Sandlewood Street	7/17/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #10 Sandlewood Street	9/28/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #11 Rosemary Street	7/17/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #12 Rosemary Street	7/17/07	\$375,270	4/2.5
Hamilton Avenue Park	BMR #13 Rosemary Street	7/27/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #14 Rosemary Street	8/14/07	\$375,270	4/2.5

City of Menlo Park
Below Market Rate Housing Program
Inventory of Occupied BMR Units
As of June 30, 2013

<u>Development</u>	<u>Location (Street Only)</u>	<u>Initial Date of Sale</u>	<u>Initial Sale Price</u>	<u># BR/BA</u>
Hamilton Avenue Park	BMR #15 Rosemary Street	8/17/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #16 Sage Street	9/11/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #17 Sage Street	9/11/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #18 Hamilton Avenue	9/28/07	\$375,270	4/2.5
Hamilton Avenue Park	BMR #19 Hamilton Avenue	10/4/07	\$331,150	3/2.5
Hamilton Avenue Park	BMR #20 Ginger Street	10/4/07	\$331,150	3/2.5
Morgan Lane	BMR #1 Linfield Drive	4/29/08	\$273,600	3/2.5
Morgan Lane	BMR #2 Linfield Drive	4/29/08	\$273,600	3/2.5
Willow Road	BMR #1 Heritage Place	5/9/08	\$277,084	3/2.5
Willow Road	BMR #2 Heritage Place	5/15/08	\$277,084	3/2.5
Morgan Lane	BMR #3 Morgan Lane	9/12/08	\$273,600	3/2.5
Morgan Lane	BMR #4 Morgan Lane	12/16/08	\$273,600	3/2.5
Morgan Lane	BMR #5 Ballard Lane	12/18/08	\$273,600	3/2.5
Lane Woods	BMR #1 Paulson Circle	10/21/08	\$272,000	3/2.5
Lane Woods	BMR #2 Paulson Circle	3/27/09	\$313,000	4/2.5
Morgan Lane	BMR #6 Morandi Lane	7/29/09	\$273,600	3/2.5
Pine Court	BMR #1 Pine Street	9/3/09	\$270,058	2/1.5
Morgan Lane	BMR #7 Homewood Place	5/12/11	\$273,600	3/2.5
Morgan Lane	BMR #8 Linfield Drive	6/9/11	\$273,600	3/2.5
NSP Program	BMR #1 Almanor	4/30/13	\$295,000	4/2.0

**Unit was later resold (see Resales, below)*

RESALES

Vintage Oaks	BMR #9 Santa Monica	1/28/99	\$239,353	3/2.5
Vintage Oaks	BMR #8 Seminary Drive	12/24/99	\$243,642	3/2.5
Vintage Oaks	BMR #3 Gloria Circle	6/29/00	\$252,000	3/2.5
Pacific Hill	BMR #2 Santa Cruz Ave	4/1/04	\$151,685	1/1.0
Park Lane	BMR #2 Willow Road (Note 1)	12/16/05	\$280,570	3/2.0
Park Lane	BMR #4 Willow Rd.	10/10/06	\$258,100	2/2.0
Park Lane	BMR #2 Willow Road	10/12/06	\$283,640	3/2.0
Vintage Oaks	BMR #14 Riordan Place	12/8/09	\$281,810	3/2.5
Menlo Square	BMR #3 Merrill Street	7/16/10	\$190,540	1/1.0
Hamilton Avenue Park	BMR #1 Sandlewood Street	7/16/10	\$335,460	3/2.5
Pacific Hill	BMR #2 Santa Cruz Ave	10/14/10	\$158,764	1/1.0

Note 1: Unit was purchased by City and resold to someone on the BMR Waiting List

Total Number of Occupied BMR Units = 62

Total Number of BMR Units Resold = 11

CITY OF MENLO PARK - PAL ACCOUNTING				
PAL LOAN ACTIVITY				
DATE	SOURCE	CASH	LOANS	HSG 832-199
1999-2000	New Loans #41, #42	(\$75,225.00)	\$75,225.00	
1999-2000	Loan Principal Paid	\$23,891.39	(\$23,891.39)	
6/30/2000	PAL BALANCE	\$170,160.71	\$811,839.29	
2000-2001	Loan Principal Paid	\$24,902.43	(\$24,902.43)	24904.55
2000-2001	Paidoff Loan #6, #11, #16, #20, #24, #33	\$138,576.33	(\$138,576.33)	138573.63
6/30/2001	PAL BALANCE	\$333,639.47	\$648,360.53	\$333,638.89
2001-2002	Loan Principal Paid	\$21,622.27	(\$21,622.27)	(\$0.58)
2001-2002	Paidoff Loan #10, #14, #22, #26	\$86,853.04	(\$86,853.04)	
6/30/2002	PAL BALANCE	\$442,114.78	\$539,885.22	\$539,885.22
2002-2003	New Loans #43, #44, #46, #45, #47	(\$308,290.00)	\$308,290.00	\$0.00
2002-2003	Loans Principal Paid	\$17,246.44	(\$17,246.44)	
2002-2003	Paidoff Loans #27, #37, #9, #7, #38, #4, #35	\$157,646.23	(\$157,646.23)	
6/30/2003		\$308,717.45	\$673,282.55	\$673,282.55
2003-2004	New Loans #48, #49, #50, #51, #52, #53	(\$368,445.00)	\$368,445.00	\$0.00
2003-2004	Loans Principal Paid	\$25,496.16	(\$25,496.16)	
2003-2004	Paidoff Loans #42, #34, #46	\$126,974.20	(\$126,974.20)	
6/30/2004		\$92,742.81	\$889,257.19	\$889,257.19
6/30/2005	PAL Ln Allocation-transf fr BMR reserve	\$3,500,000.00		\$0.00
2004-2005	New Loans	\$0.00	\$0.00	
2004-2005	Loans Principal Paid	\$8,881.91	(\$8,881.91)	
2004-2005	Paid Off Loans	\$0.00	\$0.00	
6/30/2005		\$3,601,624.72	\$880,375.28	\$880,375.28
9/30/2005	PAL Ln Allocation-transf fr BMR reserve	\$0.00		\$0.00
2005-2006	New Loans #36A	(\$52,270.00)	\$52,270.00	
2005-2006	Loans Principal Paid	\$9,516.86	(\$9,516.86)	
2005-2006	Paid Off Loans #53, #12, #48, #36	\$204,218.13	(\$204,218.13)	
6/30/2006		\$3,763,089.71	\$718,910.29	\$718,910.29
2006-2007	New Loans #54, 55, 57, 59, 62, 65, 66, 67	(\$532,770.00)	\$532,770.00	\$0.00
2006-2007	Loans Principal Paid	\$11,236.49	(\$11,236.49)	
2006-2007	Paid Off Loans #40, #47, #52	\$180,217.18	(\$180,217.18)	
6/30/2007		\$3,421,773.38	\$1,060,226.62	\$1,060,226.62
2007-2008	New Loans #56, 58, 60, 61, 63, 64, 68, 69, 70, 71, 72, 73, 74	(\$825,080.00)	\$825,080.00	\$0.00
2007-2008	Loans Principal Paid	\$9,975.20	(\$9,975.20)	
2007-2008	Paid Off Loans #28 & #43	\$51,600.42	(\$51,600.42)	
6/30/2008		\$2,658,269.00	\$1,823,731.00	\$1,823,731.00
2008-2009	New Loans #75, 76, 77, 78 & 79	(\$281,160.00)	\$281,160.00	\$0.00
2008-2009	Loans Principal Paid	\$6,272.75	(\$6,272.75)	
2008-2009	Paid Off Loans #30 & #32	\$52,058.97	(\$52,058.97)	
6/30/2009		\$2,435,440.72	\$2,046,559.28	\$2,046,559.28
2009-2010	New Loans #80, 81, 82 Plus Modification to Loan #56	(\$187,989.80)	\$187,989.80	\$0.00
2009-2010	Loans Principal Paid	\$6,734.41	(\$6,734.41)	
2009-2010	Paid Off Loan #44	\$71,818.96	(\$71,818.96)	
6/30/2010		\$2,326,004.29	\$2,155,995.71	\$2,155,995.71
2010-2011	New Loans #83, #84, #85, #86, #87, #88	(\$303,392.00)	\$303,392.00	\$0.00
2010-2011	Loans Principal Paid	\$4,364.78	(\$4,364.78)	
2010-2011	Paid Off Loans #17, #31, #49, #50, #51, #66	\$241,974.31	(\$241,974.31)	
6/30/2011		\$2,268,951.38	\$2,213,048.62	\$2,213,048.62
2011-2012	New Loans #89	(\$71,800.00)	\$71,800.00	
2011-2012	Loans Principal Paid	\$5,817.97	(\$5,817.97)	
2011-2012	Paid Off Loans	\$0.00	\$0.00	
6/30/2012		\$2,202,969.35	\$2,279,030.65	\$2,279,030.65
2012-2013	New Loans #90	(\$75,000.00)	\$75,000.00	
2012-2013	Loans Principal Paid	\$9,563.75	(\$9,563.75)	
2012-2013	Paid Off Loans #63, #65, #86, #87	\$251,905.10	(\$251,905.10)	
6/30/2013		\$2,389,438.20	\$2,092,561.80	\$2,092,561.80
SUMMARY				
	Total PAL Loan Allocation:	\$4,482,000.00		
	Total Loans Funded:		\$4,134,986.80	
	Loans Paid Off:		(\$1,832,199.03)	
	Total Monthly Loan Principal Paid:		(\$285,225.97)	
	Total Loans Receivable:	(\$2,389,438.20)	\$2,017,561.80	
	Funds Available for Loans:	\$2,092,561.80		

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PUBLIC WORKS DEPARTMENT

Council Meeting Date: December 10, 2013

Staff Report #: 13-186

Agenda Item #: D-4

CONSENT CALENDAR: **Adopt a Resolution Appropriating \$150,000 from the Transportation Impact Fee Fund Balance for the Willow Road/VA Hospital Entrance/Durham Street Signal Modification Project**

RECOMMENDATION

Staff recommends that City Council adopt a resolution appropriating \$150,000 from the Transportation Impact Fee fund balance for the Willow Road/Department of Veteran Affairs (VA) Hospital Entrance/Durham Street Signal Modification Project resulting in a cost savings to the City of \$245,000.

BACKGROUND

On June 11, 2013, the City Council approved the Five Year 2013-18 Capital Improvement Plan (CIP). One of the projects proposed in the Five Year CIP is the Willow Road/VA Hospital Entrance/Durham Street Signal Modification Project in the amount of \$395,000. This project will upgrade the traffic and pedestrian signal equipment for compliance with Americans with Disabilities Act (ADA) standards at the intersection of Willow Road with VA Hospital Entrance/Durham Street. It will also provide separate left turn phasing at the intersection to improve pedestrian safety when crossing Willow Road.

ANALYSIS

In January 2013, the City of Menlo Park entered into a Memorandum of Understanding (MOU) with the VA to record an understanding by which the City and the VA would cooperate in implementing improvements in the City right-of-way. This agreement will result in the City saving of \$245,000, while still developing the project as originally designed and planned.

The following improvements are proposed as Phase 1A by the VA:

- Demolition and relocation of existing traffic signal poles, new traffic signals, boxes, switches conduits and conductors at the intersection of Willow Road and Hospital Plaza
- Demolition and realignment of existing curb returns at Hospital Plaza

- Demolition and reconstruction of existing median island curb
- Relocation of three existing crosswalks, striping and stamped pavement
- Demolition and realignment of existing sidewalks and curb ramps at realigned curb returns at the corner of Hospital Plaza
- Realignment of existing site fencing to follow Willow Road right of way and Veterans Affairs property boundary
- Stabilization of disturbed areas between new fence alignment and back of existing public sidewalk

In conjunction with the above work, the VA would remove three large heritage redwood trees within the VA property. The VA is exempt from the heritage tree permitting requirements and therefore no further review of this removal will be completed by the City of Menlo Park. Please see Attachment B, C and D for further details.

Not included in the above work is the relocation of the existing traffic signal controller cabinet and electric service equipment to construct a new ADA-compliant handicap ramp at the southwest corner at the estimated cost of \$40,000 and drainage improvements not incorporated in the plans in the amount of \$70,000. Additionally, the City will perform the project inspection and testing at the estimated cost of \$40,000. Therefore, the City's share for the cost of construction and contingency is \$150,000.

The VA has recently met with the City to indicate that it has hired its contractor to implement the Phase 1A improvements and will begin work within the next month.

IMPACT ON CITY RESOURCES

For the 2013-18 5-year CIP, the Willow Road/VA Hospital Entrance/Durham Street Signal Modification Project is programmed in year 2014-15 at \$395,000. Since the VA will be completing this project in FY 2013-14, for the City's participation share of the construction costs, and since the final 4 years of a 5 year CIP are a "Plan" and not an appropriation, it will be necessary to move this project forward to FY 2013-14 of the 2013-18 5-year CIP and appropriate the amount of \$150,000. Based on the project estimate and the City's participation share of the construction costs, this project will result in a cost savings of \$245,000.

POLICY ISSUES

The recommendation is consistent with several policies in the 1994 City General Plan Circulation and Transportation Element, which seek to maintain a circulation system using the Roadway Classification System that will provide for the safe and efficient movement of people and goods throughout Menlo Park for residential and commercial purposes.

ENVIRONMENTAL REVIEW

The project is categorically exempt under Section 15301 Class 1, "Existing Facilities" and 15302 Class 2, "Replacement or Reconstruction" of the current CEQA Guidelines. These sections allow minor alterations and replacement of existing facilities with negligible or no expansion of use or capacity.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Resolution
- B. Map of Proposed Intersection Improvements
- C. Plan view of Approximate Locations of Heritage Trees to be removed
- D. Street view of Approximate Locations of Heritage Trees to be removed

Report prepared by:

Rene C. Baile
Transportation Engineer

Jesse T. Quirion
Transportation Manager

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RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK APPROPRIATING \$150,000 FROM TRANSPORTATION IMPACT FEE FUND BALANCE FOR THE WILLOW ROAD/VA HOSPITAL ENTRANCE/DURHAM STREET SIGNAL MODIFICATION

WHEREAS, on June 11, 2013, the City Council adopted a resolution approving the Five Year 2013-18 CIP, in which the Willow Road/Department of Veterans Affairs (VA) Hospital Entrance/Durham Street Signal Modification was one of projects proposed in FY 2014-15, at the estimated cost of \$395,000 including staff costs; and

WHEREAS, VA has a project to implement Phase 1A improvements in the City of Menlo Park's right-of-way at the existing Willow Road and Hospital Entrance intersection and fencing, landscaping, improvements along Willow Road and VA property boundary, including the signal modification work at the intersection; and,

WHEREAS, a Memorandum of Understanding was made between the VA and the City of Menlo Park to record an understanding by which the City and the VA would cooperate in implementing VA's project and by which VA would pay for the cost of this construction, except the cost of relocating the signal controller cabinet and electric service equipment, drainage improvements not incorporated in the VA plans, and the project inspection and testing costs. and

WHEREAS, the City agreed to bear the cost of relocating the signal controller cabinet and electric service equipment, drainage improvements not incorporated in the VA plans, and the project inspection and testing costs, in the amount of \$150,000 resulting in a cost savings to the City of \$245,000; and,

WHEREAS, the VA would be completing its Phase 1A improvements in FY 2013-14.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby authorize the appropriation of \$150,000 from the 2014-15 Transportation Impact Fee Fund to the 2013-14 Transportation Impact Fee Fund for the City's participation share in the construction cost of the Willow Road/VA Hospital Entrance/Durham Street signal modification.

I, Pam Aguilar, City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing Resolution was duly and regularly passed and adopted at a meeting by said Council on the tenth day of December, 2013, by the following vote:

AYES:

NOES:

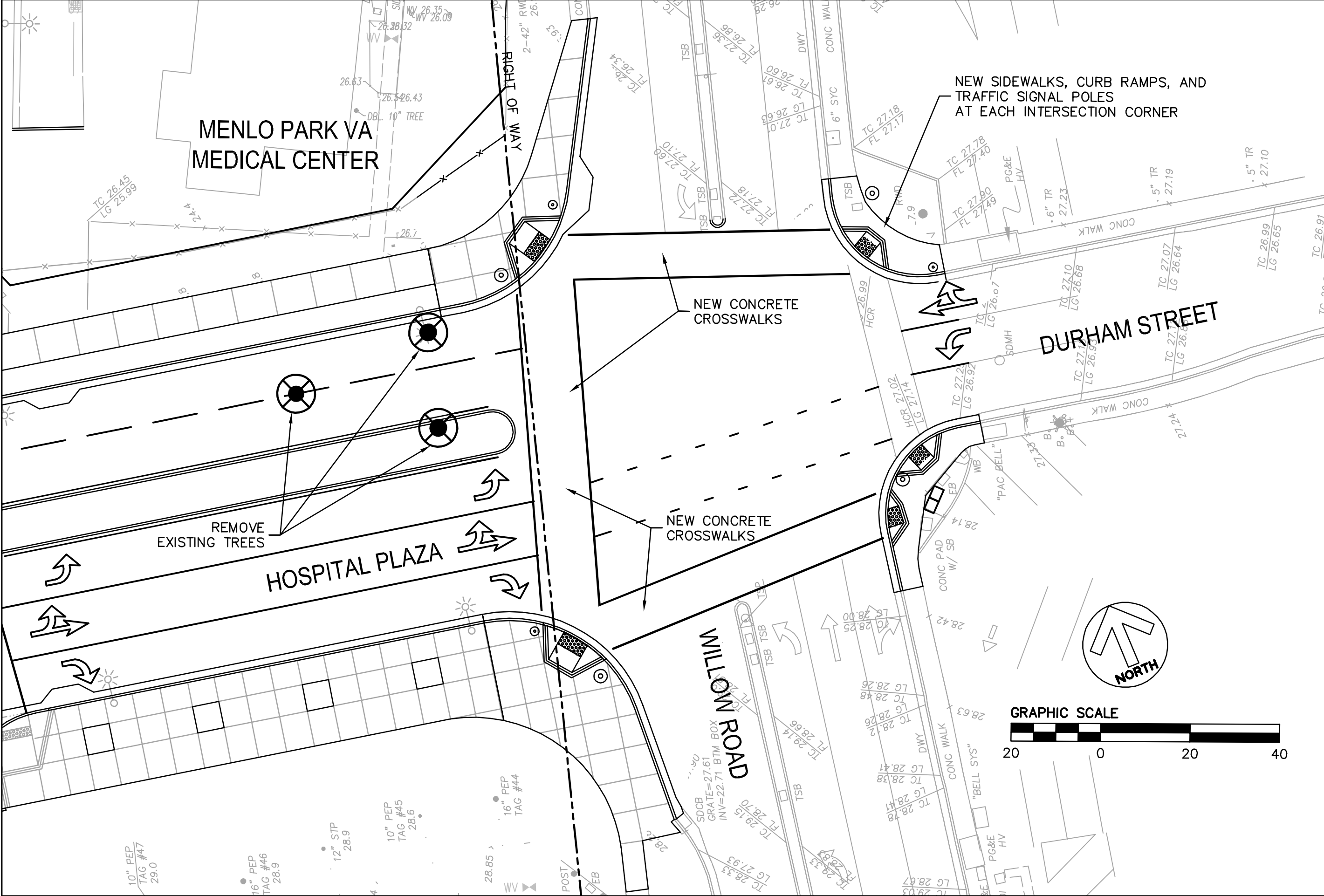
ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this tenth day of December, 2013.

Pamela Aguilar
City Clerk

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DRAWING NAME: K:\Eng\2128059\DWG\Exhibits\2013-10-30 COM OUTREACH.dwg
 PLOT TIME: 10:30-13
 PLOTTED BY: hnu

980 9TH ST
 SUITE 1770
 SACRAMENTO, CA 95814
 916-556-5899 (TEL)
 916-556-5899 (FAX)

**WILLOW RD. & DURHAM STREET
 VA ENTRY INTERSECTION IMPROVEMENTS**

Date: 10/30/2013	Revision:
Scale: NOT TO SCALE	No.:
Design: JS	
Drawing: JS	
Approved: AH	
Job No: 20130608	
Drawing Number:	

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**Approximate Locations of 3
existing Heritage Redwood Trees
on VA Property to be removed by
the VA with this project**

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Approximate Locations of 3 existing Heritage Redwood Trees on VA Property to be removed by the VA with this project

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PUBLIC WORKS DEPARTMENT

**Council Meeting Date: December 10, 2013
Staff Report #: 13-180**

Agenda Item #: D-5

CONSENT CALENDAR:

Authorize the City Manager to Award a Contract to Towne Ford Sales in the Amount of \$184,143 for the Purchase of Six Police Vehicles; Award a Contract to Priority 1 Public Safety Equipment in the Amount of \$57,344 for the Purchase and Installation of Emergency Equipment; and Authorize a Total Budget of \$247,487 for the Purchase of the Vehicles, Equipment and Contingencies

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to award a contract to Towne Ford Sales in the amount of \$184,143 for the purchase of six police vehicles; award a contract to Priority 1 Public Safety Equipment in the amount of \$57,344 for the purchase and installation of emergency equipment; and authorize a total budget of \$247,487 for the purchase of the vehicles, equipment and contingencies

BACKGROUND

Annually, staff recommends which vehicles and equipment to replace on the basis of mileage, age, downtime for repairs, and an assessment of the vehicle and equipment needed to provide services to the community. On the basis of these criteria, five (5) police four-door sedans (Ford Crown Victoria Interceptor) for patrol and one (1) unmarked (Taurus) police sedan are scheduled for replacement in Fiscal Year 2013-14.

In calendar year 2011, Ford Motor Company discontinued the Crown Victoria Police Interceptor. It was at this time, staff began researching a suitable replacement. Through field research, publications, actual road testing of the top three available replacements, along with feedback from the California Highway Patrol and other law enforcement organizations, the Ford Utility Interceptor was chosen as the replacement to the Crown Victoria.

ANALYSIS

In September 2013, staff sent Requests for Quotes to five separate dealers. Four of the dealers returned quotes (Attachment A).

Staff also requested quotes for the purchase and installation of emergency equipment and the transfer of computers for the new police vehicles. These services are not provided by the car dealers. At the current time, there is only one local company that offers the services necessary to outfit public safety vehicles.

IMPACT ON CITY RESOURCES

The costs of the purchase and equipping of the vehicles are as follows:

Five police patrol vehicles and one unmarked police sedan	\$184,143
Equipment and installation in police vehicles	\$ 57,344
Contingency for equipment	<u>\$ 6,000</u>
Total Cost	\$247,487

There are sufficient funds in the vehicle replacement program to pay for the vehicles, additional equipment and installation, and the contingency. The contingency will cover any additional accessories and installations that may be needed.

Staff will sell the used vehicles being replaced at auction and will deposit the sales proceeds into the Vehicle Replacement fund.

POLICY ISSUES

This recommendation does not represent any change to existing policy.

ENVIRONMENTAL REVIEW

The proposed purchases are not a project under the California Environmental Quality Act. Environmental review is not required.

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Quote Summary

Report prepared by:

Don Weber

Fleet Supervisor

Ruben Niño

Assistant Public Works Director



VEHICLE QUOTES

	COMPANY	BID AMOUNT
1	TOWNE FORD SALES	\$184,183
2	DOWNTOWN FORD	\$184,703
3	SUNNYVALE FORD	\$184,839
4	PRIORITY 1 SAFETY EQUIPMENT	\$191,075

EQUIPMENT QUOTES

	COMPANY	BID AMOUNT
1	PRIORITY 1 SAFETY EQUIPMENT	\$57,344

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PUBLIC WORKS DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-181

Agenda Item #: D-6

CONSENT CALENDAR: **Authorize the Public Works Director to Accept the Work Performed by Precision Emprise, Inc. for the Sidewalk Trip Hazard Removal Project Phase 2**

RECOMMENDATION

Authorize the Public Works Director to accept the work performed by Precision Emprise, Inc. for the Sidewalk Trip Hazard Removal Project Phase 2.

BACKGROUND

On August 20, 2013, the City Council awarded a contract for the Sidewalk Trip Hazard Removal Project Phase 2 to Precision Emprise, Inc. The project consisted of inspection of sidewalks and horizontal saw-cutting of offset sidewalks that were trip hazards to pedestrians. The Belle Haven neighborhood and Downtown, respectively, were slated focus areas for this year's project. The contractor removed a total of 1,643 offsets (3,024 in/ft cut).

In addition, Precision Emprise, Inc. completed a report of locations sites recommending further reconstruction repair of sidewalks where the horizontal saw-cutting method could not mend the trip hazard conditions.

ANALYSIS

The work for the Sidewalk Trip Hazard Removal Project Phase 2 has been completed in accordance with the plans and specifications. A Notice of Completion will be filed accordingly. The project was completed within the approved project budget.

Contractor: Precision Emprise, Inc.
 P.O. Box 8013
 Foster City, CA 94404

IMPACT ON CITY RESOURCES

Construction Contract Budget

Construction Contract	\$ 80,000
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Construction Expenditures

Construction Contract	\$ 80,000
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The above expenditures are only costs associated with the construction contract with Precision Emprise, Inc.

POLICY ISSUES

There are no policy issues associated with this action. The one-year construction warranty period starts upon City's acceptance.

ENVIRONMENTAL REVIEW

The project is categorically exempt under Class I of the current State of California Environmental Quality Act Guidelines, and an exemption was filed with the County Recorder's Office.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

None

Report prepared by:
Rene Punsalan
Associate Engineer

Fernando Bravo
Engineering Service Manager



PUBLIC WORKS DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-182

Agenda Item #: D-7

CONSENT CALENDAR: **Authorize the Public Works Director to Accept the Work Performed by VSS International, Inc. for the 2013-2014 Slurry Seal Project**

RECOMMENDATION

Staff recommends that the City Council authorize the Public Works Director to accept the work performed by VSS International, Inc. for the 2013-2014 Slurry Seal Project.

BACKGROUND

On July 16, 2013, the City Council awarded a contract to VSS International, Inc., in the amount of \$645,325 with an authorized project budget of \$774,390. The project consisted of the application of asphalt and sand emulsion, called slurry seal, to 51 street sections throughout the City. The total mileage of City streets treated with slurry seal as part of this project was 7.4 miles, or about 8 percent of the City's 98.6 miles of streets. The authorization to accept the work will allow staff to prepare the required paperwork to close out the project and issue the final payment to VSS International, Inc.

ANALYSIS

The work for the 2013-2014 Slurry Seal Project has been completed in conformance with the plans and specifications. The construction expenditure was about \$45,000 less than the construction contract because the quantities for the asphalt concrete pavement repairs and the slurry seal treatment were less than anticipated. A Notice of Completion will be filed accordingly. The project was completed within the approved project budget.

Contractor: VSS International, Inc.
 3785 Channel Drive
 West Sacramento, CA 95691

IMPACT ON CITY RESOURCES

Construction Contract Budget:

Construction Contract	\$645,325
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Construction Expenditures:

Actual Construction Expenditures	\$600,025
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POLICY ISSUES

There are no policy issues associated with this action. The one-year construction warranty period starts upon City's acceptance.

ENVIRONMENTAL REVIEW

The project is categorically exempt under Class I of the current State of California Environmental Quality Act (CEQA) Guidelines, and an exemption was filed with the County Recorder's Office.

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

None

Report prepared by:

Rene Punsalan

Associate Engineer

Fernando Bravo

Engineering Service Manager



PUBLIC WORKS DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-190

Agenda Item #: D-8

CONSENT CALENDAR: **Extend Existing Contract with CB&I in an Amount Not to Exceed \$128,575 for Engineering Services to Monitor, Operate, Maintain, Repair, Sample and Report on the Bedwell Bayfront Park Leachate Collection System; and Authorize the City Manager to Extend the Contract Annually for up to Three Additional Years**

RECOMMENDATION

Staff recommends that the City Council extend a contract to CB&I (formerly Shaw Environmental, Inc.) in an amount not to exceed \$128,575 for engineering services to monitor, operate, maintain, repair, sample and report on the Bedwell Bayfront Park leachate collection system; and authorize the City Manager to extend the contract annually for up to three additional years, effective date of November 30, 2013.

BACKGROUND

In 1961, the South County Garbage and Refuse Disposal district began to use the fill and cover method for disposal at what is now known as the Bedwell Bayfront Park site. In July 1962, the site was annexed to the City of Menlo Park. In 1974, the Council adopted the park concept for the Bedwell Bayfront Park site. Disposal operations to the site ceased in 1984. Since then, the City installed wells to monitor water quality and a leachate collection system to prevent the decomposing garbage from migrating out to the Bay.

This Contract is being presented to Council after expiration date because there was limited room in the November agenda because of the Specific Plan and CB&I agreed to continue to provide services under contract until contract could be renewed.

Monitoring Requirements

The monitoring and reporting requirements for Bedwell Bayfront Park are regulated by two agencies. The California Regional Water Quality Control Board (RWQCB) regulates water quality in the Bay. West Bay Sanitary District (WBSD) and the South Bayside System Authority (SBSA) regulate the leachate discharge to the sanitary sewer.

The water quality monitoring requirements are contained in Waste Discharge Requirements Order 97-073 (WDR) which was last re-issued by the RWQCB in 1997. This permit has been in effect since the late 1960's and has been re-issued by the RWQCB numerous times with new conditions being added with each re-issuance. The current permit is in effect until the Water Board elects to revise, update or re-issue it.

The second permit, issued by WBSD and the SBSA, allows leachate to discharge into the sanitary sewer system under Mandatory Wastewater Discharge Permit WB 071216 (MWDP). The permit was reissued to the City on September 30, 2013, and expires on September 29, 2017.

Consultant

CB&I, has been involved with Bedwell Bayfront Park since the Environmental Impact Report for the park proposal was prepared in the mid 1970's. Since then they have provided consultant services to monitor groundwater quality, and the geology at Bedwell Bayfront Park. In 1990, the RWQCB required the City to construct a leachate control system to ensure that leachate would not contaminate the adjacent slough and salt ponds. The system was designed to discharge leachate into the WBSD sewer main and be treated at the SBSA treatment facility before discharge to the Bay. The leachate system was constructed during the summer of 1991 with operations beginning in late September 1991. The consultant has monitored and operated this system, collected and analyzed leachate samples, and prepared monitoring and analysis reports since 1991.

In 1994, the City sent a request for proposals (RFP) to consulting firms who had experience monitoring landfills and leachate in order to evaluate the cost effectiveness of CB&I's work. Staff received three proposals, with CB&I's proposal being the most cost effective. Again in 2008, the City sent an RFP to consulting firms and two proposals were received. CB&I's proposal was about 25% below the other. Council extended the contract with them through November 30, 2008 and authorized the City Manager to extend it for an additional four years. The current contract will end on November 30, 2013.

ANALYSIS

The scope of services for the contract includes the following:

1. Regular monitoring of groundwater and leachate and analysis of samples
2. Measurement of groundwater elevations
3. Operation and maintenance of the pumps, controls, piping and related equipment
4. Preparation of monthly, twice-yearly and annual reports

5. Periodic emergency or on-call repair work

Historically, the allocation for task 5, Emergency or On-call Repair Work, has not been fully utilized. However, City staff has recently been requesting additional repairs to improve the robustness of the leachate collection system. All such work requires specific authorization from City staff prior to construction.

The contract is proposed to cover the period from December 1, 2013, through November 30, 2014, with provisions to extend it through November 2016.

The annual cost of the agreement for the year ending November 30, 2013 was \$125,089. CB&I has proposed an annual cost of \$128,575 for FY 2013-14. This is a 2.78% increase. A cost escalation factor based on the San Francisco Bay Area Consumer Price Index (CPI) has been allowed in each year of the contract, and if extended this will continue. Based upon prior history, staff believes the amount is appropriate. Due to CB&I's positive performance on the existing agreement, reasonable costs, experience and long-term knowledge of the many Bedwell Bayfront projects, staff believes that they are still the best-qualified consulting firm to continue this work. Staff has been satisfied with the consultant's quality of work.

If the Council approves staff's recommendation, the City Manager would be authorized to renew the contract annually for up to three additional years.

IMPACT ON CITY RESOURCES

The cost of the first year of service (December 1, 2013 through November 30, 2014) will not exceed \$128,575. This includes routine maintenance, monitoring, reporting and anticipated emergency and on call repair work. Funds to cover the first year's expenditures have been included in the fiscal year 2013-14 budget, and will be included in the budget for the remaining fiscal years. The funding source is the Bedwell Bayfront Park Landfill Fund.

POLICY ISSUES

The proposed action is consistent with City policy.

ENVIRONMENTAL REVIEW

The work is exempt under Class I, maintenance of existing facilities, of the current State California Environmental Quality Act Guidelines.

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

None

Report prepared by:
Fernando Bravo
Engineering Services Manager



PUBLIC WORKS DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-189

Agenda Item #: D-9

CONSENT CALENDAR:

Adopt a Resolution Appropriating \$8,093 from the Transportation Impact Fee Fund Balance, Award a Construction Contract for the Oak Grove Avenue and Merrill Street Intersection In-Pavement Lighted Crosswalk Project to Bear Electrical Solutions, Inc., in the Amount of \$30,110 and Authorize a Total Budget of \$37,640 for Construction, Contingencies, Inspection and Project Management

RECOMMENDATION

Staff recommends that the City Council adopt a resolution (Attachment A) to appropriate \$8,093 from the Transportation Impact Fee Fund balance, award a construction contract for the Oak Grove Avenue and Merrill Street Intersection In-Pavement Lighted Crosswalk Project to Bear Electrical Solutions, Inc., in the amount of \$30,110 and authorize a total budget of \$37,640 for construction, contingencies, inspection and project management.

BACKGROUND

On March 27, 2012, the City Council adopted a resolution authorizing the City Manager to accept the Highway Safety Improvement Program (HSIP) Cycle 4 Federal Grant in the amount of \$49,500 to implement the installation of an in-pavement lighted crosswalk system at the intersection of Oak Grove Avenue and Merrill Street. The total amount of this project was estimated at \$55,000 and the program requires a local match of 10% of the project costs or \$5,500.

An in-pavement lighted crosswalk system is a series of high-intensity light-emitting diode (LED) lights placed in the pavement on both sides of a crosswalk, directing light along the road towards oncoming traffic. When activated by a pedestrian pushbutton, the LED lights flash. The purposes of this system are to: 1) enhance pedestrian safety by increasing the visibility of the crosswalk and; 2) moderate drivers' behavior when approaching the crosswalk. The City currently has nine installations citywide.

The crosswalk location of Oak Grove Avenue at Merrill Street was identified in a traffic study in 2005 conducted by City staff as one of the locations that warranted an in-pavement lighted crosswalk installation to improve pedestrian safety. This location was

ranked no. 4 using a prioritization formula in that traffic study. The top three crosswalk locations were Ravenswood Avenue at Alma Street, Santa Cruz Avenue at Johnson Street, and Oak Grove Avenue, in front of the Post Office. All of these locations have already been installed with in-pavement lighted crosswalk systems.

ANALYSIS

On October 17, 2013, eight (8) bids were submitted and opened for the Oak Grove Avenue and Merrill Street Intersection In-Pavement Lighted Crosswalk Project. The lowest bidder for the project, Bear Electrical Solutions, Inc., submitted a bid in the amount of \$30,110. Attachment B provides the bid summary. Staff has checked the background and references of Bear Electrical Solutions, Inc., and is satisfied with its past performance.

IMPACT ON CITY RESOURCES

The project budget has to be increased because the original budget did not cover the costs for the construction of the textured pavement, installation of the white thermoplastic yield striping, and the 4-year extended warranty for all parts of the wireless and solar powered LED crosswalk system, including the LED pavement markers and solar panels. The textured pavement is a crosswalk enhancement that makes the crosswalk more visible to motorists. The white yield striping is a recent Caltrans - Manual on Uniform Traffic Control Devices approved pedestrian safety feature. The purchase of the LED crosswalk system carries only a 1-year warranty for parts. Even though the durability of a wireless and solar powered LED crosswalk system has improved through the years, the extended warranty will provide the City insurance for any breakdown of the parts for five years. Staff proposes to fund the difference with Transportation Impact Fee funds.

The construction contract budget for the Oak Grove Avenue and Merrill Street Intersection In-Pavement Lighted Crosswalk Project consists of the following:

Construction contract amount	\$30,110
Contingency (10%)	3,010
Inspection and Project Management (15%)	<u>4,520</u>
Total Construction Contract Budget	\$37,640
Original Budget	\$55,000
City Purchased Equipment	- 19,953
Design Engineering	<u>- 5,500</u>
Project Remaining Balance	\$29,546
Proposed Funding	
Project Remaining Balance	\$29,546
Additional Transportation Impact Fee fund	<u>8,093</u>
Total	\$37,640

Project Funding Sources

Federal Grant	\$49,500
Transportation Impact Fee funds (4,500+8,093)	<u>13,593</u>
Total	\$63,093

POLICY ISSUES

The recommendation does not represent any change to existing City policy.

ENVIRONMENTAL REVIEW

The project is categorically exempt under Class I of the current State of California Environmental Quality Act Guidelines, which allows minor alterations and replacement of existing facilities.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Resolution
- B. Bid Summary

Report prepared by:
Rene C. Baile
Transportation Engineer

Jesse T. Quirion
Transportation Manager

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RESOLUTION NO.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK AUTHORIZING APPROPRIATION OF \$8,093 FROM THE TRANSPORTATION IMPACT FEE FUND BALANCE; AWARD A CONSTRUCTION CONTRACT TO BEAR ELECTRICAL SOLUTIONS, INC. IN THE AMOUNT OF \$30,110 FOR THE OAK GROVE AVENUE AND MERRILL STREET INTERSECTION IN-PAVEMENT LIGHTED CROSSWALK PROJECT AND AUTHORIZE A TOTAL BUDGET OF \$37,640 FOR CONSTRUCTION, CONTINGENCIES, INSPECTION, AND PROJECT MANAGEMENT

WHEREAS, on March 27, 2012, the City Council adopted a resolution authorizing the City Manager to accept the Highway Safety Improvement Program (HSIP) Cycle 4 Federal Grant in the amount of \$49,500 to implement the installation of an in-pavement lighted crosswalk system at the intersection of Oak Grove Avenue and Merrill Street;

WHEREAS, the crosswalk location of Oak Grove Avenue at Merrill Street was identified in a 2005 staff-conducted traffic study as one of the locations that warranted an in-pavement lighted crosswalk installation to improve pedestrian safety and was ranked no. 4 in the list of crosswalk locations evaluated in that traffic study;

WHEREAS, on September 28, 2013, the City advertised the project for bids from qualified contractors which were opened on October 17, 2013; and

WHEREAS, eight bids were received and Bear Electrical Solutions, Inc. was the lowest bidder in the amount of \$30,011.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby authorize the appropriation of \$8,093 from the Transportation Impact Fee fund balance for construction, contingencies, inspection, and project administration for constructing the improvements shown on the plans and specifications for the Oak Grove Avenue and Merrill Street Intersection In-Pavement Lighted Crosswalk Project (Project); and

BE IT FURTHER RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby approve the project plans and specifications and award the project to Bear Electrical Solutions, Inc. the amount of \$30,011 and authorize a total budget of \$37,640 for construction, contingencies, inspection, and project administration.

I, Pam Aguilar, City Clerk of the City of Menlo Park, do hereby certify that the above and foregoing Resolution was duly and regularly passed and adopted at a meeting by said Council on the tenth day of December, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this tenth day of December, 2013.

Pam Aguilar
City Clerk

Bid Summary

Oak Grove Avenue and Merrill Street Intersection In-Pavement Lighted Crosswalk

BID OPENING DATE: October 17, 2013

	CONTRACTOR	BID AMOUNT
1.	Bear Electrical Solutions, Inc.	\$30,110
2.	Pacific Electric Contracting, Inc.	\$31,354
3.	W. Bradley Electric, Inc.	\$44,515
4.	Ray's Electric	\$47,688
5.	Pleasanton Engineering Contractors, Inc.	\$52,600
6.	Mike Brown Electric Co.	\$58,206
7.	Tennyson Electric, Inc.	\$81,000
8.	Cal Electro, Inc.	\$96,950

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PUBLIC WORKS DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-194

Agenda Item #: D-10

CONSENT CALENDAR: Authorize the City Manager to Execute a Funding Agreement with City/County Association of Governments for the Willow Road Improvements at Newbridge Street and Bayfront Expressway Design Project for an amount of \$89,096 and Subsequent Agreements

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to execute a funding agreement with City/County Association of Governments (C/CAG) for the Willow Road Improvements at Newbridge Street and Bayfront Expressway Design Project for an amount of \$89,096, and subsequent agreements related to construction of the project.

BACKGROUND

The 2020 Peninsula Gateway Corridor Study was completed in July of 2008, and identified near, medium, and long-term options for addressing congestion issues relating to the approaches to the Dumbarton Bridge and US 101. The analysis developed various alternatives for potential improvements on Willow Road and University Avenue between US 101 and Bayfront Expressway. The Willow Road Improvement at Newbridge and Bayfront Expressway Project (The Project) under consideration were recommended for Intersection-specific improvements (safety and operational). These improvements are being coordinated with the required off-site mitigation improvements for the Facebook Project. The following describes the project alternatives identified in the 2020 Peninsula Gateway Corridor Study for the two intersections:

- **Willow Road and Newbridge Street**

Add a third eastbound lane on Willow Road extending from the US-101 northbound off-ramp to Newbridge Street. The third lane would be added by widening the north side of Willow Road and realigning the raised median. Widening the roadway would also allow extending the eastbound left turn lane on Willow Road by approximately 75 feet. In addition to the widening, restrict left-turns onto Newbridge Street by placing a sign designed to be visible only to traffic exiting US-101 and not visible to the eastbound traffic on Willow Road.

The left turn restriction on Newbridge Street will be in effect only on Monday to Friday between 4:00 p.m. and 7:00 p.m.

- **Willow Road and Bayfront Expressway**

Add a third right-turn lane for the eastbound right-turn movement by widening Willow Road, and convert the existing eastbound shared left-through lane to a through-only lane. Eliminate the split-phase signal operation. The proposed improvement will remove the short eastbound through bicycle lane segment approaching this intersection. Install proper signal to notify bicyclists that the bicycle lane ends and all bicyclists should use the bicycle path.

On December 2012, the C/CAG Board of Directors authorized the AB 1546 Countywide Traffic Congestion Management Fund Expenditure Plan which set aside up to \$700,000 to help fund projects located on regionally significant roadways such as Willow Road to reduce traffic congestion and improve safety.

On November 14, 2013, the C/CAG Board approved the City's request to reimburse the design costs for the project for an amount of \$89,096. Facebook is under contract with BKF for Engineering Services to design the required off-site mitigation improvements. At the City's request BKF provided Menlo Park a scope and fee to incorporate the remaining safety and operational improvements consistent with the 2020 Peninsula Gateway Study as further described later in the staff report. BKF is under contract with the City's Master agreements and staff has approved BKF to complete the additional work under the Master Agreement for an amount of \$89,096.

ANALYSIS

The Willow Road Improvement at Newbridge and Bayfront Expressway Project was approved as part of the FY 2012-13 CIP and has been on hold in anticipation of coordinating with this project with the Facebook Project. The following is a summary of the coordinated effort under consideration for this project:

Willow Road and Newbridge Street

Facebook Requirement

Add a third eastbound lane on Willow Road extending from the US 101 northbound off-ramp to Newbridge Street. The third lane would be added by widening the north side of Willow Road.

Gateway 2020 Additional Work

In order to complete additional work for the Gateway 2020 project, Willow would need to be further widened on the north side and the median would need to be realigned. Widening the roadway would also allow extending the eastbound left turn lane on Willow Road by approximately 75 feet. In addition to the widening, restrict left-turns onto Newbridge Street by placing a sign designed to be visible only to traffic exiting US 101

and not visible to the eastbound traffic on Willow Road. The left turn restriction on Newbridge Street will be in effect from Monday to Friday between 4:00 p.m. and 7:00 p.m.

The additional cost for the Facebook design to include the Gateway 2020 design and Caltrans approval is \$57,110.

Willow Road and Bayfront Expressway

Facebook Requirement

Add a third right-turn lane for the eastbound right-turn movement by widening Willow Road, and convert the existing eastbound shared left-through lane to a through-only lane. Eliminate the split-phase signal operation. The proposed improvement will remove the short eastbound through bicycle lane segment approaching this intersection and replace it with an off street Class I bike path from the mini-storage driveway to Bayfront Expressway.

Gateway 2020 Additional Work

The Gateway 2020 project would extend the sidewalk from the mini-storage driveway along Willow Road, across the railroad tracks to Hamilton Avenue. The additional costs for the Facebook design to include the additional work for the Gateway 2020 design and Caltrans approval is \$31,986. The scope of work for the additional design work for the Gateway 2020 project will be performed by BKF Engineers.

The additional construction cost for the Gateway 2020 improvements has not been completed at this time. A rough estimate would be \$600,000 in addition to the amount Facebook is already planning to complete. The coordination effort with the Facebook Project is more cost effective than completing the work as standalone projects. The Consultants design will provide a more detail cost estimate, which can be used to request additional funding for the construction of these improvements.

IMPACT ON CITY RESOURCES

The Project is being funded in part by the AB 1546 Countywide Traffic Congestion Management Fund Expenditure Plan which set aside \$700,000 to help pay for projects with funding agreements on a reimbursement basis. C/CAG will reimburse the City \$89,096 once this agreement is approved Future agreements will be needed to seek reimbursement of additional tasks needed to implement this project.

The project was approved as part of the FY 2012-13 CIP with an approved budget of \$900,000, utilizing Transportation Impact Fees.

POLICY ISSUES

This project is in line with several policies in the 1994 General Plan Circulation and Transportation Element.

ENVIRONMENTAL REVIEW

This proposed action is categorically exempt under the current California Environmental Quality Act Guidelines. The Project Environmental Analysis was covered by the approved Facebook EIR, and 2020 Peninsula Gateway Corridor Study.

PUBLIC NOTICE

Public notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

None

Report prepared by:
Fernando G. Bravo
Engineering Services Manager

Chip Taylor
Public Works Director



COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-195

Agenda Item #: D-11

CONSENT CALENDAR:

Approve the Following Actions Related to Staffing in the Community Development Department: (1) Authorize the City Manager to Sign an Amended Contract with Metropolitan Planning Group for Contract Planning Services; (2) Appropriate \$1.1 Million for Contract Building Plan Check and Inspection Services; (3) Authorize the City Manager to Sign an Amended Contract with Interwest Consulting Group, Inc. for Contract Building Plan Check and Inspection Services; and (4) Extend the Terms for Two Limited-Term Planning Positions

RECOMMENDATION

Staff recommends that the Council:

1. Authorize the City Manager to sign an amended contract with the Metropolitan Planning Group for contract planning services, not to exceed the currently budgeted amount of \$300,000;
2. Appropriate \$1.1 million for contract building plan check and inspection services, to be fully covered by increased revenue from building permit fees;
3. Authorize the City Manager to sign an amended contract with Interwest Consulting Group, Inc. for contract building plan check and inspection services, not to exceed \$150,000; and
4. Approve the extension of the terms of two limited-term planning positions for an additional two years (through June 30, 2016), subject to confirmation of the need with future budget cycles.

BACKGROUND

At its meeting of February 12, 2013, the City Council reviewed and acted on a proposal to augment staffing levels in the Community Development and Public Works Departments in response to an unprecedented level of development. The Council acted unanimously to authorize a Request for Proposal (RFP) process to retain appropriate contract services, authorize the continuing use of two limited-term Planning positions in FY 2013-14, request consideration of a hybrid staffing approach for the balance of the positions to be considered during the FY 2013-14 budget process, appropriate

\$300,000 and authorize the City Manager to execute agreements in excess of the \$50,000 limit in order to authorize City Hall modifications to accommodate additional staffing.

Specific to the Community Development Department and based on the Council's direction, staff has under taken the following actions:

1. As part of the FY 2013-14 Budget, included funds for contract services, two limited-term Planning Division positions and Planning Division interns;
2. Contracted with the Metropolitan Planning Group (M-Group) for contract planning services;
3. Contracted with Kutzmann & Associates, Shums Coda Associates, and Interwest Consulting Group, Inc. for building plan check and inspection services;
4. Continued two limited-term planning positions;
5. Hired two part-time interns; and
6. Issued a Request for Qualifications (RFQ) for the General Plan Update and On-Call Professional Services.

These actions are discussed in more detail in the *Analysis* section of the report. The focus of this report is staffing within the Community Development Department, although it should be noted that efforts are ongoing toward staffing in the Public Works Department and toward City Hall modifications.

ANALYSIS

As part of the February 12, 2013 staff report to the Council, staff identified work load levels expected for 2013 and beyond. Work load was described as consisting of baseline work (smaller projects, provision of general information, review of preliminary proposals, management-related work, etc.), Comprehensive Planning and the review of large scale development projects. The report indicated that baseline work had grown over the past five years to a high of 129 small projects in 2012, an approximately 30 percent increase over the average of the previous four years. The report further projected that the level of projects would remain high in 2013. To date in 2013, 110 small projects have submitted applications, on par with the level of development in 2012.

Work is also continuing on the three major Comprehensive Planning projects. The one-year review of the El Camino Real/Downtown Specific Plan was concluded by the Council on November 19, 2013 after four months of analysis and review by the Planning Commission. An additional three to six months will be needed to complete minor modifications to the Specific Plan as directed by the City Council. The 2007-2014 Housing Element was successfully completed in Spring 2013, immediately followed by work to implement programs established in the Housing Element and initiation of the 2014-2022 Housing Element. Although implementation efforts will be ongoing for several years, work on the 2014-2022 Housing Element is anticipated to be complete by Spring 2014. Work on the General Plan update is underway with a Council study

session tentatively scheduled for December 17, 2013 and work expected to take place over the next approximately three years.

Regarding the review of large development projects, in February 2012 staff had identified a number of large-scale projects either in the review process or that were expected to be submitted in the near future. The table below shows the status of the projects previously identified.

Completed	Under Construction/Permit Issued	Submitted for Permit	Under Review for Land Use/Permit Entitlements
1706 El Camino Real (office)	Facebook*	Facebook*	Commonwealth Corporate Center (office)
Sharon Heights Golf and Country Club (membership increase)	Hunter Project (formerly Beltramos at 1460 El Camino Real) (mixed use)	Anton Menlo (housing)	500 ECR (mixed use)
Phillips Brooks School (enrollment increase)	Artisan (389 El Camino Real) (housing)		SRI Modernization (office; R&D)
	20 Kelly Court (commercial)		Fire District Station #6
	702 Oak Grove (mixed use)		1300 ECR/Derry Lane (mixed use)
	Beechwood School (reconstruction)		Core Housing (VA housing)
	Marriott Residence Inn (hotel)		
	Quadrus Building #9 (office)		
	Quadrus Building #4 (office)		
	Boys and Girls Club		
	VA Right-of-Way Improvements		

*Facebook is under construction, but also has a number of supplemental permits under review.

In addition to the projects listed above, the following projects remain likely to apply for land use/building permit entitlements in the near future:

- Menlo Gateway;
- Hamilton Avenue Housing (721-851 Hamilton) (Greenheart);
- Haven Avenue Housing (3645-3665 Haven) (Butler property);
- 2700-2770 Sand Hill Road (office);
- German American International School Relocation
- Future Project on Park Theater Property (1275 El Camino Real)
- Menlo Park Police Communications Tower;
- Menlo Park Emergency Wells;

- Menlo Park Fire Protection District Training Facility; and
- Menlo Business Park (renovation of campus)

One project listed in the February 12, 2013 staff report that is no longer active is the Commercial Project/Police Substation at Willow and Ivy. However, other potential projects are likely to emerge for the properties of the former Roger Reynold's Nursery and Shell Service Station (1400 El Camino Real). In summary, staff believes that the high level of interest in development in the Community, spurred by the adoption of the Specific Plan and Housing Element, location of Facebook in Menlo Park and general improvement in the economic climate will continue.

Staffing Levels

The Community Development Department currently operates with one Director, five staff in the Planning Division, five staff in the Building Division and four technicians, for a total of 15 staff members. This staffing is supplemented by the use of contract services, limited-term positions, and interns. Each of these is discussed in more detail below.

Contract Planning Staff

As noted earlier, and consistent with Council direction to explore contracting as a means of service provision, the Community Development Department has entered into an agreement with M-Group for contract planning services. The City is currently using two planners from the M-Group, a senior level planner who works approximately 20 hours per week with a focus on the Facebook and Commonwealth Corporate Center projects and an associate level planner who works full time handling a variety of smaller projects and other associated day-to-day work. Given the recent resignations of two staff members and the resulting immediate need for contract services, the agreement with the M-Group was signed under the authorization of the City Manager with a cap of \$50,000. It is estimated that the signed agreement will provide for contract services through mid to late December 2013.

As evidenced by the continuing workload, staff is requesting that the Council act to authorize the City Manager to sign an amended agreement with M-Group for a not to exceed budget of \$300,000, the current amount budgeted for contract planning services in FY 2013-14. This would allow for the two contractors currently working with the Department to continue through the end of the fiscal year. The continuing need for contract planning services will be evaluated with future budget cycles.

Also as noted earlier, the City distributed an RFQ for the General Plan Update and on-call professional services on September 23, 2013. Specific to the on-call professional services, staff is looking to establish multi-year master agreements with firms that specialize in planning, environmental, transportation, water supply, historical resources and fiscal disciplines to prepare various technical reports, documents and studies. The City received 49 proposals in response to the RFQ and is in the process of reviewing the submittals with a goal of providing the Council with a recommended list of select

consultants/contractors to send a detailed Request for Proposals (RFP) for the General Plan and establishing Master Agreements for on-call services. Staff will be providing more information to the Council at its upcoming meeting on the General Plan Update tentatively scheduled for December 17, 2013.

Contract Building Plan Check and Inspection

The City currently contracts with three firms for building plan check and inspection services. Master Agreements were approved by the City Council in July 2009 for Kutzmann & Associates (Kutzmann) and Shums Coda Associates (Shums Coda) to provide building plan check and inspection services. The Master Agreements themselves did not establish a budget for the contract services. Instead, the budget is established with each budget cycle based on an estimate of the projects likely to submit for building permits and/or be under construction in the year. The Master Agreements are set to expire at the end of the current fiscal year. A third firm, Interwest Consulting Group Inc. (Interwest), provides contract plan check and inspection services under a contract approved by the City Manager in August, 2013 for a maximum of \$50,000, which is expected to be fully expended by February 2014. Staff intends to bring forward to Council a request for new master agreements for all building plan check and inspection contract services as part of the package of master agreements for on-call services noted above.

The FY 2013-14 Budget for building plan check and inspection contract services is \$550,000. This estimate was based on a projection of likely building activity in the year and included plan check and inspection services for the Hunter mixed use project, Artisan residential project, and Facebook project. At the time, it was not foreseen that other large projects would also be submitting for building permits within the fiscal year. However, it now appears that with the expedited review process created through the Housing Element, the Hamilton Avenue housing project (Greenheart) and Haven Avenue housing project (Butler property) will be applying for building permits within the current fiscal year. The Anton Menlo Park residential project has already applied for building permits. Additionally, the Marriott Residence Inn was unexpected but has now been issued building permits and staff anticipates that the Commonwealth Corporate Center project is also likely to submit for building permits.

These projects are large scale projects and will require extensive building plan check and inspection resources, not only due to the overall size of the projects, but also to the fact that four of the projects are residential or hotel projects which require more time for plan check and inspection due to the detailed work for individual units as opposed to the larger shell and office spaces of commercial buildings. Staff has completed estimates of building permit fees for these projects. The fees are estimated to be \$2.2 million.

An additional factor driving up the use of contract services is an increase in the number of new or renovated single-family homes. Between July and November of 2013, the number of single-family homes under construction has tripled compared to the same time period in 2012 (9 homes in 2012 compared to 30 homes in 2013).

As a result of the large scale projects that have or are now expected to submit for building permits in the current fiscal year and the substantial increase in the number of single-family homes under construction, staff is requesting an additional appropriation of \$1.1 million for a total budget for plan check and inspection contract services of \$1.65 million. The funds would be used to supplement the current contracts with all three contract service providers. The full amount of the budget may not be expended, but will only be used as needed. However, having the funds in place will ensure that projects can be processed without interruption.

The \$1.1 million appropriation will be fully offset by the added revenues being generated by the higher level of development activity. As noted earlier, the large projects are estimated to pay fees of approximately \$2.2 million. These fees cover not only the additional \$1.1 million expenditure for contract services but also staff time spent on the projects. It should be noted that the revenues for the larger projects will be split over multiple years since the work associated with the permits will span multiple years. However, revenues retained in the current fiscal year will be sufficient to offset the requested appropriation.

In addition to the appropriation, staff is requesting that the Council authorize the City Manager to sign a contract amendment with Interwest to increase the contract amount from the current cap of \$50,000 to a not to exceed amount of \$150,000. No similar amendment is needed for Kutzmann and Shums Coda since the Council-approved Master Agreements do not include a maximum contract amount.

Limited-Term Positions

The increasing level of development activity and associated need for limited-term planning positions was first brought to the Council's attention in February 2012 as part of the Mid-Year Financial Summary for FY 2011-12. At that time, the Council authorized an increase in personnel expenditures for temporary and limited-term staffing, while also recognizing that the added expense would be balanced by a corresponding increase in development-related revenue. Funding for temporary and limited term positions continued to be carried forward with the FY 2012-13 Budget and ultimately extended by the Council in February 2013 through June of 2014. The current budget (FY 2013-14) includes full funding for two limited-term planning positions.

The Community Development Department has used two limited-term positions since the Spring of 2012 although both positions are currently vacant, one due to a resignation and one as a result of an appointment to a permanent position vacated by a second resignation. Staff continues to deem the positions critical to effectively manage the current work load. Staff is requesting that Council authorize the continuation of the positions for two additional budget years, or through June 2016, subject to re-evaluation of the need for the positions for additional years with future budget cycles. If deemed necessary, the individual budgets for each year would reflect the cost for the limited-term positions. The extension of the limited term positions through June 2016 will allow staff to recruit for terms of 30 months, rather than for the six months that is currently

authorized. Staff believes that a 30-month term will draw a stronger pool of candidates in what has become an increasingly tight labor market.

Interns

The FY 2013-14 Budget includes funding for paid internships in the Planning Division. The Division currently has two part-time interns, one specializing in GIS and able to assist with data collection and analysis related to the upcoming General Plan work and the other focused on small projects and other day-to-day work. The internships were initially envisioned as fairly short term (three month) assignments, however staff intends to evaluate the continuing benefit for both the City and the interns and may extend the terms within the funding levels set in the FY 2013-14 Budget.

IMPACT ON CITY RESOURCES

In general, expenditures for development related costs are fully recovered through fees charged to project applicants. There are some services, including the provision of general information and review of preliminary proposals for which the costs are not recovered however this is a small share of the overall expenditures.

As previously noted, the additional \$1.1 million appropriation being requested will be fully offset by added revenue being generated by the higher level of development activity. If approved, this additional appropriation will be reflected in the Community Development Department's operating budget, and updated forecasts reflecting the offsetting revenues will be incorporated into the annual mid-year report.

POLICY ISSUES

The requested action does not represent a change in policy, yet is consistent with the Council's direction provided on February 12, 2013 and through the budget adoption process to apply a hybrid approach of staff, limited term staff and contract services to meet work demands.

ENVIRONMENTAL REVIEW

The requested action is not considered a project under the California Environmental Quality Act (CEQA).

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

None

Report prepared by:
Arlinda Heineck
Community Development Director

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SUCCESSOR AGENCY

To the Community Development Agency of the City of Menlo Park

Council Meeting Date: December 10, 2013

Staff Report #: 13-200

Agenda Item #: D-12

CONSENT CALENDAR:

Consider adopting a Resolution of The Successor Agency To The Community Development Agency of the City of Menlo Park Approving an Amendment to the Amended and Reinstated Letter of Credit and Reimbursement Agreement and Authorizing Certain Actions in Connection Therewith

RECOMMENDATION

Staff recommends adoption of a Resolution of the Successor Agency to the Community Development Agency of the City of Menlo Park approving an amendment to the amended and reinstated Letter of Credit and Reimbursement Agreement and authorizing certain actions in connection therewith.

BACKGROUND

The Menlo Park Community Development Agency (CDA) issued \$72,430,000 of Ambac-insured variable rate tax allocation bonds in May, 2006. The purpose of that 2006 bond issue was to refinance outstanding bonds that were issued in 1996 and 2000 at lower interest rates. The expected impact of the refinancing was to save the Agency approximately \$5,122,000 in interest costs on a gross basis (\$4,733,500 on a "net present value" basis).

In 2008, the agreement was modified to substitute a letter of credit in lieu of the insurance formerly provided by the firm Ambac which had declared bankruptcy. The letter of credit is similar to bond insurance in that it guarantees the timely payment of principal and interest on the bonds. The Letter of Credit is currently provided by a firm named State Street.

In 2011, State Street and the former Community Development Agency entered into an Amended and Reinstated Letter of Credit and Reimbursement Agreement, whereby State Street and the Prior Agency agreed to extend the term of the Letter of Credit until May 25, 2013 and provided for its optional annual renewal on each 25th of May thereafter. This renewal option was exercised by the letter of credit providers in May of 2013 under the existing terms. After this was done, staff initiated discussions with State Street to negotiate improved terms for the Letter of Credit.

Since 2012, all California Redevelopment Agencies (RDA's) were dissolved through legislative acts. The dissolution was followed by a downgrading or withdrawal of bond ratings by Moody's on California (former) RDA's debt. Staff appealed this downgrading, but Moody's ultimately confirmed that Ba1 downgrade, which caused the Letter of Credit fee to increase to 2.75%. A withdrawal of the Moody's (instead of a downgrade) rating *would have* caused the Letter of Credit fee to increase an additional 1% to 3.75%.

ANALYSIS

Staff sought a new rating from Fitch, which would be in addition to the Standard and Poor's and Moody's rating. Fitch issued a BBB rating (stable). This is an investment grade rating, unlike the Moody's rating, which is below investment grade. The higher rating provided a basis for improving the terms of the Letter of Credit.

The cost of the Letter of Credit is now indirectly borne by the all the taxing agency's – not the City of Menlo Park, but the cost seemed excessive. Despite a strong effort to identify additional options, in the end, the new State Street proposal seems to be the best offer. The complexity of the debt structure, and the overall downgrading of RDA's by Moody's throughout California impeded a competitive environment. It is possible that the overall quality of the former RDA area will continue to improve, providing more options for reducing the overall debt in the future.

The amended letter of credit broadens some areas of the agreement, but any risk is to the Successor Agency, not the City. The amended agreement provides the option to utilize two of the three rating agencies providing the Successor Agency with more flexibility, particularly since there is the possibility that Moody's will withdraw from rating any former RDA debt. The ability to utilize the higher Fitch rating provides a basis for the improved pricing offered by State Street. Given the complexity of the original debt structure, and the uncertainties impacting Successor Agencies, and the high quality of the former RDA area which may not be as evident to those not as familiar with the building boom in Silicon Valley, staff recommends proceeding with the Amended and Reinstated Letter of Credit, as attached. The terms of the Letter of Credit extension provide both greater flexibility and lower cost to the Successor Agency.

IMPACT ON CITY RESOURCES

The overall impact of the amended Letter of Credit is an immediate reduction in cost from 2.75% to 2.00%, or approximately \$450,000 annually, and a protection from a further increase if Moody's withdraws ratings on former RDA debt.

POLICY ISSUES

The key policy issue is the reduction in the annual cost of the letter of credit, which is the overall purpose of amending and restating the Letter of Credit.

ENVIRONMENTAL REVIEW

An environmental review is not required.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Resolution
- B. March 25, 2008 staff report
- C. Reinstated and Amended Letter of Credit

Report prepared by:
Starla Jerome-Robinson
Assistant City Manager

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RESOLUTION NO.**RESOLUTION OF THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MENLO PARK APPROVING AN AMENDMENT TO THE AMENDED AND RESTATED LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION THEREWITH**

WHEREAS, pursuant to the Community Redevelopment Law (Part 1 of Division 24 of the California Health and Safety Code and referred to herein as the "Law"), the City Council of the City of Menlo Park (the "City") created the former Community Development Agency of the City of Menlo Park (the "Prior Agency"); and

WHEREAS, the Prior Agency was a redevelopment agency, a public body, corporate and politic duly created, established and authorized to transact business and exercise its powers, all under and pursuant to the Law, and the powers of such agency included the power to issue bonds and to obtain letters of credit in connection therewith for any of its corporate purposes; and

WHEREAS, California Assembly Bill No. 26 (First Extraordinary Session) ("AB X1 26") enacted on June 29, 2011, dissolved all redevelopment agencies and community development agencies in existence in the State of California as of February 1, 2012, and designated "successor agencies" and "oversight boards" to satisfy "enforceable obligations" of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies; and

WHEREAS, Assembly Bill No. 1484 ("AB 1484"), a follow on bill to AB X1 26, was enacted on June 27, 2012 and provides certain procedures for taking action in connection with bonds issued by a dissolved redevelopment agency; and

WHEREAS, pursuant to California Health and Safety Code Section 34173(d), the City is the duly appointed successor agency (as successor agency to the Former RDA, the "Agency"), confirmed by resolution of the City Council; and

WHEREAS, pursuant to that certain Indenture dated as of May 1, 2006 (the "Master Indenture"), by and between the Prior Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee") and a First Supplemental Indenture, dated as of May 1, 2006 (the "First Supplemental Indenture") by and between the Prior Agency and the Trustee, (together with the Master Indenture, the "2006 Indenture"), the Prior Agency issued its Las Pulgas Community Development Project Tax Allocation Refunding Bonds, Series 2006 (the "Bonds"); and

WHEREAS, in 2008 State Street Bank and Trust Company ("State Street") provided Letter of Credit No. ILC-1486/BSN (the "Letter of Credit") to support the Bonds in connection with the execution and delivery of that certain Second Supplemental Indenture, dated as of April 1, 2008, by and between the Prior Agency and the Trustee, amending and supplementing the 2006 Indenture; and

WHEREAS, in 2011, State Street and the Prior Agency entered into that certain Amended and Reinstated Letter of Credit and Reimbursement Agreement, whereby State Street and the Prior Agency agreed to extend the term of the Letter of Credit until May 25, 2013 and provided for its automatic annual renewal on each 25th of May thereafter; and

WHEREAS, pursuant to Section 34173 of the Health and Safety Code of the State of California, except for those provisions of the Redevelopment Law that were repealed, restricted, or revised pursuant to AB X1 26, all authority, rights, powers, duties, and obligations previously vested with the Prior Agency under the Redevelopment Law are vested in the Successor Agency; and

WHEREAS, the Successor Agency and State Street now wish to further extend the term of the Letter of Credit for a period of three (3) additional years; and

WHEREAS, a form of Amendment No. 1 to Amended and Restated Letter of Credit and Reimbursement Agreement has been presented to the Governing Board of the Successor Agency;

NOW THEREFORE, THE SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MENLO PARK DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Recitals. The recitals set forth above are true and correct and are incorporated into this Resolution.

Section 2. Approval of Amendment. The form of Amendment No. 1 to Amended and Restated Letter of Credit and Reimbursement Agreement (the "Extension"), on file with the Clerk of this Board, is hereby approved. The Executive Director of the Successor Agency or the designee thereof (each, and "Authorized Officer") is hereby authorized and directed to execute and deliver the Extension in substantially said form, with such changes as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof; provided that the commitment fee provided in the Extension shall not exceed 2.00% (subject to a maximum default rate of 3.75%), and the base rate provided in the Extension shall not exceed maximum permitted by law.

Section 3. Other Acts. Each of the Authorized Officers, and the Clerk of the Board, and other appropriate officers of the Agency, each acting alone, are authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents and contracts which they may deem necessary or advisable in order to consummate the execution and delivery of the Extension, and any such actions heretofore taken by such officers in connection therewith are hereby ratified, confirmed and approved. All actions heretofore taken by the officers and agents of the Agency with respect to the sale and issuance of the Refunding Bonds are hereby approved, confirmed and ratified.

Section 4. Severability. If any provision of this Resolution or the application of any such provision to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid provision or application, and to this end the provisions of this Resolution are severable. The Successor Agency declares that the Successor Agency would have adopted this Resolution irrespective of the invalidity of any particular portion of this Resolution.

Section 5. Effective Date. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Successor Agency to the Community Development Agency of the City of Menlo Park this 10th day of December, 2013, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Executive Director, Successor Agency
to the Community Development Agency
of the City of Menlo Park

CLERK'S CERTIFICATE

I, Pamela I. Aguilar, Clerk of the Board of the Successor Agency to the Community Development Agency of the City of Menlo Park (the "Successor Agency"), do hereby certify as follows:

The foregoing resolution is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of the Successor Agency on December 10, 2013, of which meeting all of the members of said Governing Board had due notice and at which a majority thereof were present; and that at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

An agenda of said meeting was posted before said meeting at 701 Laurel Street, Menlo Park, California, a location freely accessible to members of the public, and a brief description of said resolution appeared on said agenda.

I have carefully compared the foregoing with the original on file and of record in my office, and the foregoing is a full, true and correct copy of the original resolution adopted at said meeting.

Said resolution has not been amended, modified or rescinded since the date of its adoption and the same is now in full force and effect.

Dated: _____, 2013.

Clerk of the Board of the Successor Agency
to the Community Development Agency
of the City of Menlo Park

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ADMINISTRATIVE SERVICES

Council Meeting Date: March 25, 2008
Staff Report #: 08-038

Agenda Item #F-1



REGULAR BUSINESS: Community Development Agency Adoption of a Resolution Authorizing the Executive Director of the Community Development Agency to Execute an Agreement with State Street Bank to Effect a Letter of Credit for the Agency's Tax Allocation Refunding Bonds, Series 2006.

City Council Adoption of a Resolution Approving the Execution of an Agreement with State Street Bank to Effect a Letter of Credit for Community Development Agency's Tax Allocation Refunding Bonds, Series 2006.

Community Development Agency Authorization of an Additional Appropriation of \$402,500 to Fund the Letter of Credit Agreement in Fiscal Year 2007-08 and Associated Costs of Issuance, with a Minimum Total Cost of \$840,000.

RECOMMENDATION

Staff recommends:

- (1) The Community Development Agency Board adopt the attached Resolution (Attachment A) authorizing the Executive Director to execute an agreement with State Street Bank to effect a letter of credit for the Agency's 2006 bonds;
- (2) the City Council approve the attached Resolution (Attachment B) authorizing the execution of an agreement with State Street Bank to effect a letter of credit for the Agency's 2006 bonds; and
- (3) the Community Development Agency Board authorize an additional appropriation of \$402,500 to fund the letter of credit agreement (for the remainder of the 2007-08 fiscal year) and associated costs of issuance. The minimum-term (eighteen months) total cost of the agreement is approximately \$840,000.

BACKGROUND

The Menlo Park Community Development Agency issued \$72,430,000 of Ambac-insured variable rate tax allocation bonds in May, 2006. The purpose of that 2006 bond issue was to refinance outstanding bonds that were issued in 1996 and 2000 at lower interest rates. The expected impact of the refinancing was to save the Agency approximately \$5,122,000 in interest costs on a gross basis (\$4,733,500 on a "net present value" basis).

A synthetic fixed-rate bond structure was utilized for the 2006 refunding issue. Although this type of bond structure was new to the City of Menlo Park, many cities throughout California have used synthetic fixed-rate bond structures in order to allow for the issuance of variable rate bonds, but debt service payments at a lower fixed rate (to the counterparty.) Details of the refinancing bonds and the associated swap structure were presented to the Council in February 2006 and throughout the development of the refinancing. Potential risks not present in traditional fixed-rate financings were identified and the financing team implemented measures to mitigate each of these risks. The Agency entered into a floating-to-fixed interest rate swap with Piper Jaffray Financial Products as the swap counterparty.

The bonds were made more attractive to investors by procuring insurance from Ambac. As insurer, Ambac is contractually committed to pay the debt service should the Agency fail to make a scheduled debt service payment. In effect, the Agency's 'BBB+'-rated bonds assumed Ambac's 'AAA' rating as a result of this insurance arrangement. In addition, State Street Bank and Trust Company (State Street) serves as the bonds "liquidity facility". The 2006 series was further secured through the attachment of a "put" feature to the bonds. If at any time an investor wished to liquidate a bond holding, the bond could be "put" back to the market at face value. Piper Jaffray serves as the remarketing agent for the bonds.

As reported in the City's Mid-Year Report (Staff Report # 08-022 presented February 12th) and as further reported at the March 11th City Council meeting (Staff Report #: 08-036), the municipal bond market has come under enormous pressure recently due to concerns about the financial health of several large 'AAA' rated municipal bond insurance companies including Ambac, CFIG, FGIC, MBIA and XLCA. The impact of this crisis has been broad-based and has caused market instability and higher interest rates for state and local government variable rate financings across the country.

Bond insurers play a crucial role in the municipal bond market by guaranteeing the timely payment of principal and interest on hundreds of billions of dollars of debt. Institutional investors who rely on these guarantees are now concerned about the financial health of these bond insurers because of the insurers' decisions to guarantee sub-prime mortgage-linked bonds, collateralized debt obligations (CDO's) and other non-municipal securities. Rating agencies have expressed similar concerns and have either downgraded or threatened to downgrade the ratings of most 'AAA' rated bond insurers. As a result, a significant dislocation occurred in the market with many traditional buyers of daily and weekly variable rate and auction rate bonds shunning these securities. Due to this unprecedented and sudden lack of demand for these variable rate bonds, the interest rates necessary to attract buyers for these bonds increased dramatically. On January 18th, Fitch downgraded the ratings of Ambac - the insurer of the Community Development Agency Series 2006 Refunding Bonds – from AAA to AA. Many of the Agency's bondholders sold their bonds back to the remarketing agent – Piper Jaffray. As there were relatively few bondholders now willing to own the bonds, the interest rates they demanded were driven sharply higher. The Agency's variable rate bonds began to trade at a rate associated with their underlying BBB+ rating; interest rates jumped from 2.94 percent on January 21st to 5.0 percent the next day and then to 7.0 percent for the

following six days. During the month of February, the bonds traded in the 5.50-6.50 percent range, nearly doubling the interest costs to the Agency.

In dollar terms, the interest cost during the month of February 2008 was approximately \$192,500 greater than would have been the case had interest rates remained at their pre-crisis levels. And March interest costs are likely to be very similar to those in February. As this major market upheaval in the bond insurance industry was totally unforeseen by market experts, there is no immediate resolution or market product on which to draw for relief. The anticipated savings from the 2006 bond refinancing continue to erode, and mitigating this financial predicament for the Agency will require an innovative approach by all of the involved parties.

ANALYSIS

Piper Jaffray has worked with staff to provide restructuring alternatives for the CDA's variable rate tax allocation bonds. Options examined include:

- 1) Remarket the bonds at elevated interest while Ambac gradually recovers by the end of calendar year 2008. This scenario represents no change to current remarketing efforts, and assumes a gradual process whereby Ambac regains market acceptance over a 10-12 month period.
- 2) Refinance the bonds with a traditional fixed structure
- 3) Purchase new bond insurance from an 'AAA' rated provider whose credit is not impaired by sub-prime concerns.
- 4) Convert the liquidity facility currently from State Street (which insures a market for the bonds) into a direct-pay letter of credit (LOC) and renew the LOC for the entire term of the bonds
- 5) Convert the liquidity facility into a direct-pay LOC for one to three years. Thereafter, the assumption is that Ambac would regain market acceptance from investors and the letter of credit would be replaced with a liquidity facility.

The annual cost of option 1 is currently estimated to be over \$2.7 million. This is likely the most expensive scenario, but the hardest to predict as the timeline for market stability is uncertain. Ambac recently completed a \$1.5 billion stock sale in order increase its capital base and to reassure market participants of its restored financial health. Nonetheless, investors remain wary, evidenced by a continued reluctance to buy Ambac-insured bonds. Although it is possible that Ambac will gradually stabilize and regain market favor over time, current conditions are such that stabilization could still take many months, a year or possibly even longer. There is no current market basis to support the assumption that a favorable resolution to the situation is imminent.

In the meantime, the Agency is incurring sharply higher interest costs, averaging \$6,500 to \$8,500 per day. Therefore, the idea of taking no decisive action now to restructure the bonds in anticipation of gradual market stabilization is very risky. This market-related acceleration of the Agency's debt service costs is an urgent matter that needs to be promptly addressed in an effective and economic manner. Piper Jaffrey has therefore worked with staff to identify restructuring alternatives that will lower the interest rates on the bonds as soon as possible.

Option 2 does not provide for lower interest rates desired in the short term. In addition, the interest rate savings would be uncertain over the long term due to the higher rates now being paid for uninsured BBB+ rated redevelopment agency bonds. The cost of unwinding the swap agreement associated with this bond structure would be substantial in the current market, as would be the costs of re-issuance. Preliminary cost estimates for this option are in the range of \$6 million.

Option 3 is not being pursued at this time. There are only two insurers in the industry that have been unaffected by the recent rate downgrades; the two firms have captured the entire bond insurance markets, and have increased their rates significantly. These insurers are very selective as to which financings they are willing to insure at any cost, and the Agency's underlying BBB+ rating reduces the likelihood of qualifying for such insurance. As of yet the two insurers have been unwilling to discuss the possibility of insuring the Agency's bonds.

The cost of Option 4 is speculative at this time. However, a full-term letter of credit would necessitate an expensive re-issuance of the bonds and would surrender any value of the original bond insurance policy with Ambac, for which the City prepaid at the time of issuance, when the market regains stability.

The proposed solution is to obtain a temporary letter of credit (Option 5). A letter of credit is similar to bond insurance in that the letter of credit provider guarantees the timely payment of principal and interest on the bonds. Investors view a letter of credit from a highly-rated bank as a secure guarantee. In the current market, a letter of credit from the proposed provider – State Street Bank – would substantially lower the daily variable interest rate on the Menlo Park bonds. Although the bonds would still be variable rate bonds and the interest rate would fluctuate over time, the letter of credit would enhance the security of the bonds, allowing the lowest possible interest rate throughout the term of the agreement. Because State Street Bank currently serves as liquidity provider for the Agency's bond issuance, they are more willing to negotiate such an agreement/transaction than other credit providers that have no current affiliation with the bonds. Substituting the current liquidity facility ("Standby Agreement") with the letter of credit agreement allows for the transaction to be structured more economically for the Agency, and provides for a full three years of coverage (through the term of the current agreement with State Street) if needed.

The proposed restructuring alternative – a Letter of Credit from State Street Bank – has several specific advantages:

- State Street Bank is highly rated and highly regarded by investors. A letter of credit from State Street Bank will immediately lower the interest rate on the bonds and reduce the interest cost to the Agency.
- Although the Ambac bond insurance policy currently has diminished market value, experts are hopeful that this is a temporary situation and that within 18-months Ambac will regain its stable 'AAA' ratings and acceptance from investors. This approach keeps the bond insurance policy intact.

- The letter of credit can be cancelled by the Agency after 18 months, at no additional cost to the Agency, if Ambac regains the confidence of investors.
- If, after 18 months, Ambac still has not regained the confidence of investors, the letter of credit can remain in place until its expiration. Thereafter, the letter of credit may be renewed by the Agency, if necessary.
- Among all of the restructuring alternatives evaluated, a temporary letter of credit is the least costly to implement.

It should be noted that written consent and approval from Ambac is required in order to implement this restructuring alternative. Ambac is currently conducting a review of the proposed restructuring and has expressed a willingness to grant its consent on a timely basis if various reasonable conditions are satisfied. Nonetheless, Ambac has not yet granted its consent and there can be no assurance that such consent will be granted.

Moreover, like any bank or large financial institution, it is possible that State Street may unexpectedly experience financial difficulties that could affect its credit ratings and its reputation in the market among investors. If that were to happen, the interest rate on the bonds could increase, in which case the Agency would have the option to terminate the letter of credit at no additional cost.

At the time of the packeting of this staff report, Ambac and State Street Bank have not fully resolved all terms of the agreement as currently drafted. Although the documents as attached are substantially in final form, there may be modifications to the agreement that impact the fee structure, such as the timing of the Agency's payments. However, there will be no change to the ultimate cost to the agency.

Of course, if the final terms cannot be agreed upon, and Ambac does not consent to this restructuring, staff will withdraw the request for authorization of the agreement and the associated budget revision. As explained in the March 11th staff report, the only cost to the Agency associated with exploring this letter of credit option would then be the \$40,000 in legal fees necessary to prepare the agreement and associated documents. Piper Jaffray will continue to remarket the Agency's bonds at the lowest possible rates as the Agency re-examines remaining options and additional opportunities that may arise in order to mitigate the increased costs of its debt service.

Documents

In order to effect the letter of credit from State Street Bank, the following documents are necessary:

Supplemental Indenture: the purpose of the Supplemental Indenture is to provide the Trustee with proper authorization and specific instructions on how to effect the substitution and administer the letter of credit. The Trustee is only authorized to perform those tasks specifically detailed in the Indenture. The original 2006 Indenture does not

include specific instructions on how to administer a letter of credit; hence, the need for this Supplemental Indenture.

Reimbursement Agreement: the Reimbursement Agreement is the formal contract between the Agency and the letter of credit provider – State Street Bank – that describes all of the terms and conditions of the letter of credit, including the cost, method of payment, obligations of the Bank to guarantee the bonds, etc.

Remarketing Memorandum: this is the document that describes for investors the structure of the bonds including the letter of credit. Investors rely on this document to evaluate the risks associated with owning the bonds.

At the time of this staff report's preparation, the details of these documents have been negotiated and drafted incorporating comments from all involved parties. The documents attached to this staff report represent the current standing of the agreement with State Street. As previously noted, Ambac must consent to the restructuring proposal before it can be moved forward.

These documents are included in substantially final form as Attachment C to this staff report. The Agency resolution (Attachment A, section 6) authorizes the Executive Director to take all actions necessary to effect the letter of credit from State Street Bank.

City Council Action

Community Redevelopment Law of the State of California dictates that any debt obligation of a redevelopment agency must be approved by the governing body of the sponsoring agency (the City). The reimbursement agreement is in fact of form of debt, requiring Council approval as provided with the resolution authorizing the agreement (Attachment B).

IMPACT ON AGENCY RESOURCES

The cost of the State Street letter of credit is approximately \$525,000 for 18 months of coverage¹. In addition, there are costs associated with the bond restructuring estimated as follows:

Legal Services ²	125,000
Restructuring & Remarketing Fee	140,000
Financial Advisor Fee	20,000
Ratings	20,000
Miscellaneous (trustee, printing)	10,000
TOTAL	<u>\$315,000</u>

¹ The letter of credit fee is payable in quarterly installments of approximately \$87,500 per quarter, for a minimum term of 18 months.

² All restructuring fees and expenses are contingent upon closing except \$40,000 in legal fees incurred in drafting the Reimbursement Agreement. This amount was approved by the Agency Board on March 11th.

Therefore, the total cost of the letter of credit will approximate \$840,000 for the minimum 18-month term of the agreement. The amount pertaining to the Agency's 2007-08 fiscal year budget would be the cost of the line of credit for three months of coverage in addition to the other restructuring costs. For this reason staff seeks authorization for an additional appropriation of \$402,500 to fund the letter of credit agreement in the current fiscal year.

POLICY ISSUES

The pursuit of a line of credit for the restructuring of the Agency's bonds as recommended in this report presents no change in Agency policy.

Carol Augustine
Finance Director

ATTACHMENTS:

- A. [Agency Resolution Authorizing the Executive Director to Execute an Agreement with State Street Bank to Effect a Letter of Credit for the Agency's Tax Allocation Refunding Bonds, Series 2006](#)
- B. [City Council Resolution Authorizing the Execution an Agreement with State Street Bank to Effect a Letter of Credit for the Agency's Bonds](#)
- C. [Reimbursement Agreement between the Agency and State Street Bank and Trust Company](#)
- D. [Second Supplemental Indenture between the Agency and the Bank of New York Trust Company](#)
- E. [Remarketing Memorandum for the Agency's Tax Allocation Refunding Bonds, Series 2006](#)

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**AMENDMENT NO. 1 TO
AMENDED AND RESTATED
LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT**

THIS AMENDMENT NO. 1 TO AMENDED AND RESTATED LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT, dated as of ____ 1, 2014 (this “Amendment No. 1”), and effective on _____, 2014 (the “Amendment Date”), to AMENDED AND RESTATED LETTER OF CREDIT AND REIMBURSEMENT AGREEMENT, dated as of March 1, 2011 (the “Reimbursement Agreement” and, together with this Amendment No. 1, the “Agreement”), is made by and between the SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MENLO PARK (the “Successor Agency”) and STATE STREET BANK AND TRUST COMPANY (“State Street”). Capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Reimbursement Agreement or, if not defined in the Agreement, the Indenture (as defined hereafter).

WHEREAS, pursuant to the Indenture, dated as of May 1, 2006 (the “Master Indenture”), between the Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”) and a First Supplemental Indenture, dated as of May 1, 2006 (the “First Supplemental Indenture”) between the Agency and the Trustee and has entered into a Second supplemental Indenture, dated as of April 1, 2008 (the “Second Supplemental Indenture” and, together with the First Supplemental Indenture, the “Indenture”), each by and between the Community Development Agency of the City of Menlo Park (the “Predecessor Agency”) and The Bank of New York Mellon Trust Company, N.A., as trustee (the “Trustee”), the Predecessor Agency issued its Las Pulgas Community Development Project Tax Allocation Refunding Bonds, Series 2006 (the “Bonds”); and

WHEREAS, State Street provided Letter of Credit No. ILC-1486/BSN (the “Letter of Credit”) to support the Bonds; and

WHEREAS, the California State legislature enacted Assembly Bill x1 26 and Assembly Bill 1484 (together, the “Dissolution Act”) to dissolve redevelopment agencies formed under the Redevelopment Law, Part 1 of Division 24 of the Health and Safety Code of the State of California, as amended (the “Redevelopment Law”), including, without limitation, the Predecessor Agency; and

WHEREAS, on August 11, 2011, the California Supreme Court agreed to review the California Redevelopment Association and League of California Cities’ petition challenging the constitutionality of the Assembly Bill x1 26 and, on December 29, 2011, ruled that Assembly Bill x1 26 is substantially constitutional; and

WHEREAS, as a result of the California Supreme Court’s decision, all California redevelopment agencies (including, without limitation, the Predecessor Agency) dissolved on February 1, 2012 pursuant to the Dissolution Act and the Successor Agency was constituted; and

WHEREAS, pursuant to Section 34173 of the Health and Safety Code of the State of California, except for those provisions of the Redevelopment Law that were repealed, restricted, or revised pursuant to AB X1 26, all authority, rights, powers, duties, and obligations previously vested with the Predecessor Agency under the Redevelopment Law are vested in the Successor Agency; and

WHEREAS, pursuant to the Dissolution Act, the Successor Agency has established a Redevelopment Obligation Retirement Fund in compliance with Section 34170.5(a) of the Redevelopment Law; and

WHEREAS, pursuant to Section 7.02 of the Agreement, the Agreement may be amended by a written amendment thereto; and

WHEREAS, the parties hereto wish to amend certain provisions of the Agreement to reflect the Successor Agency as successor agency to the Predecessor Agency and the assumption by the Successor Agency of all the rights, powers, duties and obligations of the Predecessor Agency under the Agreement and all Related Documents; and

WHEREAS, State Street and the Successor Agency have agreed to extend the Expiration Date of the Letter of Credit to _____, 2017, and the Successor Agency, approved such extension on _____, 2014, and the Oversight Board of the Successor Agency approved such extension on _____, 2014; and **[update with DOF review conclusion or determination not to review when available]**

NOW, THEREFORE, for and in consideration of the mutual premises and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto hereby covenant, agree and bind themselves as follows:

ARTICLE I

AUTHORITY

SECTION 1. This Amendment No. 1 amends the Reimbursement Agreement.

SECTION 2. This Amendment No. 1 is entered into in accordance with Sections 2.07 and 7.02 of the Agreement.

ARTICLE II

AMENDMENTS

SECTION 1. Section 1.01 of the Agreement is hereby amended by adding or amending and restating the following defined terms thereto, to appear in the appropriate alphabetical sequence:

“Alternate Base Rate” shall mean at any time, the highest of (i) the Base Rate plus one percent (1.0%) per annum, (ii) the Federal Funds Rate plus two percent (2.0%) per annum, or (iii) seven and one-half percent (7.5%) per annum.

“Agency” means the Successor Agency of the Community Development Agency of the City of Menlo Park.

“Amendment Resolutions” means (i) Resolution No. ____ of the Board of Directors of the Successor Agency of the Community Development Agency of the City of Menlo Park, adopted on _____, 201__ and (ii) Resolution No. ____ of the Oversight Board adopted on _____, 201__.

“Bank Interest Rate” shall mean, with respect to Bank Bonds, a rate per annum equal to: (i) the Alternate Base Rate from and including the date the Bonds become Bank Bonds to and including the date 30 days from the date the Bonds become Bank Bonds, (ii) the Alternate Base Rate plus one percent (1.0%) per annum, from and including the date 31 days following the date the Bonds become Bank Bonds to and including the date 60 days from the date the Bonds become Bank Bonds, (iii) the Alternate Base Rate plus two percent (2.0%) per annum, from and including the date which is 61 days following the date the Bonds become Bank Bonds until paid in full; provided, however, that upon the occurrence and during the continuance of any Event of Default, “Bank Interest Rate” shall mean the Default Rate; provided, further, however, that to the extent that during any period in which any Bank Bonds are outstanding, the Bank Interest Rate exceeds the Maximum Interest Rate, such Bank Bonds shall continue to bear interest at the Maximum Rate if and to the extent necessary for State Street to recover the interest that would have accrued on the Bank Bonds if the rate of such interest had not been limited to the Maximum Interest Rate. At no time shall the Bank Interest Rate be less than the highest rate of interest on any outstanding Bond that is not a Bank Bond.

“Change of Law” means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption, issuance, implementation, promulgation, taking effect of, or any change in, any law, rule, treaty or regulation, or any request, policy, guideline or directive of, or any change in the interpretation, administration or application thereof by any court, central bank or other administrative or Governmental Authority or other

fiscal, monetary or other authority having jurisdiction over State Street, any parent of State Street (in each case whether or not having the force of law), (b) compliance by State Street, any parent of State Street with any law, rule, treaty or regulation, request, policy, guideline or directive of any such court, central bank or other administrative or Governmental Authority or other fiscal, monetary or other authority having jurisdiction over State Street, any parent of State Street or (in each case whether or not having the force of law) or (c) any change in the application, interpretation or enforcement of any of the foregoing; provided, that notwithstanding anything herein to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, rulings, guidelines, regulations or directives thereunder or issued in connection therewith and (ii) all requests, rules, rulings, standards, guidelines, regulations or directives promulgated by the Bank of International Settlements, the Basel Committee on Banking Supervision and Supervisory Practices (or any successor or similar authority or organization) or the United States or foreign regulatory authorities shall in each case be deemed to be a “Change of Law,” regardless of the date enacted, adopted or issued.

“Commitment” means \$60,588,968, of which \$59,725,000 shall support the payment of principal with respect to the Bonds, and \$ 863,968 shall support the payment of up to forty-four (44) days accrued interest with respect to the Bonds computed at a rate of interest equal to twelve percent (12%) per annum on the basis of a year of 365 days for the actual number of days elapsed.

“County Auditor-Controller” means the County Auditor-Controller of the County of San Mateo, California.

“Dissolution Act” means Parts 1.8 (commencing with Section 34161) and 1.85 (commencing with Section 34170) of Division 24 of the Health and Safety Code of the State of California, as amended.

“Expiration Date” means _____, 2017 or such later date as may have been agreed to by State Street as provided in Section 2.07.

“Governmental Authority” shall mean the United States or any state or political subdivision thereof or any foreign nation or political subdivision thereof, any entity, body or authority exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government in the United States (or any state, municipality or political subdivision thereof) or any foreign nation or political subdivision thereof, including, without limitation, the Federal Deposit Insurance Corporation or the Federal Reserve Board, any central bank or any comparable authority or other governmental or quasi-governmental authority exercising control over State Street, any parent of State Street or other financial institutions, and any corporation or other entity or authority

owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing.

“Oversight Board” means the oversight board relating to the Agency duly constituted pursuant to Section 34179 of the Dissolution Act.

“Predecessor Agency” means the Community Development Agency of the City of Menlo Park.

“Recognized Obligation Payment Schedule” or “ROPS” means a Recognized Obligation Payment Schedule, prepared and approved from time to time pursuant to subdivision (1) of Section 34177 of the Dissolution Act.

“Redevelopment Obligation Retirement Fund” means the fund created within the treasury of the Agency pursuant to Section 34170.5 of the Dissolution Act.

“Redevelopment Property Tax Trust Fund” means the Redevelopment Property Tax Trust Fund established for the Agency and held and administered by the County Auditor-Controller pursuant to subdivision (c) of Section 34172 of the Dissolution Act.

“State Street” means State Street Bank and Trust Company and its permitted successors and assigns.

“Successor Agency Resolution” means Resolution No. ___ adopted by the Board of Directors of the Agency on _____, 201__.

SECTION 2. Section 2.03(b) of the Agreement is hereby amended and restated in its entirety as follows:

2.03(b). Fees. The Commitment Fee shall be 2.0% per annum for the three-year period beginning _____, 2014. If there is an Event of Default that has occurred and is continuing the then applicable Letter of Credit Fee shall be increased by an additional rate of 1.0% per annum on the average daily amount of the Commitment on the date such Event of Default occurs and continuing until such Event of Default is remedied or waived by State Street or until the Letter of Credit is terminated and all amounts due and owing thereunder to State Street and this Agreement have been paid in full. Further, the Agency shall use its best efforts to maintain ratings by at least two Rating Agencies on the Bonds. If any of the underlying ratings on the Bonds are cancelled, withdrawn or suspended by any of the Rating Agencies for credit-related reasons or due to the failure of the Agency to comply with any Rating Agency’s notice or information requirements, then the Commitment Fee shall be the Default Rate. State Street may in its sole discretion allow the Agency not to maintain a rating from Moody’s on the Bonds. However, if no Moody’s

rating is maintained on the Bonds, any downgrade of a rating on the Bonds by any remaining Rating Agency below investment grade shall result in a Commitment Fee of 2.75% per annum. The Letter of Credit Fee shall be considered earned when paid and shall not be refundable.

SECTION 3. Section 2.06 of the Agreement is hereby amended and restated in its entirety as follows:

2.06 Increased Costs.

(a) If any Change of Law shall (i) change the basis of taxation of payments to State Street or any parent of State Street of any amounts payable hereunder (except for taxes on the overall net income of State Street or its parent), (ii) impose, modify or deem applicable any reserve, special deposit, liquidity coverage ratio, or similar requirement against letters of credit issued by, or assets held by, or deposits in or for the account of, State Street or any parent of State Street or (iii) impose on State Street any other condition regarding this Agreement, the Letter of Credit, and the result of any event referred to in clause (i), (ii), or (iii) above shall be to (A) increase the cost to State Street of issuing or maintaining the Letter of Credit or holding any Bank Bonds or (B) reduce the amount of any sum received or receivable by State Street or its parent hereunder or the amount receivable or to be received with respect to the Letter of Credit (which increase in cost or reduction in amount shall be determined by State Street's reasonable allocation of the aggregate of such cost increases or such reduced amounts resulting from such event), then, within nine (9) months after a written demand by State Street, the Agency shall pay to State Street, from time to time as specified by State Street, additional amounts which shall be sufficient to compensate State Street or its parent, as applicable, for such increased cost or such reduced amount. A certificate setting forth such increased cost incurred by State Street or its parent as a result of any event mentioned in clause (i), (ii), or (iii) above and giving a reasonable explanation thereof, submitted by State Street to the Agency, shall constitute such demand and shall, in the absence of manifest error, be conclusive and binding for all purposes as to the amount thereof.

(b) If any Change of Law, shall impose, modify or deem applicable any capital adequacy or similar requirement (including, without limitation, a request or requirement that affects the manner in which State Street, any corporation controlling State Street allocates capital resources to its commitments, including its obligations under lines of credit) that either (A) affects or would affect the amount of capital to be maintained by State Street, any corporation controlling State Street or (B) reduces or would reduce the rate of return on State Street's or its parent's capital to a level below that which State Street or its parent could have achieved but for such adoption, change or compliance (taking into consideration State

Street's policies with respect to capital adequacy) by any amount deemed by State Street to be material, then from time to time, within nine (9) months after demand by State Street, the Agency shall pay to State Street such additional amount or amounts as will compensate State Street for such reduction. With such demand, State Street shall provide the Agency with a statement in reasonable detail setting forth the calculation of the amount of such compensation. Such statement shall constitute demand for payment of the amount or amounts set forth therein and shall, in the absence of manifest error, be conclusive and binding for all purposes as to the amount or amounts thereof.

SECTION 4. For all purposes of the Agreement and the Related Documents, the Successor Agency is the legal successor to the Predecessor Agency and has the obligations of a successor agency as set forth in the Dissolution Act. All of the recitals set forth in this Amendment No. 1 shall be incorporated by reference into the recitals of the Agreement as though set forth therein and all defined terms and definitions set forth herein shall be incorporated by reference into Section 1.01 of the Agreement as though set forth therein in the appropriate alphabetical sequence.

SECTION 5. A new subparagraph (l) is added to Section 4.01 of the Agreement immediately following Section 4.01(k) as follows:

(l) The Bonds, the Indenture, this Agreement and each Related Document constitutes an "enforceable obligation" of the Agency for purposes of Section 34171 of the Health and Safety Code of the State of California, as amended. The performance and payment of all of the Agency's obligations under this Agreement are further secured by and payable from the Redevelopment Obligation Retirement Fund and the Redevelopment Property Tax Trust Fund.

SECTION 6. A new subparagraph (m) is added to Section 4.01 of the Agreement immediately following Section 4.01(l) as follows:

(m) Pursuant to the Dissolution Act and the Successor Agency Resolution, the Agency is the successor agency to the Predecessor Agency and, except for those provisions of the Redevelopment Law that were repealed, restricted, or revised pursuant to the Dissolution Act, all authority, rights, powers, duties, and obligations previously vested with the Predecessor Agency under the Redevelopment Law, including, without limitation, all duties and obligations under this Agreement and the other Related Documents are vested with the Successor Agency.

SECTION 7. Section 5.01(a) of the Agreement is hereby amended and restated in its entirety as follows:

(a) Preservation of Existence, Etc. Preserve and maintain its existence and rights as a Successor Agency to the Predecessor Agency under

Section 34173(d)(1) of the Redevelopment Law and maintain its status to carry out all of its obligations hereunder.

SECTION 8. A new subparagraph (n) is added to Section 5.01 of the Agreement immediately following Section 5.01(m) as follows:

(n) (i) The Agency hereby covenants that, if an amount due under this Agreement or any Related Document listed on a Recognized Obligation Payment Schedule is not approved or is rejected by the Oversight Board or State Department of Finance (the “Rejected Amount”), the Agency shall pursue reinstatement on a Recognized Obligation Payment Schedule of such Rejected Amount through administrative means. The Agency further covenants that if administrative means are not successful within a reasonable period of time, as determined by State Street, the Agency will, to the extent within its power (and the Agency shall seek approval from the Oversight Board if necessary), file and prosecute a petition for writ of mandate and, if appropriate, declaratory relief, in the Superior Court of the State of California with respect thereto and otherwise cooperate with State Street to the fullest extent provided under this Agreement and in particular Section 7.09 hereof. This Section 5.01(m) shall not be construed to limit any other provision of this Agreement.

(ii) The Agency hereby covenants and agrees to provide State Street with copies of each draft Recognized Obligation Payment Schedule at least two (2) Business Days in advance of the meeting during which the Oversight Board is expected to approve the Recognized Obligation Payment Schedule.

(iii) The Agency hereby covenants and agrees to provide State Street with copies of each Recognized Obligation Payment Schedule approved by the Oversight Board within two (2) Business Days and shall notify State Street of any objection to such Recognized Obligation Payment Schedule by the Oversight Board or the State Department of Finance relating to items listed thereon in connection with the Agreement or any Related Document.

(iv) The Agency hereby covenants and agrees that it shall notify State Street immediately upon its actual knowledge that funds are or will be insufficient to pay amounts owing under this Agreement or any Related Document or any other obligation payable from tax revenues as and when due. The Agency further covenants and agrees to provide State Street with copies of all correspondence with the County Auditor-Controller regarding any such deficiency.

(v) The Agency hereby covenants and agrees that upon its actual knowledge that amounts under this Agreement a Related Document are not or have not been paid when due, it shall promptly seek the approval of

the Oversight Board to pay amounts due under this Agreement or Related Documents in the amounts identified in the Recognized Obligation Payment Schedule from amounts in the Redevelopment Obligation Retirement Fund or the Redevelopment Property Tax Trust Fund so long as there is a reasonable basis for believing that there are or should be sufficient funds in the Redevelopment Obligation Retirement Fund and the Redevelopment Property Tax Trust Fund legally available to pay such amounts.

(vi) The Agency hereby covenants and agrees that it shall take all actions necessary and within its powers to compel the County Auditor-Controller to properly collect, allocate and distribute Subordinate Pledged Tax Revenues and amounts for, in and with respect to the Redevelopment Property Tax Trust Fund as necessary to pay amounts under this Agreement and the Related Documents as and when due and it shall take corrective action if the County Auditor-Controller fails to do so.

(vii) The Agency hereby covenants and agrees that it shall separately segregate and hold in trust amounts in the Redevelopment Obligation Retirement Fund from amounts in the City treasury and shall only permit amounts due under this Agreement and the Related Documents and other “enforceable obligations” of the Agency for purposes of Section 34171 of the Health and Safety Code, as amended, to be paid from such Redevelopment Obligation Retirement Fund. To maintain the pledge of Subordinate Pledged Tax Revenues for amounts due and owing under the Indenture and this Agreement, the Agency shall use its best efforts to coordinate with the County Auditor-Controller to separately segregate all Pledged Tax Revenues received for the benefit of obligations payable from such Pledged Tax Revenues. The Agency shall use its best efforts coordinate efforts with the County Auditor-Controller to create subaccounts to provide for sufficient payments of amounts due under this Agreement and the Related Documents as and when due.

(vii) The Agency hereby covenants and agrees that it shall report to State Street the assessed valuations for the Project Area and the City as soon as possible after such assessed valuations are released each year by the County Auditor-Controller.

SECTION 9. Section 7.03 of the Agreement is hereby amended and restated in pertinent part as follows:

If to the Agency:

City of Menlo Park, acting in its capacity as the Successor Agency to the Community Development Agency of the City of Menlo Park

701 Laurel Street
Menlo Park, California 94025
Attention: City Manager
Facsimile: (680) 328-7935

SECTION 10. Subsection 2.12(b) of the Agreement is hereby amended by adding the following to such Subsection:

In addition the performance and payment of all of the Agency's obligations under this Agreement are further secured and payable from the Redevelopment Obligation Retirement Fund and the Redevelopment Property Tax Trust Fund.

SECTION 11. Section 7.14 of the Agreement is hereby amended and restated in its entirety as follows:

7.14 Jury Trial Waiver. (a) TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, EACH OF STATE STREET AND THE AGENCY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY CIVIL ACTION OR PROCEEDING ARISING OUT OF, OR BASED UPON, OR IN ANY WAY CONNECTED WITH THIS AGREEMENT OR ANY RELATED DOCUMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY.

(b) IF, IN CONNECTION WITH ANY ACTION OR PROCEEDING BEFORE A STATE OR FEDERAL COURT IN THE STATE OF CALIFORNIA, SUCH COURT, OR ANY APPELLATE COURT, DETERMINES THAT THE JURY WAIVER REFERENCED IN PARAGRAPH (A) OF THIS SECTION 7.14 IS UNENFORCEABLE UNDER CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 631, THE PARTIES HERETO AGREE THAT ANY DISPUTE ARISING UNDER OR RELATING TO THIS AGREEMENT, OR ANY RELATED DOCUMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY, SHALL BE SUBJECT TO JUDICIAL REFERENCE PURSUANT TO THE TERMS OF CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638. IN SUCH EVENT, (I) THE REFEREE SHALL BE A RETIRED STATE OR FEDERAL JUDGE WITH EXPERIENCE IN PUBLIC FINANCE ISSUES AND (II) THE REFEREE SHALL DETERMINE ALL OF THE ISSUES IN THE ACTION OR PROCEEDING, WHETHER OF FACT OR OF LAW, AND WILL REPORT A STATEMENT OF DECISION. EACH OF THE PARTIES HERETO REPRESENTS THAT EACH HAS REVIEWED THIS CONSENT AND EACH KNOWINGLY AND VOLUNTARILY CONSENTS TO JUDICIAL REFERENCE FOLLOWING CONSULTATION WITH LEGAL COUNSEL ON SUCH MATTERS. IN THE EVENT OF LITIGATION, A COPY OF THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT OR TO JUDICIAL REFERENCE UNDER CALIFORNIA CODE OF CIVIL PROCEDURE SECTION 638 AS PROVIDED HEREIN.

(c) THE PARTIES HERETO HEREBY IRREVOCABLY SUBMIT TO THE JURISDICTION OF THE FEDERAL AND STATE COURTS OF THE STATE OF

CALIFORNIA AND ANY APPELLATE COURT FROM ANY THEREOF, IN ANY ACTION, SUIT OR PROCEEDING BROUGHT AGAINST OR BY IT IN CONNECTION WITH THIS AGREEMENT OR ANY RELATED DOCUMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY, OR FOR RECOGNITION OR ENFORCEMENT OF ANY JUDGMENT RELATED THERETO, AND THE PARTIES HERETO HEREBY IRREVOCABLY AND UNCONDITIONALLY AGREE THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION OR PROCEEDING MAY BE HEARD OR DETERMINED IN SUCH CALIFORNIA FEDERAL OR STATE COURT. THE PARTIES AGREE THAT A FINAL NON-APPEALABLE JUDGMENT IN ANY SUCH ACTION, SUIT OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. TO THE EXTENT PERMITTED BY APPLICABLE LAW, IN THE EVENT ANY SUIT, ACTION, CLAIM OR OTHER PROCEEDING IS BROUGHT IN ANY COURT REFERRED TO IN THE IMMEDIATELY PRECEDING SENTENCE, THE PARTIES HEREBY WAIVE AND AGREE NOT TO ASSERT BY WAY OF MOTION, AS A DEFENSE OR OTHERWISE IN ANY SUCH SUIT, ACTION OR PROCEEDING ARISING OUT OF THIS AGREEMENT, THAT THE SUIT, ACTION OR PROCEEDING ARISING OUT OF THIS AGREEMENT, OR ANY RELATED DOCUMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY, IS BROUGHT IN AN INCONVENIENT FORUM OR THAT THE VENUE OF THE SUIT, ACTION OR PROCEEDING ARISING OUT OF THIS AGREEMENT, OR ANY RELATED DOCUMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY AND THEREBY, IS IMPROPER.

(d) THE COVENANTS AND CONSENTS MADE PURSUANT TO THIS SECTION 7.14 SHALL BE IRREVOCABLE AND UNMODIFIABLE, WHETHER IN WRITING OR ORALLY, AND SHALL BE APPLICABLE TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS OF THIS AGREEMENT. IN THE EVENT OF LITIGATION, THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

SECTION 12. The Successor Agency shall at all times (i) cause Bonds which are not Bank Bonds to be assigned a CUSIP Number and (ii) cause Bank Bonds to be assigned a Bank Bond CUSIP Number (the "Bank Bond CUSIP Number"). The Successor Agency shall use its best efforts to cause, at the Successor Agency's expense, within sixty (60) days of a written request by State Street, a long-term rating to be assigned to the Bank Bonds bearing the Bank Bond CUSIP Number by at least one of Fitch, Moody's or S&P. The Agency shall ensure, to the extent reasonably achievable, that the CUSIP number and the rating assigned to Bank Bonds are available electronically to the Bank pursuant to a third-party provider of such information.

SECTION 13. The Successor Agency shall pay to State Street all costs and expenses incurred by State Street, including, without limitation, attorneys' fees in connection with the execution and delivery of this Amendment No. 1. The Successor Agency hereby agrees that all costs and expenses incurred by State Street in connection with the transactions contemplated herein and the satisfaction of the foregoing conditions, including, without limitation, attorneys' fees, are included as obligations under the Original Reimbursement Agreement.

ARTICLE III

CONDITIONS PRECEDENT

SECTION 1. The effectiveness of this Amendment No. 1 is subject to the satisfaction of or waiver by State Street of all of the following conditions precedent:

1. Delivery by the Successor Agency of an executed counterpart of this Amendment No. 1.
2. The following statements shall be true and correct as of the date hereof:
 - (a) the representations and warranties of the Agency contained in the Agreement (as amended by this Amendment No. 1 and the effect of the Dissolution Act and Assembly Bill 1484) and each of the Related Documents, each as amended, are true and correct on and as of the date hereof as though made on and as of such date (except to the extent the same expressly relate to an earlier date or violate the Dissolution Act); and
 - (b) no Default or Event of Default has occurred and is continuing or would result from the execution and delivery of this Amendment No. 1.
3. State Street shall have received a copy of a resolution or other authorizing documentation of the Successor Agency and the Oversight Board authorizing its execution and delivery of this Amendment No. 1 and the performance of its obligations under the Agreement, as amended by this Amendment No. 1.
4. State Street shall have received satisfactory written evidence that the Successor Agency has received all necessary third party approvals (including, without limitation, all necessary approvals of the Oversight Board of the Successor Agency or the State Department of Finance) required in connection with the Successor Agency's execution and delivery of this Amendment No. 1.
5. State Street shall have received an opinion of counsel to the Successor Agency in form and substance satisfactory to State Street and its counsel.
6. State Street shall have received an opinion of Bond Counsel to the Successor Agency in form and substance satisfactory to State Street and its counsel, to the effect that (i) pursuant to the Dissolution Act and the Redevelopment Law, the Successor Agency is the legal successor agency for the Community Development Agency of the City of Menlo Park and has assumed all rights, powers, duties and obligations with respect to the Bonds, the Indenture, the Agreement and each Related Document, (ii) this Amendment No. 1 constitutes a legal, valid and binding obligation of the Successor Agency, enforceable against the Successor Agency in accordance with its terms, (iii) the Bonds, the Indenture, the Agreement, and each Related Document constitutes an "enforceable obligation" of the Successor Agency for purposes of Section 34171 of the Health and Safety Code, as amended, and the respective amounts due thereunder are payable from the Successor Agency's Redevelopment Obligation Retirement Fund and the Redevelopment Property Tax Trust Fund and (iv) the Successor Agency is obligated

to continue to make payments due under the Agreement and each Related Document and perform its respective obligations thereunder and maintain reserves in the amount, if any, required by the Indenture and the Agreement.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF THE SUCCESSOR AGENCY

In addition to the representations given in Article IV of the Agreement, the Successor Agency hereby represents and warrants as follows:

SECTION 1. The execution, delivery and performance by the Successor Agency of this Amendment No. 1 and the Agreement, as amended hereby are within its powers, has been duly authorized by all necessary action and does not contravene any law, rule or regulation, any judgment, order or decree or any contractual restriction binding on or affecting the Successor Agency.

SECTION 2. No authorization, approval or other action by, and no notice to or filing with, any governmental authority or regulatory body, which has not already been obtained prior to the Amendment Date is required for the due execution, delivery and performance by the Successor Agency of this Amendment No. 1 or the Agreement, as amended hereby. All such authorizations and approvals obtained prior to the Amendment Date with respect to the due execution, delivery and performance by the Successor Agency of this Amendment No. 1, the Agreement, as amended hereby, remain in full force and effect and have not been rescinded or modified.

SECTION 3. This Amendment No. 1 and the Agreement, as amended hereby, constitutes the legal, valid and binding obligations of the Successor Agency enforceable against the Successor Agency in accordance with its terms, except that (i) the enforcement thereof may be limited by principles of sovereign immunity and by bankruptcy, reorganization, insolvency, liquidation, moratorium and other laws relating to or affecting the enforcement of creditors' rights and remedies generally, as the same may be applied in the event of the bankruptcy, reorganization, insolvency, liquidation or similar situation of the Successor Agency by judicial discretion in appropriate cases and by limitations on legal remedies against public entities in the State of California, and (ii) no representation or warranty is expressed as to the availability of equitable remedies.

ARTICLE V MISCELLANEOUS

SECTION 1. Terms and Conditions. All terms and conditions of the Reimbursement Agreement remain unchanged and in effect, except as specifically provided herein. This Amendment No. 1 is to be considered a part of the Reimbursement Agreement and must be attached thereto. This Amendment No. 1 is effective as of the date indicated above.

SECTION 2. Severability. Any provision of this Amendment No. 1 which is prohibited, unenforceable or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or non-authorization without invalidating the

remaining provisions hereof or affecting the validity, enforceability or legality of such provision in any other jurisdiction.

SECTION 3. Headings. Section headings in this Amendment No. 1 are included herein for convenience of reference only and shall not constitute a part of this Amendment No. 1 for any other purpose.

SECTION 4. Execution in Counterparts. It shall not be necessary that all parties execute and deliver the same counterpart of this Amendment No. 1. This Amendment No. 1 shall therefore become effective when each party has executed any counterpart hereof and delivered the same to the other parties. All such counterparts, collectively, shall be deemed a single agreement.

[Reminder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 1 to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

SUCCESSOR AGENCY TO THE COMMUNITY
DEVELOPMENT AGENCY OF THE CITY OF
MENLO PARK

By: _____
Name: _____
Title: _____

STATE STREET BANK AND TRUST
COMPANY

By: _____
Name: _____
Title: _____

[Signature Page to Amendment No. 1 to Letter of Credit and Reimbursement Agreement]

NOTICE OF EXTENSION OF EXPIRATION DATE AND
AMENDMENT OF LETTER OF CREDIT

To:

The Bank of New York Mellon Trust Company, N.A.
550 Kearny Street, Suite 600
San Francisco, California 94108-2527
Attention: Corporate Trust

Re: Letter of Credit No. ILC-1486/BSN

Ladies and Gentlemen:

Reference is hereby made to the Irrevocable Letter of Credit No. ILC-1486/BSN, dated _____, ____ (the "Letter of Credit"), established by State Street Bank and Trust Company in your favor. We hereby notify you that the Expiration Date of the Letter of Credit has been extended to _____, 2017.

We hereby also notify you of the following administrative amendments to the Letter of Credit:

1. The address of the Bank that appears on pages 3, and 6 of the Letter of Credit is deleted and the following shall be substituted therefore:

For Letter of Credit Draws and Communications:

State Street Bank and Trust
Company Loan Operations Department
Attention: Standby Letter of
Credit Unit, Mailstop: CPH0453
100 Huntington Ave., Tower 1
4th Floor
Boston, MA 02116
Attention: Peter J. Connolly
Telephone: (617) 662-8588
Facsimile: (617) 988-6674

2. The Facsimile Transmission No. for the Bank that appears on pages 3 and 5 of the Letter of Credit is deleted and the following shall be substituted therefor: (617) 988-6674.

3. The Telephone No. for the Bank that appears on pages 3 and 6 of the Letter of Credit is deleted and the following shall be substituted therefor: (617) 662-8588.

4. The address of the Bank is:

State Street Bank and Trust Company
Loan Operations Department
Attention: Standby Letter of Credit Unit
Mailstop: CPH0453
100 Huntington Ave., Tower 1, 4th Floor
Boston, Massachusetts 02116

5. All references to the "Agency" shall mean the Successor Agency to the SUCCESSOR AGENCY TO THE COMMUNITY DEVELOPMENT AGENCY OF THE CITY OF MENLO PARK.

This Notice should be attached to the Letter of Credit and made a part thereof, as an amendment thereof.

Very truly yours,

STATE STREET BANK AND TRUST
COMPANY

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

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**CITY COUNCIL
SPECIAL AND REGULAR MEETING
DRAFT MINUTES**

**Tuesday, October 1, 2013
5:30 P.M.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers**

5:30 P.M. CLOSED SESSION

Mayor Ohtaki called the Closed Session to order at 5:45 p.m. with all members present.

- CL1.** Closed Session pursuant to Government Code Section §54957 to conference with labor negotiators regarding labor negotiations with the American Federation of State, County and Municipal Employees (AFSCME)

Attendees: Alex McIntyre, City Manager, Starla Jerome-Robinson, Assistant City Manager, Bill McClure, City Attorney, Gina Donnelly, Human Resources Director, Drew Corbett, Finance Director and Charles Sakai, Labor Attorney

Written public comment was submitted by Nawied Amin, who was not present. ([handout](#))

The Council adjourned to the Regular Session in the Council Chambers.

7:00 P.M. REGULAR SESSION

Mayor Ohtaki called the meeting at order at 7:10 p.m. with all members present.

The Menlo Park 4-H youth group led the pledge of allegiance. Mayor Ohtaki presented the group with a proclamation in honor of the 4-H Centennial.

REPORT FROM CLOSED SESSION

There is no reportable action from the Closed Session held earlier.

ANNOUNCEMENTS

The City is currently recruiting applicants for vacancies on the Bicycle, Housing, Library, Parks and Recreation and Transportation Commissions. Applications are available through the Commissions webpage or the City Clerk's office.

A. PRESENTATIONS AND PROCLAMATIONS

- A1.** Presentation by Senator Jerry Hill regarding legislative updates on the State budget, education funding, High Speed Rail and other topics

- A2.** Review Community Engagement Principles
Staff presentation by Cherise Brandell, Community Services Director

Mayor Pro Tem Mueller exited the Council chambers due to a conflict of interest regarding the subject of the following speaker's public comments.

Public Comment:

- Elizabeth Houck expressed concerns regarding the community engagement process in connection to the Specific Plan and the need for more transparency and involvement

Mayor Pro Tem Mueller returned to the dias.

B. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS - None

C. PUBLIC COMMENT #1

- Elizabeth Houck spoke regarding the Sharon Heights Country Club wells project

Councilmember Keith exited the Council chambers during the following four public comments due to the proximity of her residence to the subject of the speakers' comments.

- Todd Brahana spoke regarding the O'Connor School and against allowing vehicular access through on Oak Court
- Lora Christen spoke regarding to the O'Connor School and maintaining bike and pedestrian safety
- Virginia Richards spoke regarding O'Connor School and maintaining the character of the neighborhood
- Noel Berghout spoke regarding the O'Connor School and cut through traffic on Oak Court ([Petition/Handout](#))

Councilmember Keith returned to the dias.

- Adina Levin spoke regarding the need to update technology for Council meetings to allow easier access and viewing through mobile devices

D. CONSENT CALENDAR

D1. Approve the City's response to the Grand Jury report "San Mateo County Special Districts: Who is Really in Charge of the Taxpayers Money? The Mosquito District Embezzlement: Is it the Tip of the Iceberg?" and Authorize the Mayor to Sign and Send the letter in Response ([Staff report #13-162](#))

D2. Accept minutes for the Council meeting of September 24, 2013 ([Attachment](#))

ACTION: Motion/second (Keith/Cline) to approve the Consent Calendar passes unanimously.

E. PUBLIC HEARINGS – None

F. REGULAR BUSINESS

F1. Approve the Request for Proposal for the El Camino Real Lane Reconfiguration and Ravenswood Avenue Right Turn Lane Study ([Staff report #13-163](#))
Staff presentation by Jesse Quirion, Transportation Manager ([Presentation](#))

Public Comment:

- Adina Levin spoke regarding bike lanes on El Camino Real and the City of Palo Alto's policy regarding traffic circulation on El Camino Real, Alma, Sand Hill Road

In response to the request of Councilmember Cline, staff will discuss preparing a letter to the City of Palo Alto regarding traffic circulation to be approved by the Mayor/Council.

ACTION: Motion/second (Keith/Carlton) to approve the Request for Proposal for the El Camino Real Lane Reconfiguration and Ravenswood Avenue Right Turn Lane Study with the friendly amendment to remove the word “possibly” adverse from the fourth bullet and to include consideration of access to underground parking. Mayor Ohtaki offered the additional amendments to add the issue of traffic circulation on Alma, El Camino Real and Sand Hill Road to the problem statement and to ~~include remove~~ peak time as an alternative. The amended motion passes unanimously.

F2. Consideration of the formation of a Small Business Commission ([Staff report #13-164](#)) Staff presentation by Jim Cogan, Economic Development Manager ([Presentation](#))

Mayor Pro Tem Mueller introduced the item.

Public Comment:

- Fran Dehn, Chamber of Commerce, spoke regarding the permitting process and other factors prohibiting businesses from coming to and growing in Menlo Park

ACTION: Motion by Mayor Pro Tem Mueller to direct staff to explore the formation of a Small Business Commission and bring more information back to Council at a future study session.

ACTION: Councilmember Carlton offered the following friendly amendment: that the issue of business and economic development and streamlining the permitting and planning processes be included in the study session which will also consider development of a business commission or committee. There was some discussion of making a substitute motion if the friendly amendment was not accepted.

ACTION: After Council discussion, Mayor Pro Tem Mueller accepted the amendment, Councilmember Cline accepted and seconded the amended motion. The motion passes unanimously.

F3. Consider state and federal legislative items, including decisions to support or oppose any such legislation, and items listed under Written Communication or Information Item: **None**

G. CITY MANAGER’S REPORT – None

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS

I1. November 2013 Council Meeting schedule ([Staff report #13-165](#))

J. COUNCILMEMBER REPORTS - None

K. PUBLIC COMMENT #2

There was no public comment.

L. ADJOURNMENT at 10:01p.m.

Pamela Aguilar
Acting City Clerk

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**CITY COUNCIL
SPECIAL AND REGULAR MEETING
DRAFT MINUTES**

**Tuesday, October 15, 2013
6:00 P.M.
701 Laurel Street, Menlo Park, CA 94025
City Council Chambers**

6:00 P.M. CLOSED SESSION

Mayor Ohtaki called the Closed Session to order at 6:00 p.m. with all members present.

CL1. Closed Session pursuant to Government Code Section §54957 to conference with labor negotiators regarding labor negotiations with the American Federation of State, County and Municipal Employees (AFSCME), Service Employees International Union (SEIU) and the Police Officers Association (POA).

Attendees: Alex McIntyre, City Manager, Starla Jerome-Robinson, Assistant City Manager, Dan Siegel, Acting City Attorney, Gina Donnelly, Human Resources Director, Drew Corbett, Finance Director and Charles Sakai, Labor Attorney

CL2. Closed Session pursuant to Government Code Section §54957:
Public Employee Performance Evaluation - City Manager

The Council adjourned to the Regular Session in the Council Chambers.

7:00 P.M. REGULAR SESSION

Mayor Ohtaki called the meeting at order at 7:12 p.m. with all members present.

Mayor Ohtaki led the pledge of allegiance.

ANNOUNCEMENTS

Item B1, *Environmental Quality Commission quarterly report on the status of their 2-Year Work Plan*, will be heard prior to the Study Session.

The Mayor will give the State of the City address this Thursday, October 17th, at the Stanford Park Hotel. The event begins at 5:30pm.

Caltrain will celebrate 150 years of passenger service on the Peninsula this Saturday, October 19th from 11am – 3pm at the Menlo Park Caltrain Station.

The City is recruiting applicants for various Commission vacancies. The due date to apply is October 31st. Please visit the Commission webpage or inquire with the City Clerk's office for an application.

A. PRESENTATIONS AND PROCLAMATIONS - None

B. COMMISSION/COMMITTEE VACANCIES, APPOINTMENTS AND REPORTS

B1. Environmental Quality Commission quarterly report on the status of their 2-Year Work Plan

Chris DeCardy, Commission Chair, gave the report.

SS. STUDY SESSION

SS1. Overview of the adoption of the 2013 California Building Standards Code and local amendments

Staff presentation by Ron LaFrance, Building Official ([Attachment](#))

Presentation by Ron Keefer, Assistant Fire Marshall, Menlo Park Fire Protection District ([Attachment](#))

Public Comment:

- Fran Dehn, Chamber of Commerce, spoke regarding regulations and costs for businesses

REPORT FROM CLOSED SESSION

There is no reportable action from the Closed Session held earlier. The Closed Session will resume after the Regular Meeting.

C. PUBLIC COMMENT #1

- Scott Marshall spoke regarding the need for more City staff
- Omar Chatty spoke regarding pedestrian safety and the extension of BART around the bay

D. CONSENT CALENDAR

D1. Adopt **Resolution 6170** approving the Final Map for the Laurel Oaks subdivision located at 1273 and 1281 Laurel Street; accept dedication of an emergency vehicle access easement; authorize the acting City Clerk to sign the final map; and authorize the City Manager to sign the Subdivision Improvement Agreement

D2. Award a contract for the Annual Citywide Storm Drain Cleaning and Video Services to ABC Service for the amount budgeted each year, and authorize the City Manager to extend the contract for up to four additional years

D3. Accept and appropriate the State of California, Department of Transportation Selective Traffic Enforcement Program (STEP) Grant PT1437, in the amount of \$52,584, and authorize the Police Department to execute all necessary agreements to conduct specified traffic enforcement operations

D4. Adopt **Resolution 6171** approving the revised investment policy for the City and the former Community Development Agency of Menlo Park

D5. Accept Council minutes for the meeting of October 1, 2013

Mayor Ohtaki requested Item D5, *Accept Council minutes for the meeting of October 1, 2013*, be pulled for further discussion.

ACTION: Motion/second (Cline/Carlton) to approve the Consent Calendar items D1-D4 passes unanimously.

Council concurred to have the Acting City Clerk and City Attorney review the video record and bring Item D5 back for approval at the next Council meeting.

E. PUBLIC HEARINGS – None

F. REGULAR BUSINESS

- F1.** Award a contract for median island and right-of-way landscape maintenance services and refuse collection service to Gachina Landscape Management for four years with the option to extend the contract for four additional one year terms and authorize spending up to the budgeted amount each year

Staff presentation by Ruben Nino, Assistant Public Works Director ([Attachment](#))

ACTION: Motion/second (Keith/Mueller) to award a contract for median island and right-of-way landscape maintenance services and refuse collection service to Gachina Landscape Management for four years with the option to extend the contract for four additional one year terms and authorize spending up to the budgeted amount each year passes unanimously.

- F2.** Consider state and federal legislative items, including decisions to support or oppose any such legislation, and items listed under Written Communication or Information Item: **None**

G. CITY MANAGER’S REPORT – None

H. WRITTEN COMMUNICATION – None

I. INFORMATIONAL ITEMS

- I1.** Financial review of unaudited General Fund operations as of June 30, 2013

J. COUNCILMEMBER REPORTS

Councilmember Cline requested comment regarding High Speed Rail/Caltrain grading. Mayor Ohtaki reported on the Fire District Subcommittee and emergency preparedness.

K. PUBLIC COMMENT #2

There was no public comment.

- L. ADJOURNMENT** at 9:07 p.m. to Closed Session in the 1st floor Council Conference Room of the Administration Building.

The Closed Session adjourned at 10:00 p.m. with no reportable action.

Pamela Aguilar
Acting City Clerk

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**CITY COUNCIL
SPECIAL MEETING MINUTES**

Monday, October 28, 2013

11:30 a.m.

**701 Laurel Street, Menlo Park, CA 94025
Council Conference Room, Administration Building**

Mayor Ohtaki called the Special Meeting to order at 11:47 a.m.

Mayor Pro Tem Mueller appeared via telephone. Councilmember Cline and City Manager McIntyre were not present.

There was no public comment.

CLOSED SESSION

CL1. Closed Session pursuant to Government Code Section §54957 to conference with labor negotiators regarding labor negotiations with Police Officers Association (POA), American Federation of State, County and Municipal Employees (AFSCME), and Service Employees International Union (SEIU)

Attendees: Starla Jerome-Robinson, Assistant City Manager, Bill McClure, City Attorney, Gina Donnelly, Human Resources Director, Drew Corbett, Finance Director and Charles Sakai, Labor Attorney

CL2. Closed Session pursuant to Government Code Section §54957:
Public Employee Performance Evaluation - City Manager

ACTION: There was no reportable action on any items discussed during closed session.

The meeting was adjourned at 1:30 p.m.

Pamela Aguilar
Acting City Clerk

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**CITY COUNCIL
SPECIAL MEETING MINUTES**

Monday, November 4, 2013

3:30 p.m.

**701 Laurel Street, Menlo Park, CA 94025
Council Conference Room, Administration Building**

Mayor Ohtaki called the Special Meeting to order at 3:45 p.m. Councilmember Keith arrived at 3:55 p.m.

Councilmember Mueller appeared via telephone.

There was no public comment.

CLOSED SESSION

CL1. Closed Session pursuant to Government Code Section §54957 to conference with labor negotiators regarding labor negotiations with Police Officers Association (POA), American Federation of State, County and Municipal Employees (AFSCME), and Service Employees International Union (SEIU)

Attendees: Starla Jerome-Robinson, Assistant City Manager, Bill McClure, City Attorney, Gina Donnelly, Human Resources Director, Drew Corbett, Finance Director and Charles Sakai, Labor Attorney

CL2. Closed Session pursuant to Government Code Section §54957:
Public Employee Performance Evaluation - City Manager

ACTION: There was no reportable action on any items discussed during closed session.

The meeting was adjourned at 5:30 p.m.

Pamela Aguilar
Acting City Clerk

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**CITY COUNCIL
SPECIAL MEETING MINUTES**

Tuesday, November 12, 2013

7:00 p.m.

701 Laurel Street, Menlo Park, CA 94025

Council Conference Room, Administration Building

Mayor Ohtaki called the Special Meeting to order at 7:00 p.m.

Mayor Pro Tem Mueller was not present.

There was no public comment.

CLOSED SESSION

CL1. Closed Session pursuant to Government Code Section §54957 to conference with labor negotiators regarding labor negotiations with Police Officers Association (POA), American Federation of State, County and Municipal Employees (AFSCME), and Service Employees International Union (SEIU)

Attendees: Starla Jerome-Robinson, Assistant City Manager, Bill McClure, City Attorney, Gina Donnelly, Human Resources Director, Drew Corbett, Finance Director and Charles Sakai, Labor Attorney

CL2. Closed Session pursuant to Government Code Section §54957:
Public Employee Performance Evaluation - City Manager

ACTION: There was no reportable action on any items discussed during closed session.

The meeting was adjourned at 8:30 p.m.

Pamela Aguilar
Acting City Clerk

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OFFICE OF THE CITY MANAGER

Council Meeting Date: December 10, 2013
Staff Report #: 13-199

Agenda Item #: D-14

CONSENT CALENDAR: **Adopt a Resolution Designating the Menlo Park Office of Economic Development as The Official Economic Development Agency of The City of Menlo Park For Purposes of Interacting With The California State Employment Development Department**

RECOMMENDATION

Staff recommends that the City Council adopt a resolution designating the Office of Economic Development (OED) as the official economic development agency of the City of Menlo Park for purposes of interacting with the California State Employment Development Department (EDD) and authorizes the City Manager to enter into confidentiality agreements with the EDD regarding the use of confidential employer information.

BACKGROUND

One of the City Council's 2013 goals was to update the Business Development Plan, last updated in 2010. As staff began the effort to update the Plan it became clear that the economy in Menlo Park has changed significantly enough to warrant obtaining new employer data from the State, in order to base the new Economic Development Strategic Plan on relevant information. What's more, this up to date data will greatly inform the Economic Development Study Session that the City Council recently directed Staff to schedule for early 2014.

ANALYSIS

This action is required by the State of California in order for the Employment Development Department to interact with the OED and City Manager's Office. This interaction will include, but is not limited to, gathering and analyzing economic data and conducting studies of all matters pertaining to economic development in and around the City of Menlo Park. This designation gives the OED and the City Manager the legal authority to request data from the EDD on behalf of the City.

IMPACT ON CITY RESOURCES

There are no impacts on City resources as a result of this action.

POLICY ISSUES

This action furthers the City Council's goal of updating the Economic Development Strategic Plan and will provide background information for the Economic Development Study Session scheduled for early 2014.

ENVIRONMENTAL REVIEW

The designation of the Office of Economic Development is not a project under CEQA.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Resolution

Report prepared by:

Jim Cogan

Economic Development Manager

RESOLUTION NO.

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK,
DESIGNATING THE MENLO PARK OFFICE OF ECONOMIC
DEVELOPMENT AS THE OFFICIAL ECONOMIC DEVELOPMENT
AGENCY OF THE CITY OF MENLO PARK FOR PURPOSES OF
INTERACTING WITH THE CALIFORNIA STATE EMPLOYMENT
DEVELOPMENT DEPARTMENT**

WHEREAS, the City of Menlo Park, a municipal corporation, is committed to the economic development of the City on behalf of its residents and businesses; and

WHEREAS, the Office of Economic Development (OED) is an office within the Menlo Park City Manager's Office; and

WHEREAS, City relies on OED to conduct studies and interact with other organizations and agencies on behalf of the City in order to address economic development matters.

NOW, THEREFORE BE IT RESOLVED, that the City of Menlo Park, acting by and through its City Council, having considered and been fully advised in the matter and good cause appearing therefore do hereby resolve as follows:

SECTION 1. Recitals. The above recitals are true and correct, and are incorporated into this Resolution by reference as though fully set forth herein.

SECTION 2. Designation. The City Council hereby designates the OED as the City's official economic development agency, and the City's designee for the economic development of the City of Menlo Park.

SECTION 3. Authorization. The City Council hereby authorizes the OED and the City Manager's Office to act on behalf of the City of Menlo Park regarding the economic development of the City, including, but not limited to, gathering and analyzing economic data and conducting studies of all matters pertaining to economic development in and around the City of Menlo Park, and interacting with the California State Employment Development Department.

SECTION 4. Effective Date. This Resolution shall take effect upon adoption.

SECTION 5. Certification. The City Clerk of the City of Menlo Park shall certify the adoption of this resolution.

I, Pamela Aguilar, City Clerk of Menlo Park, do hereby certify that the above and foregoing Council Resolution was duly and regularly passed and adopted at a meeting by said Council on the tenth day of December 2013, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this tenth day of December, 2013.

Pamela Aguilar
City Clerk



COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-196

Agenda Item #: F1

REGULAR BUSINESS: 1) Review and Provide Feedback on the Implementation Programs of the Adopted Housing Element (2007-2014) and 2) Authorize the City Manager to Incorporate Council's Direction on the Preliminary Draft Housing Element Update (2014-2022) and then Submit the Draft Housing Element to the State Department of Housing and Community Development for Review and Comment

RECOMMENDATION

Staff recommends that the City Council 1) review and provide feedback on the implementation programs of the adopted Housing Element (2007-2014) and 2) authorize the City Manager to incorporate Council's direction on the Preliminary Draft Housing Element Update (2014-2022) and then submit the Draft Housing Element to the State Department of Housing and Community Development (HCD) for review and comment.

BACKGROUND

The Housing Element is one of seven State-mandated elements of the City's General Plan. Housing Element law requires local governments to adequately plan to meet their existing and projected housing needs including their share of the regional housing need. On May 21, 2013, the City of Menlo Park adopted its Housing Element through the 2007-2014 planning period. Subsequently, the California Department of Housing and Community Development (HCD) certified Menlo Park's Housing Element (2007- 2014).

The State requires that Housing Elements be updated on a schedule set by the State to account for changes in the local housing market and to meet regional housing needs. The City has embarked on the implementation of its current Housing Element and an update of the Housing Element for the next planning period of 2014-2022. The City of Menlo Park's regional housing need allocation (RHNA) for the next planning period is 655 units, with the breakdown by income level as follows:

Income Level	Housing Unit Allocation
Very Low	233
Low	129
Moderate	143
Above Moderate	150
Total	655

The City Council reviewed and accepted this allocation at its January 8, 2013 meeting. For jurisdictions in the Association of Bay Area Governments (ABAG) region, the next Housing Element (2014-2022) is required to be adopted by January 31, 2015. Local governments that adopt its Housing Element on time will not have to adopt another housing element for eight years, instead of every four years. Given this incentive, staff, with the assistance of Baird + Driskell Community Planning, commenced work on the Housing Element work program this past summer per Council direction on June 13, 2013. The work program consists of the implementation of programs related to compliance with Senate Bill 2 (SB 2), and includes the creation of an emergency shelter for the homeless overlay zone, zoning for transitional and supportive housing and establishing procedures for reasonable accommodation for persons with disabilities. In addition, the work program encompasses the potential implementation of an amnesty program for secondary dwelling units and the Housing Element update for the 2014-2022 planning period. Each of the programs and the Housing Element update is further discussed in the Analysis section below.

In continuing the effort for an inclusive and transparent process, the work program for the Housing Element implementation and update process is being guided by the Housing Element Steering Committee. The Committee is comprised of two members each from City Council, Planning Commission and the Housing Commission and has met three times during the summer and fall to receive community input, discuss issues, and provide feedback to staff. Comments from a community workshop conducted on September 10, 2013 on both the Housing Element Update and the implementation programs, and surveys received via email after the workshop also helped inform the Steering Committee's work. All of the material related to the Steering Committee meetings is available on the City's Housing Element webpage at www.menlopark.org/athome.

The Steering Committee's recommendations were then forwarded and considered by the Housing Commission at its November 6, 2013 meeting. Although no formal vote was taken, the Commission agreed that they did not have any modifications to the working draft documents that were presented to them and acknowledged that refinements and enhancements could occur as the documents are further reviewed by the Planning Commission and City Council.

On November 18, 2013, the Planning Commission reviewed and provided comments on the proposed preliminary draft Housing Element implementation programs and the preliminary draft Housing Element Update for the 2014-2022 planning period. No action was taken on the items. A summary of the Planning Commission's discussion is provided below in the Planning Commission Meeting Summary and Analysis sections below.

The intent of the December 10, 2013 meeting is to provide the City Council the opportunity to review and comment on the implementation of four programs from the current 2007-2014 Housing Element and the second release of the Preliminary Draft Housing Element (Attachment A).

Planning Commission Meeting Summary

The draft minutes of the November 18, 2013 Planning Commission meeting are included as Attachment B. After listening to staff's presentation and considering public comment, including six speakers and three pieces of email correspondence, the Commission asked clarifying questions on the various topics and provided feedback. The Commission generally supported the preliminary draft ordinance amendments related to transitional and supportive housing and reasonable accommodation, and the approach to the proposed modifications to the secondary dwelling unit and accessory structure/building ordinances. The Commission also supported the work that has been done on the Housing Element Update and recommended it be submitted to HCD for initial review and comment. The Commission did not provide changes to the preliminary draft initial study that is being prepared as part of the environmental clearance for the Housing Element Update and implementation of four Housing Element programs.

Much of the Commission's discussion focused on the proposed Emergency Shelter for the Homeless Overlay Zone. The proposed changes resulting from the Commission's feedback are described in the Analysis section.

ANALYSIS

Housing Element Implementation Programs

Emergency Shelter for the Homeless Overlay Zone

Effective January 1, 2008, SB 2 requires every California city and county to engage in a detailed analysis of emergency shelters and transitional and supportive housing in their Housing Element and to regulate zoning for these facilities. Within one year of adoption of the Housing Element, a City must rezone to allow an emergency shelter for the homeless in at least one zone without a conditional use permit or any other discretionary process. The definition of emergency shelter for the homeless is as follows:

Emergency Shelter: Housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

As part of the City's recently adopted Housing Element, Housing Element Programs H3.A and H3.B, respectively, were identified to address the requirement for emergency shelter and transitional and supportive housing. Completion of programs H3.A and H3.B is required prior to or concurrent with the adoption of the Housing Element for the 2014-2022 planning period. In addition to compliance with SB 2, the implementation of zoning for emergency shelters for the homeless and transitional and supportive housing would meet two of the five criteria required to qualify for a streamlined review process by HCD for the next Housing Element. (Two other criteria, which the City has already

achieved during the Housing Element update process this past spring, are 1) rezoning of sites to meet the RHNA numbers from the 1999-2006 planning period and 2) adoption of the density bonus ordinance pursuant to the State Density Bonus Law. The final criteria is discussed below).

Every other year, San Mateo County along with many other stakeholders, conducts a homeless count. New counts were conducted in January 2013, and the City's requirement is to provide zoning to accommodate 16 beds to address homeless needs in the community. Implementation of Housing Element Program H3.A Zone for Emergency Shelter for the Homeless would: 1) create an overlay zone where emergency shelters, up to a maximum of 16 beds in totality throughout the City, would be a permitted use and 2) establish written and objective performance standards as part of the overlay zone in the Zoning Ordinance.

The Housing Element Steering Committee identified five *potential* areas for the emergency shelter for the homeless overlay zone for community consideration. The location maps of Areas A through E are included as Attachment C. The sites were primarily selected for their proximity to transit, capacity to accommodate a facility, and the types of nearby uses and suitability for this use. After considering the input from the surveys and public comment at the Steering Committee meetings, the Steering Committee recommended Areas A, B and C as higher priority and the remaining two areas as low priority.

The Planning Commission considered the Steering Committee's recommendations and the five potential sites and provided a mix of comments. The following are general comments that were made about the potential areas/sites:

- **Area A** (Marsh Road/Haven Avenue) – site has limited connection (current bus service is six days per week and only travels in one direction towards Redwood City); alter the boundary to exclude the area bordering the Lorelei Manor residential neighborhood
- **Area B** (Veterans Affairs Campus along Willow Road) – least disruptive to the community because of the existing uses on the site; existing infrastructure and services to support the homeless population; served by good public transportation; large veteran homeless population; alter the boundary to reduce the number of parcels along Coleman Avenue to minimize potential impacts to single-family residential uses
- **Area C** (St. Patrick's Seminary Campus along Middlefield Road) – seems like an anomaly because area is surrounded by single-family uses and public park
- **Area D** (Area generally bordered by El Camino Real, Glenwood Avenue, San Mills Street and Oak Grove Avenue) – area contains small, multi-family residential buildings, which a shelter could reuse and weave into the existing fabric; site should be lower priority given the bicycle and pedestrian routes to Laurel School and Nativity School in the area.

- **Area E** (Area generally bordered by El Camino Real, Menlo Avenue, University Drive, and Roble Avenue – area contains small, multi-family residential buildings, which a shelter could reuse and weave into the existing fabric)

Several Commissioners asked whether there were any sites on the El Camino Real corridor that should be considered. One Commissioner mentioned the Planet Auto site, at the corner of El Camino Real and Partridge Avenue, as a potential given its proximity to good public transportation and the existing homeless population in the general area. The Commission did not further consider this or any other site as a potential for the overlay zone.

The Planning Commission's November 18, 2013 discussion on the proposed Emergency Shelter for the Homeless Overlay Zone resulted in three potential modifications from what the Housing Element Steering Committee and Housing Commission recommended. The proposed changes include the following: 1) modifications to the boundary of Area B (Veterans Affairs Campus), 2) an approach that focuses on one area/site for the proposed overlay zone and 3) revision to the language in the 'Services' performance standard of the proposed Emergency Shelter for the Homeless Overlay zone ordinance.

Attachment D includes the proposed boundary for Area B as recommended by the Planning Commission. The Assessor's Parcel Numbers (APN) for the site have been noted in the preliminary draft Emergency Shelter for the Homeless Overlay ordinance, included as Attachment E. The Planning Commission suggested that the boundary along Coleman Avenue be reduced to minimize potential impacts to the adjacent single-family residential neighborhood. As recommended, the majority of the proposed southern boundary of Area B would align with the VA property line, with the exception of several multi-family residential parcels close to Coleman Avenue and Willow Road, which the Planning Commission thought would be appropriate to include within the overlay zone boundary.

As mentioned, the Planning Commissioners had varying opinions about the five preliminary areas for the overlay zone. All agreed, however, that Area B made the most sense for the overlay zone and suggested including only Area B for consideration. Given the overall land acreage of Area B (95 acres for the VA Campus and 4.5 acres on the remaining 25 parcels), the existing services provided on-site, the proximity to transit, the site's history with on-site emergency shelters, and the number of homeless veterans in the area, the Planning Commission believes that the site appropriately addresses the need to provide zoning for emergency shelter in the City. However, if additional sites are warranted based on HCD's review, the remaining four sites would need to be reconsidered.

The third proposed revision would be the following language modification to the 'Services' section of the Emergency Shelter for the Homeless Overlay ordinance (Attachment E):

- (c) **Services:** Facilities shall ~~be limited to provide~~ overnight accommodation and meals for clients ~~only~~. Staffing and services or transportation to such services shall be provided to assist clients to obtain permanent shelter and income. Such services shall be available at no cost to all clients of the facility. Any supportive services for the clients outside of the hours of operation are subject to approval of a use permit by the Planning Commission.

Several community members and Steering Committee members commented that supportive services such as life coaching, counseling, job training/placement, etc. are either needed at the facility or clients should have access to such services to offer a place for clients to go to during the day and to assist clients in finding housing. Staff provided the Planning Commission with modified ordinance language for its consideration. The Planning Commission generally believed that it would be beneficial to either have on-site services or provide transportation to such services, with the understanding that the requirement is broad and cannot be used to impede or be an obstacle to the primary operations as a shelter for the homeless.

Transitional and Supportive Housing

Housing Element Program H3.B (Zone for Transitional and Supportive Housing) is also required for compliance with SB 2. To comply with SB 2, the Housing Element must demonstrate that transitional and supportive housing are permitted as a residential use and only subject to those restrictions that apply to other residential dwellings of the same type in the same zone. The State establishes definitions of transitional housing and supportive housing. Recent State legislation (SB 745) modified the definitions. The previous and current definitions are as follows:

Previous Definition of Transitional Housing: Rental housing that calls for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. Transitional housing is a type of supportive housing used to facilitate the movement of homeless individuals and families to permanent housing.

Current Definition of Transitional Housing: “Transitional housing” means buildings configured as rental housing developments, but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance.

Previous Definition of Supportive Housing: Permanent rental housing linked to a range of support services designed to enable residents to maintain stable housing and lead fuller lives. This type of housing has no limit on length of stay, is occupied by the *target population* (such as low-income persons with disabilities and certain other disabled persons) and is linked to onsite or offsite services.

Current Definition of Supportive Housing: “Supportive housing” means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

The Steering Committee, Housing Commission, and Planning Commission have recommended an approach that would add transitional and supportive housing as part of the definition of “dwelling” in the Zoning Ordinance based on the previous State definitions. A preliminary draft ordinance based on the current definitions of transitional housing and supportive housing is included as Attachment F. Any facility would need to comply with the applicable development regulations established for the zoning district in which it is located.

Reasonable Accommodation

A series of federal and state laws (Federal Fair Housing Amendments Act of 1988, California’s Fair Employment and Housing Act, and the State’s Housing Element law) have been enacted to prohibit policies that act as a barrier to individuals with disabilities who are seeking housing. Program H3.C Adopt Procedures for Reasonable Accommodation is the establishment of procedures for reasonable accommodation for individuals with disabilities to ensure equal access to housing. Implementation of this program would also meet the final criteria needed to qualify for the streamlined review process mentioned earlier.

Attachment G includes the preliminary draft reasonable accommodation ordinance as recommended by the Planning Commission, Housing Commission and Steering Committee. The preliminary draft ordinance identifies the process and the necessary findings to grant the request. Unless the request requires another approval, the Community Development Director is the granting authority, with the Planning Commission acting upon appeals. A fundamental characteristic of a reasonable accommodation procedure is the establishment of appropriate findings that reflect the intent of fair housing statutes. The findings for reasonable accommodation, therefore, are different than findings related to a typical zoning variance because the focus of the review is the need of the individual with disabilities to overcome barriers to housing, not on the physical constraints or unique characteristics of the lot.

Secondary Dwelling Units and Accessory Structures

The establishment of a secondary dwelling unit amnesty program is labeled as Program H4.F Undertake a Secondary Dwelling Unit Amnesty Program in the current Housing Element, and was identified as a strategy to increase the City’s legal housing stock while trying to maintain affordable housing. Through discussions at its meetings, the Steering Committee recognized that the establishment of a secondary dwelling unit amnesty program is complicated and may not have the desired outcome, and therefore, recommended a slightly different approach. The approach would be two-pronged;

including modifications to the existing secondary dwelling unit ordinance to allow for the conversion of legally permitted and constructed accessory buildings/structures (meeting certain criteria) into secondary dwelling units while simultaneously amending the accessory building/structure language to more clearly distinguish how the structure could be used. The preliminary proposal includes prohibiting living areas without an increased setback and to limit the number and/or type of plumbing fixtures within accessory buildings/structures. This would likely make the conversion of an accessory structure into a living unit more difficult, which could then encourage the development of legal secondary dwelling units from the outset. That said, the intent of this ordinance amendment would be to not render any accessory structure as nonconforming as a result of these changes. Both the Housing Commission and Planning Commission support the Steering Committee's recommended overall approach. One Planning Commissioner, however, noted that an amnesty program for illegally converted structures could be viable and should be reconsidered by the Steering Committee again. Although this was not the general approach supported by the Planning Commission, the City Council could consider whether such a program could be appropriate now as part of the currently proposed revisions to the secondary dwelling unit and accessory structures/buildings ordinances or as part of a future phase of an amnesty program.

Attachment H includes a summary chart of the regulations for both secondary dwelling units and accessory buildings/structures, along with the recommended modifications to each chapter. As part of the proposed modifications to the accessory building/structure language, the formatting of the requirements would be changed from paragraphs to more itemized lists or tables consistent with current practices. This will also be an opportunity to review how the term accessory building/structure is applied throughout the Zoning Ordinance and to bring forward potential solutions to resolve inconsistencies and create more clarity. Staff will prepare the draft ordinance amendment for review by the Housing Commission and Planning Commission in March 2014.

The proposed modifications to the secondary dwelling unit ordinance would also include a reduction in the minimum lot area threshold for when a use permit is required for a secondary dwelling unit. The proposed minimum lot size would be 5,750 square feet, where the current regulation, which was recently changed as part of the recent Housing Element update, is 6,000 square feet. The proposed size reduction would capture a number of single-family lots located within the Belle Haven area, and a number of area residents support this change.

Fee Reduction(s)

As part of Program H4.E (Modify Secondary Dwelling Unit Development Standards and Permit Process), the City Council may also wish to provide feedback on whether a fee reduction is an appropriate strategy to encourage the development of secondary dwelling units. A waiver could be for planning and/or building-related fees or other impact fees (e.g. transportation impact fee or building construction impact fee) required to be paid prior to building permit issuance. The Planning Commission did not discuss

the topic of a possible fee reduction as fees are not part of its purview. Staff intends to present potential fee reduction ideas as part of the annual Master Fee Schedule update process unless directed otherwise by Council.

Other Implementation Programs

The Housing Element includes other implementation programs that staff will be working on over the coming months and year. Examples of near term implementation programs include the following:

- Establishing a water service priority policy for affordable housing;
- Updating the nexus study for the Below Market Rate (BMR) Housing program;
- Updating the BMR Guidelines; and
- Updating the overnight parking ordinance to include properties zoned R-4-S.

Housing Element Update

The second release of the Preliminary Draft Housing Element (Attachment A) incorporates changes to the document since the Planning Commission meeting on November 18, 2013. Although the Planning Commission did not identify specific changes to the document, the revisions included in the second release reflect input from the Planning Commission on the Emergency Shelter for the Homeless Overlay zone, minor adjustments to the RHNA table, new demographic data updates, information not previously available, and minor refinements and other clean up items for consistency in use of language and formatting, and typographical errors. New text or deletions are shown in underline. The preliminary draft Housing Element carries much of the same text from the City's current Housing Element.

Sections that may be of particular interest to the City Council are the draft Housing Element Goals, Policies and Implementing Programs and summary of adequate sites to address the RHNA for the 2014-2022 planning period. The current Housing Element goals and policies are mostly unchanged. However, the preliminary draft provides more substantive changes to the implementation programs, and includes updates on the timing status, deletes programs that have been implemented, and includes edits for consistency and clarity.

Unlike the recent Housing Element cycle, the 2014-2022 update does not propose any rezonings for higher density housing. While the City must be able to accommodate 655 dwelling units (adequate sites) as part of this cycle, the table (City of Menlo Park's Ability to Address its Regional Housing Needs Allocation (RHNA) for the 2014-2022 Planning Period) in Section VII of Attachment A demonstrates that the City can meet this need through units that are in the pipeline and through existing available land zoned for higher density residential uses.

Following the December 10, 2013 meeting, staff will incorporate the City Council's feedback as part of the Draft Housing Element submitted to HCD for a 60-day initial

review period. Given a 60-day review period, the City should expect to receive comments from the State by mid-February 2014. The document will also be posted on the City's Housing Element website. Members of the public are welcome to submit comments in writing with a deadline of Monday, February 10, 2014 at 5:00 p.m.

At the end of the HCD 60-day review period, the City may receive comments from HCD that must be addressed to enable the City to obtain certification of the Housing Element. If HCD's comments are significant, a fourth meeting of the Housing Element Steering Committee may be necessary to obtain direction on any outstanding issues. Then the City will commence the formal public hearing process related to the adoption of Housing Element update and implementation of the various ordinances covering zoning for the homeless, transitional and supportive housing, reasonable accommodation and secondary dwelling units. The targeted hearing dates for the remainder of the process are listed below. The adopted Housing Element would subsequently need to be reviewed by HCD for certification.

- **Housing Element Steering Committee Meeting #4** – February 27, 2013 (if necessary)
- **Housing Commission** (recommendation to Planning Commission and City Council) – Wednesday, March 5, 2014 (special meeting)
- **Planning Commission** (recommendation to City Council) – Monday, March 10, 2014
- **City Council** (environmental review adoption, first reading of Zoning Ordinance amendments and Housing Element adoption) – Tuesday, April 1, 2014
- **City Council** (second reading of Zoning Ordinance amendments) – Tuesday, April 22 or 29, 2014

Correspondence

Since the Planning Commission meeting, staff has not received correspondence on either the Housing Element implementation programs or Housing Element Update.

IMPACT ON CITY RESOURCES

The proposed work program would require both staff resources dedicated to the project, as well consultant services. The Council budgeted \$100,000 for Fiscal Year 2012-13 for the 2014-2022 Housing Element Update, and this funding has been carried over to Fiscal Year 2013-14. In addition, funding is available for implementation of programs for the 2007-2014 Housing Element from the previously approved budget.

POLICY ISSUES

The Housing Element update and implementation of programs considers a number of policy issues including how to address zoning for the homeless and transitional and supportive housing for compliance with SB2 and the conversion of accessory structures into secondary dwelling units.

ENVIRONMENTAL REVIEW

The 2014-2022 Housing Element update and the Zoning Ordinance amendments associated with the implementation programs are subject to the California Environmental Quality Act (CEQA). Without the need for rezoning for high density housing, the preparation and issuance of an initial study and negative declaration would be appropriate.

The City has contracted with The Planning Center, who prepared the Environmental Assessment for the recently adopted Housing Element, to prepare the initial study and negative declaration for the current project. Attachment I includes a preliminary draft of the initial study that will be used to inform the preparation of the negative declaration. Like the other documents under review and comment at this meeting, the preliminary draft is a working document. Comments from the City Council meeting will be forwarded to the consultant for review and consideration. The final initial study and negative declaration are anticipated to be released in February 2014.

PUBLIC NOTICE

Public notification consisted of publishing a notice in the local newspaper. In addition, the City has prepared a project page for the project, which is available at the following address: <http://www.menlopark.org/athome>. This page provides up-to-date information about the project, allowing interested parties to stay informed of its progress. The page allows users to sign up for automatic email bulletins, notifying them when content is updated and meetings are scheduled. In August 2013, a postcard was sent Citywide informing people of the Housing Element Implementation and Update and encouraging them to subscribe to the project page. Finally, the City has sent two letters to the areas under consideration for the Emergency Shelter for the Homeless overlay areas.

ATTACHMENTS

- A. [Preliminary Draft Housing Element for the 2014-2022 Planning Period](#)
- B. [Draft Minutes from the Planning Commission Meeting of November 18, 2013](#)
- C. [Maps of Potential Emergency Shelter for the Homeless Overlay Zone Areas](#)
- D. [Revised Area B Location Map as Recommended by the Planning Commission](#)
- E. [Preliminary Draft Zoning Ordinance Text for Emergency Shelter for the Homeless](#)
- F. [Preliminary Draft Zoning Ordinance Text for Transitional and Supportive Housing](#)
- G. [Preliminary Draft Zoning Ordinance Text for Reasonable Accommodation](#)
- H. [Summary Chart Comparing Regulations for Secondary Dwelling Units and Accessory Buildings/Structures](#)
- I. [Preliminary Draft Initial Study](#)

AVAILABLE FOR REVIEW AT CITY OFFICES AND ON THE PROJECT WEB PAGE

- [Adopted Housing Element for the 2007-2014 Planning Period](#)
- [Summary of Community Comments from the September 10, 2013 Community Workshop](#)
- [Summary of Approach to Homeless Zoning in Other San Mateo County Jurisdictions](#)
- [Frequently Asked Questions – Housing Element Requirements for Addressing Homelessness](#)
- [Emergency Shelter Memo – Steering Committee Meeting of August 6, 2013](#)
- [State Department of Housing and Community Development \(HCD\) document on Senate Bill 2 \(SB 2\)](#)
- [Examples of Reasonable Accommodation Ordinances](#)
- [Housing Element Steering Committee Meeting #1 Summary](#)
- [Housing Element Steering Committee Meeting #2 Summary](#)
- [Housing Element Steering Committee Meeting #3 Summary](#)

Report prepared by:

Deanna Chow
Senior Planner

Justin Murphy
Development Services Manager

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2014 - 2022 City of Menlo Park

Preliminary Draft

Housing Element

*Prepared for the December 10, 2013 City Council Meeting **

City of Menlo Park Planning Division
701 Laurel Street
Menlo Park, CA 94025
e-mail: athome@menlopark.org
phone: (650) 330-6702

Additional Information: If you should have any questions or want to stay informed, please visit the City of Menlo Park website for the Housing Element Update at www.menlopark.org/athome

*** PLEASE NOTE:** The Preliminary Draft Housing Element covers the 2014-2022 planning period and carries forward much of the text from the City's current Housing Element, adopted May 21, 2013. Edits to the adopted 2007-2014 Housing Element are shown in **RED TYPE** and ~~strike-through~~ text if the section remains mostly unchanged. Sections that contain substantial changes are shown in **RED** text completely. Some material contained in the 2007-2014 Housing Element, such as the maps showing potential housing sites, have been deleted.

Please also note that changes from the November 18, 2013 Preliminary Draft Housing Element (prepared for the Planning Commission) are shown in **RED UNDERLINE TYPE** and ~~strike-through~~.



Acknowledgments

City Council

Catherine Carlton, Mayor Pro Tem
Richard Cline
Kirsten Keith
Ray Mueller, Mayor
Peter Ohtaki

Planning Commission

Vincent Bressler
Ben Eiref, Vice Chair
Katie Ferrick
John Kadvany, Chair
John Onken
Henry Riggs
Katherine Strehl

Housing Commission

Sally Cadigan, Vice Chair
Carolyn Clarke, Chair
Julianna Dodick

Housing Element Update Steering Committee

Richard Cline, City Council, Co-Chair
Peter Ohtaki, City Council, Co-Chair
Katie Ferrick, Planning Commission
Katherine Strehl, Planning Commission
Carolyn Clarke, Housing Commission
Sally Cadigan, Housing Commission

City Staff

Deanna Chow, Senior Planner (Project Manager)
Justin Murphy, Development Services Manager
Arlinda Heineck, Community Development Director
Vanh Malathong, Technical Services Coordinator
Alex D. McIntyre, City Manager
Starla Jerome-Robinson, Assistant City Manager
Cherise Brandell, Community Services Director
William L. McClure, City Attorney
Leigh F. Prince, Assistant City Attorney

Consultant Assistance

Jeffery Baird, Baird + Driskell Community Planning



Table of Contents

Introduction

Section I — Introduction

A Purpose of the Housing Element	5
B State Law Requirements for Housing Elements	7
C Definitions of Key Housing Terms	8
D Process for Preparing the Housing Element	14

Goals, Policies and Implementing Programs

Section II — Housing Goals, Policies and Programs

A Why is Housing Important?	19 19
B Housing Goals	23 24
C Housing Policies and Implementing Programs	24 25
Goal H1 — Continue to Build Local Government Institutional Capacity and Monitor Accomplishments to Effectively Respond to Housing Needs	24 25
Goal H2 — Maintain, Protect and Enhance Existing Housing and Neighborhoods	32 34
Goal H3 — Provide Housing for Special Needs Populations that is Coordinated with Support Services	35 37
Goal H4 — Use Land Efficiently to Meet Housing Needs for a Variety of Income Levels, Implement Sustainable Development Practices and Blend Well-Designed New Housing Into the Community	42 44

Section III — Implementation Timeframe

A Overview	56 58
B Implementation Summary Table	57 59

Section IV — Quantified Housing Objectives

A Overview	61 63
B Quantified Objectives Summary Table	62 63

Background

Section V — Background Overview

A Review of 1992-2007-2014 Housing Element	63 65
B Consistency with the Menlo Park General Plan	66 67



Section VI — Housing Conditions and Trends

A Overall Housing Needs	6768
B Special Housing Needs	8390
C Homeless Needs	88100
D Assisted Rental Housing “At Risk” of Conversion	95109

Section VII — Future Housing Needs and Opportunities

A Regional Housing Needs Allocation (RHNA)	97110
B Summary of Available Land for Housing	402115
C Potential Governmental Constraints to Housing	448124
D Potential Non-Governmental Constraints <u>to Housing</u>	434146
E Energy	437149

Technical Appendices

A Available Land Inventory	
B Evaluation of Housing Element Programs Contained in the 1992 2007-2014 Housing Element	
C Fact Sheet on the Housing Element Update	
C Fact Sheet on Housing Element Requirements for Addressing Homelessness	

Section I

Introduction

A Purpose of the Housing Element



All California cities and counties are required to have a Housing Element included in their General Plan which establishes housing objectives, policies and programs in response to community housing conditions and needs. This Housing Element has been prepared to respond to current and near-term future housing needs in Menlo Park and also provide a framework for the community's longer-term approach to addressing its housing needs. The Housing

Element contains goals, updated information and strategic directions (policies and implementing actions) that the City is committed to undertaking.

~~Even with the recent downturn in the economy beginning in the last part of 2008, h~~Housing affordability in San Mateo County and in the Bay Area as a whole is ~~still~~ a critical issue. Menlo Park's housing conditions are reflective of many area-wide and even nation-wide trends. Over the past thirty years, housing costs have skyrocketed out of proportion to many people's ability to pay. And, interest rates, construction costs and high land costs have all increased significantly. This has a number of implications as it becomes more difficult for employers to fill vacant jobs, roadways are clogged with workers traveling longer distances into and out of Menlo Park and surrounding areas, and many young people, families, longtime residents and people with specialized housing needs face relocating because they cannot find housing they can afford or that meets their needs otherwise (such as downsizing for seniors or rental housing for younger workers).

The Housing Element touches many aspects of community life. This Housing Element builds upon the goals, policies and implementing programs contained in the City's ~~1992-2007-2014~~ Housing Element and ~~other~~ City policies and practices ~~to address housing needs in the community since then~~. The overall focus of the Housing Element is to enhance community life, character and vitality through the provision of adequate housing opportunities for people at all income levels, while being sensitive to the small-town character of Menlo Park that residents know and love.

The following are some of the specific purposes of the Housing Element update:

1. **Maintain Quality of Life.** Maintain the high quality of life, small town feel and village character of Menlo Park, which make it distinctive and enjoyable to its residents.
2. **Assure Diversity of Population.** Assess housing needs and provide a vision for housing within the City to satisfy the needs of a diverse population.
3. **Provide a Variety of Housing Opportunities.** Provide a variety of housing opportunities proportionally by income to accommodate the needs of people who currently work or live in Menlo Park such as teachers, young people just getting started and seniors who want to down-size, who either cannot find homes or cannot afford market rate housing in Menlo Park.
4. **Address Regional Housing Needs Allocation (RHNA).** Ensure capacity for the development of new housing to meet the Regional Housing Need Allocation at all income levels for the ~~current and prior planning periods~~ **2014-2022 planning period**.
5. **Assure a Fit with the Look and Feel of the Community.** Ensure that housing developments at all income levels are sensitive to and fit with adjacent neighborhoods.
6. **Maintain Existing Housing.** Maintain the existing housing stock to assure high quality maintenance, safety and habitability of existing housing resources.
7. **Address Affordable Housing Needs.** Continue existing and develop new programs and policies to meet the projected affordable housing need of extremely low, very low, low and moderate-income households.
8. **Address the Housing Needs of Special Need Groups.** Continue existing and develop new programs and policies to meet the projected housing needs of persons living with disabilities, seniors and other special needs households in the community.
9. **Remove Potential Constraints to Housing.** Evaluate potential constraints to housing development and encourage new housing in locations supported by existing or planned infrastructure, while maintaining existing neighborhood character. Develop design directions for multiple family housing to help eliminate barriers to the development of housing for all income levels.
10. **Provide for Special Needs Groups.** Provide for emergency shelter, transitional and supportive housing opportunities.
11. **Provide Adequate Housing Sites.** Identify appropriate housing sites, within specified areas proximate to transportation, shopping and schools, and the accompanying zoning required to accommodate housing development.

B State Law Requirements for Housing Elements



State law requires each city and county to adopt a General Plan containing at least seven elements, including a Housing Element. Regulations regarding Housing Elements are found in the California Government Code Sections 65580-65589.

Although the Housing Element must follow State law, it is by its nature a local document. The focus of the Menlo Park Housing Element is on the needs and desires of Menlo Park residents as it relates to housing in the community. Within these parameters, the intent of the element is also to comply with State law requirements.

Unlike the other mandatory General Plan elements, the Housing Element requires periodic updating and is subject to detailed statutory requirements and mandatory review by the State of California Department of Housing and Community Development — HCD. According to State law, the Housing Element must:

- Provide goals, policies, quantified objectives and scheduled programs to preserve, improve and develop housing.
- Identify and analyze existing and projected housing needs for all economic segments of the community.
- Identify adequate sites that will be zoned and available within the Housing Element planning period — ~~to October, between~~ 2014 and 2022 — to meet the ~~city's~~ City's fair share of regional housing needs at all income levels.
- Be submitted to HCD to determine if HCD “certifies” the Housing Element is in compliance with state law.

State law establishes detailed content requirements for Housing Elements and establishes a regional “fair share” approach to distributing housing needs throughout all communities in the Bay Area. The law recognizes that in order for the private sector and non-profit housing sponsors to address housing needs and demand, local governments must adopt land use plans and implementing regulations that provide opportunities for, and do not unduly constrain, housing development.

The Housing Element must provide clear policies and direction for making decisions pertaining to zoning, subdivision approval and capital improvements that relate to housing needs. The housing action programs are intended to: (1) identify adequate residential sites available for a variety of housing types for all income levels; (2) focus on the provision of adequate housing to meet the needs of lower and moderate income households; (3) address potential governmental constraints to the maintenance, improvement and development of housing; (4) conserve and improve the condition of the existing affordable housing stock; and, (5) promote housing opportunities for all persons. Also in accordance with State law, the Housing Element must be consistent and compatible with other elements (or sections) of the Menlo Park General Plan.

C Definitions of Key Housing Terms



In the context of Housing Elements, “Affordable Housing” generally focuses on housing for extremely low, very low, low and moderate-income households. Generally, housing that costs no more than 30% of household income is considered affordable to these income groups. The definitions below are used throughout this Housing Element. The analysis of housing needs in the Background section of the Housing Element

provides baseline information about who needs housing in Menlo Park.

Definitions

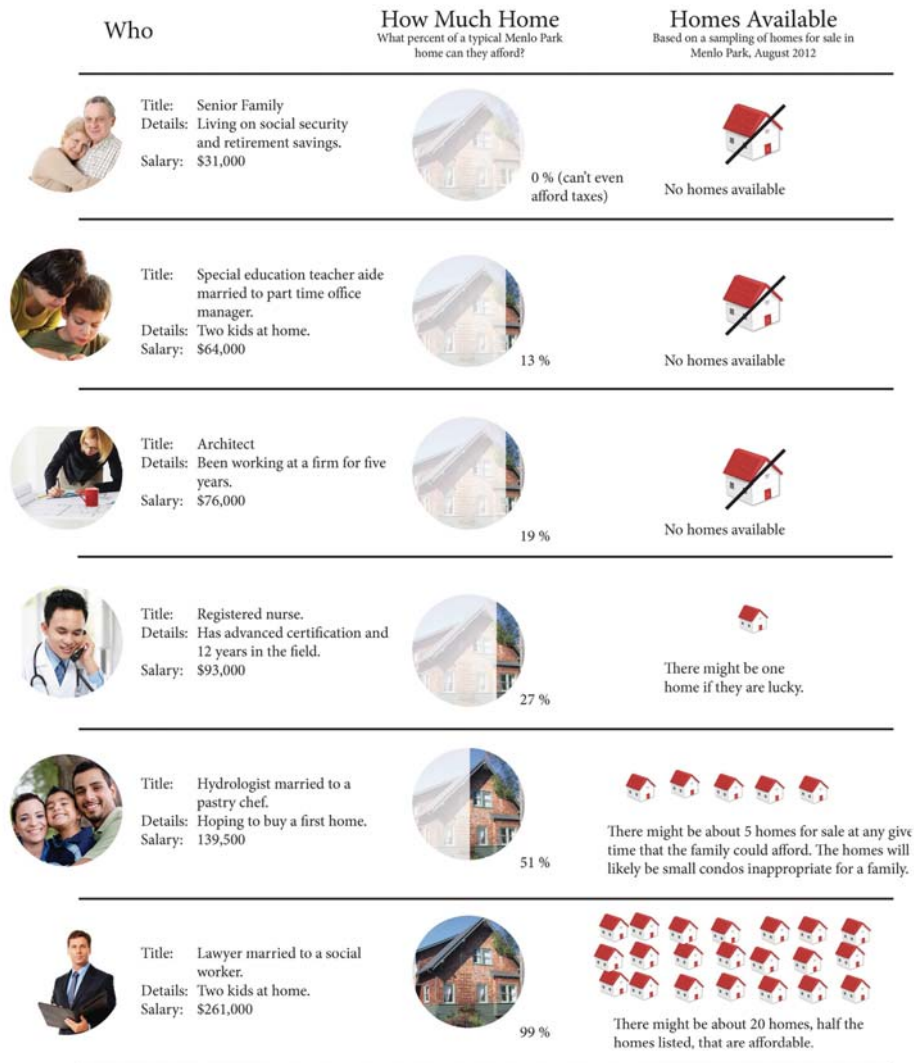
- ❑ **Above Moderate Income Households:** Defined by California Housing Element law as households earning over 120% of the median household income. As of February 2012/2013, a family of four earning more than \$123,600 per year in San Mateo County is considered above moderate income.
- ❑ **Accessible Housing:** ~~Units Defined by HCD as units~~ accessible and adaptable to the needs of the physically disabled.
- ❑ **Emergency Shelter:** ~~Defined by Health and Safety Code Section 50800-50806.5 Emergency shelter means~~ housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay. ~~(Definition from Health and Safety Code Section 50800-50806.5)~~
- ❑ **Extremely Low Income Households:** ~~Defined by~~ Government Code Section 65583(a) ~~to requires~~ local Housing Elements to provide “documentation of projections and a quantification of the locality's existing and projected housing needs for all income levels, including extremely low income households (GC 65583 (a)(1)).” Extremely low income is a subset of the very low-income regional housing need and is defined as households earning less than 30% of the median household income — which, for a family of four as of February, 2012/2013, would be to earn less

than ~~\$33,300~~ \$33,950/ per year in San Mateo County.

- **Housing Affordability:** The generally accepted measure for determining whether a person can afford housing means spending no more than 30% of one's gross household income on housing costs, including utilities, principal and interest. In the Bay Area, people can pay closer to 50% of their income for housing due to the high costs of housing. The graphics below illustrate housing affordability in Menlo Park.

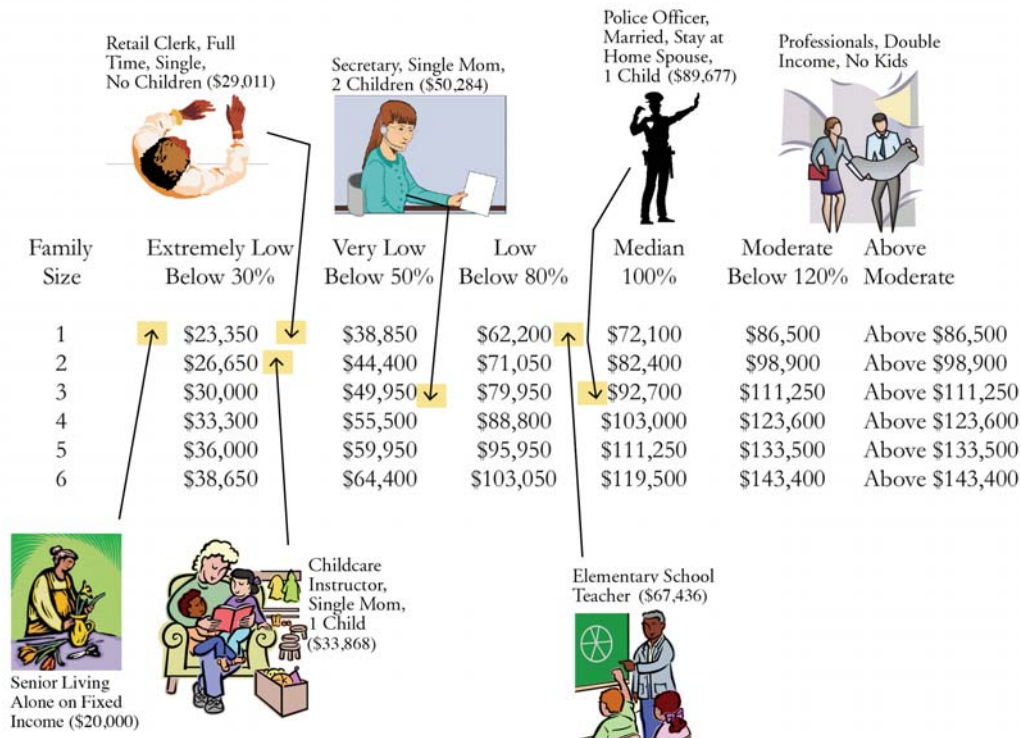
Who Can Afford Menlo Park

Many people who work in Menlo Park cannot afford to live in the community. In Menlo Park in 2013, according to the San Mateo County Association of Realtors (SAMCAR), the median single family home price is \$1,423,600 and the median condominium or townhome price is \$713,900. Average rents in Menlo Park for 2013, according to RealFacts, are \$2,495 for a 1 bedroom/1 bath home, \$2,725 for a 2 bedroom/1 bath home and \$4,177 for a 3 bedroom/2 bath ome. The chart below shows how much of a Menlo Park home various community members can afford and how many options there are on the market in 2013.



Source: Baird + Driskell Community Planning, 2013, based on salaries from the Employment Development Department and housing costs from Zillow

City of Menlo Park and San Mateo County 2013 Household Incomes



Source: Official State Income Limits for 2013 (San Mateo County) as determined by the U.S. Department of Housing and Urban Development (HUD), adjusted for family size; the 2013 Area Median Income is \$103,000. Examples for the 2013 salaries are from California Employment Development Department for San Francisco, San Mateo, Redwood City (first quarter of 2013). Salary for a police officer is from the City of Menlo Park Memorandum of Understanding with the Menlo Park Police Officers' Association.

- ❑ **Housing Density:** The number of dwelling units per acre of land. Gross density includes the land within the boundaries of a particular area and excludes nothing. Net density excludes certain areas such as streets, open space, easements, water areas, etc.
- ❑ **Housing First:** “Housing First” is an approach that centers on providing homeless people with housing quickly and then providing services as needed. What differentiates a “Housing First” approach from other strategies is that there is an immediate and primary focus on helping individuals and families quickly access and sustain permanent housing. This approach has the benefit of being consistent with what most people experiencing homelessness want and seek help to achieve. The “Housing First” model offers an alternative to emergency shelter or transitional housing for homeless individuals, but does not eliminate the City’s need to zone for such uses.
- ❑ **Income Limits:** Income limits are updated annually for San Mateo County by the U.S. Department of Housing and Urban Development (HUD), State of California HCD and the County of San Mateo. The “30% of Median,” “Very Low Income” and “Low Income” schedules ~~were~~ are published by ~~the U.S. Department of Housing and Urban Development (HUD)~~, as shown below, ~~were prepared February 7, 2012 for 2013~~. The “Median Income” schedule shown below is based on the ~~2012-2013~~ median family income of \$103,000 for a four-person household, with adjustments for smaller and

larger household sizes. The “Moderate Income” schedule shown below represents up to 120% of median income. For additional information, see the HUD website at www.huduser.org/datasets/il.html and San Mateo County Department of Housing website at <http://www.co.sanmateo.ca.us/portal/site/housingdepartment/>. For many State and local programs, State Department of Housing and Community Development (HCD) income eligibility limits are used. HCD income limits regulations are similar to those used by HUD.

San Mateo County 2013 Household Income Schedule

Family Size	Lower Income			Moderate Income		Above Moderate Income
	Extremely Low 30%	Very Low 50%	Lower 80%	Median 100%	Moderate 120%	
1	\$23,750	\$39,600	\$63,350	\$72,100	\$86,500	>\$86,500
2	\$27,150	\$45,250	\$72,400	\$82,400	\$98,900	>\$98,900
3	\$30,550	\$50,900	\$81,450	\$92,700	\$111,250	>\$111,250
4	\$33,950	\$56,550	\$90,500	\$103,000	\$123,600	>\$123,600
5	\$36,650	\$61,050	\$97,700	\$111,250	\$133,500	>\$133,500
6	\$39,400	\$65,600	\$104,950	\$119,500	\$143,400	>\$143,400

Source: California Department of Housing and Community Development (HCD)

- ❑ **Jobs/Housing Relationship:** The relationship of the number and types of jobs in a community with the availability and affordability of housing. In simplistic terms, an appropriate balance is commonly thought to be between 1.0-1.5 jobs for every 1 housing unit. However, the issue is more complex when a community strives to reduce in commuting and provide a better match of local jobs to employed residents working in those jobs. Other factors include the types of jobs and the salaries paid, number of employed people in the community, affordability of housing relative to the income of people working in local jobs, and household size and income. Affordable housing strategies strive to create opportunities for local workers, especially those employed in service and retail jobs, to have a choice in finding local housing to fit their household needs in terms of type, affordability, amenities and location.
- ❑ **Low Income Households:** ~~Defined by~~ California Health and Safety Code Section 50079.5, ~~which provides-establishes that~~ the low-income limits ~~established-set~~ by the U.S. Department of Housing and Urban Development (HUD) ~~are-as~~ the state limit for low-income households. HUD limits for low-income household are generally households earning 50-80% of the median household income, adjusted for family size, with some adjustment for areas with unusually high or low incomes relative to housing costs. As of ~~February 2012~~ 2013, a family of four earning between ~~\$55,500~~ \$56,550 and ~~\$88,800~~ \$90,500 per year in San Mateo County was considered low income.
- ❑ **Median Household Income:** The middle point at which half of the City's households earn more and half earn less. Income limits are updated annually by the U.S. Department of Housing and Urban Development (HUD) for San Mateo County. ~~As of February 2012, t~~The 2013 median

household income for a family of four in San Mateo County as used for Menlo Park is \$103,000.

- ❑ **Moderate Income Households:** Defined by Section 50093 of the California Health and Safety Code as households earning 80-120% of the median household income. ~~As of February 2012, a~~ family of four earning between ~~\$88,800~~\$90,500 and \$123,600 per year ~~in 2013~~ in San Mateo County ~~was~~is considered moderate income.
- ❑ **Overlay Zoning or Zone:** Overlay zoning is a regulatory tool that that is placed over an existing base zone(s), and which identifies special provisions, in addition to those in the underlying base zone. The overlay district can share common boundaries with the base zone or cut across base zone boundaries. Regulations or incentives are attached to the overlay district to protect a specific resource or guide development within a special area. Examples include ~~the City's Affordable Housing Overlay zoning~~ and Emergency Shelter Overlay zoning.
- ❑ **Persons per Household:** Average number of persons in each household.
- ❑ **Residential Care Facilities:** There are a variety of residential care facilities that address the needs of special segments of the population, including special care for the chronically ill, seniors, special need adults or youths, etc. The California Department of Social Services, Community Care Licensing Division, issues licenses for residential facilities ~~which that~~ provide 24-hour non-medical care for children, adults and the elderly.
- ❑ **Secondary Dwelling Unit:** ~~Defined in the Menlo Park Municipal Code as a~~ dwelling unit on a residential lot that provides independent living facilities ~~for one (1) or more persons~~ and includes permanent provisions for living, sleeping, cooking and sanitation independent of the main dwelling on the residential lot.
- ❑ **Senior Housing:** Defined by California Housing Element law as projects developed for, and put to use as, housing for senior citizens. Senior housing is based on: (1) if the U.S. Department of Housing and Urban Development (HUD) has determined that the dwelling is specifically designed for and occupied by elderly persons under a Federal, State or local government program; (2) it is occupied solely by persons who are 62 or older; or (3) or it houses at least one person who is 55 or older in at least 80 percent of the occupied units, and adheres to a policy that demonstrates intent to house persons who are 55 or older. Under Federal law, housing that satisfies the legal definition of senior housing or housing for older persons described above, can legally exclude families with children.
- ❑ **Supportive Housing:** ~~Defined by California Housing Element law as housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. Supportive housing is permanent rental housing linked to a range of support services designed to enable residents to maintain stable housing and lead fuller lives. This type of housing has no limit on length of stay, is occupied by the target population (such as low income persons with disabilities and certain other disabled persons) and is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status,~~

~~and maximizing his or her ability to live and, when possible, work in the community.~~

- ❑ **Target Population:** Defined by California Housing Element law as persons with low incomes who have one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health condition, or individuals eligible for services provided pursuant to the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may include, among other populations, adults, emancipated minors, families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, and homeless people.

- ❑ **Transitional Housing:** ~~Defined by California Housing Element law as buildings configured as rental housing developments, but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance. Transitional housing and transitional housing development mean rental housing operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. Transitional housing is a type of supportive housing used to facilitate the movement of homeless individuals and families to permanent housing. A homeless person may live in a transitional apartment for up to two years while receiving supportive services that enable independent living.~~

- ❑ **Very Low Income Households:** Defined by California Health and Safety Code Section 50079.5, ~~which establishes provides that~~ very low income limits ~~established set~~ by the U.S. Department of Housing and Urban Development (HUD) ~~establish as~~ the state limit for very low income households, which are households earning less than 50% of the median household income, with some adjustment for areas with unusually high or low incomes relative to housing costs. ~~As of February 2012, a~~ family of four earning less than ~~\$55,500~~\$56,550 per year in 2013 in San Mateo County ~~was is~~ considered very low income.

- ❑ **Workforce Affordable Housing:** Housing that is affordable to the workforce in the community.

Acronyms

AARP	American Association of Retired Persons
ABAG	Association of Bay Area Governments
AHOZ	Affordable Housing Overlay Zone zone
BMR	Below Market Rate housing
CHAS	Comprehensive Housing Affordability Strategy
CCRH	California Coalition for Rural Housing
CAP	Climate Action Plan
DOF	California Department of Finance
DOH	San Mateo County Department of Housing
ECHO	Eden Council for Hope and Opportunity
ECR/DSP	El Camino Real/Downtown Specific Plan

ELI	Extremely Low Income households
<u>GGRC</u>	<u>Golden Gate Regional Center</u>
HCD	California Department of Housing and Community Development
HEART	The Housing Endowment and Regional Trust
HIP	Human Investment Project
HOPE	Housing Our People Effectively (HOPE) : Ending Homelessness in San Mateo County
HUD	U.S. Department of Housing and Urban Development
LIHTC	Low Income Housing Tax Credit Program
LTIRC	Landlord and Tenant Information and Referral Collaborative
NPH	Non-Profit Housing of Northern California
PCRC	Peninsula Conflict Resolution Center
R-L-U	Retirement Living Units (Menlo Park zoning for senior housing)
RHNA	Regional Housing Needs Allocation
SRO	Single-Room Occupancy unit
VA	Veteran's Administration Affairs

D Process for Preparing the Housing Element



Menlo Park’s history of extensive community involvement in local decision-making makes the community outreach process for the Housing Element update not only essential and highly desirable, but also a critical component of the work effort. The approach for the Housing Element update outlined below is consistent with State law contained in Government Code 65583(c)(7) — “The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort.”

The update effort has built upon the City’s extensive outreach effort undertaken for the City’s 2007-2014 Housing Element, adopted May 21, 2013, and the City’s participation in the outreach efforts and activities for “21 Elements,” which is a collaborative effort to assist all jurisdictions in San Mateo County with their housing element updates. The 21 Elements effort has included presentations and coordination with housing experts and organizations providing services to lower income and special needs groups throughout San Mateo County. The City also participated and coordinated with all the other jurisdictions in San Mateo County’s sub-RHNA process.



On June 13, 2013, the City Council approved a work program for implementation of Housing Element programs and for the Housing Element update. The implementation programs relate to compliance with Senate Bill 2 (SB 2), and include the creation of an overlay zone for emergency shelter for the homeless, zoning for transitional and supportive housing and establishing procedures for reasonable accommodation for persons with disabilities. In addition, the Housing Element implementation work included consideration of an Amnesty Program for illegal secondary dwelling units, which has since been modified to cover modifications to the secondary dwelling unit ordinance and accessory buildings structures/structures ordinance to allow opportunities for accessory buildings and structures to be converted to legal dwelling units. The timeline for adoption of these changes is Spring 2014.

The process for the Housing Element update has included the following activities and approach:

➤ Provide Information to the Community. Provision of information on the City's website (see link below); distribution of information in City-wide mailings; preparation of a Housing Element newsletter and other FAQ materials; noticing for community workshops; City-wide notice; noticing and information to people signing up on the Housing Element list-serve; and other handouts. Documentation of community comments and summaries of Housing Element Steering Committee meetings during review of the Draft Housing Element up through adoption have been available on the City's website at www.menlopark.org/athome. As of November 2013 there were 383 subscribers to the City's Housing Element webpage.



➤ Undertake Housing Element Steering Committee Meetings. In June 2013, the City Council appointed a Housing Element Steering Committee, composed of two members of the City Council, two members of the Planning Commission and two members of the Housing Commission. The Steering Committee conducted three public meetings and provided guidance to staff on the Housing Element implementing programs and the Housing



Element update. All meetings of the Steering Committee were noticed to the City's mailing list and all material, including agendas, meeting packets and meeting summaries have been made available on the City's website. All meetings were publicly noticed and included opportunities for community participants to ask questions and provide

comments to enhance the Steering Committee's discussion.

- Conduct Community Workshops. The process included a community workshop, conducted on September 10, 2013 at the Menlo Park Senior Center located at 110 Terminal Avenue, to provide the community with an opportunity to identify: (1)



standards and locations for zoning for facilities serving the homeless and people with special housing needs; (2) approaches to dealing with illegal second units; (3) procedures to obtain an exception to regulations to make reasonable property improvements for people with disabilities; and, (4) overall housing policies and implementing programs to address housing needs in Menlo Park. Workshop materials were provided at the meeting and were available on the City's website.

You're Invited!
Please come and participate. Your involvement in the implementation and updating of the City of Menlo Park Housing Element is important. We need your input!

The City of Menlo Park has embarked on the implementation and update of the Housing Element. As part of this process, we would like your help to identify (1) **standards and locations for zoning for facilities serving the homeless and people with special housing needs** (mapping options will be discussed at the meeting); (2) **approaches to dealing with illegal second units**; (3) **procedures to obtain an exception to regulations to make reasonable property improvements for people with disabilities**; and, (4) **overall housing policies and implementing programs** to address housing needs in Menlo Park. Workshop materials and zoning map options for homeless facilities are available on the City's website (see link below).

You can learn more and keep informed by signing up for email notifications from the City by going to the City's website at <http://www.menlopark.org/athome> or calling (650) 330-6702. Si usted necesita más información sobre este proyecto, por favor llame al (650) 330-6702, y pregunte por un asistente que habla español.

City of Menlo Park
Housing Element Implementation and Update
Community Workshop

Tuesday, September 10, 2013 at the Menlo Park Senior Center located at 100 Terminal Ave (7:00 — 9:00 pm)

The workshop will include a presentation, opportunity for you to ask questions and get more information, and then an opportunity to provide your comments in an open house format so you can leave when you want. The presentation will help you to participate fully in the open house and will be from **7:00 to 7:45 pm**. The open house will be held from **7:45 to 9:00 pm**.

Noticing for the workshop was extensive in an effort to involve the community. Besides materials available on the City's website, notification was sent to the Housing Element subscriber's list. In addition, a newsletter was prepared announcing the workshops, and a postcard for the workshops was sent to all households in Menlo Park. A total of 40 people attended the workshop and approximately 50

comment responses were received either at the workshop or via email after the workshop. A compilation and documentation of the comments were available for review on the City's website, and were provided to the Steering Committee and City decision-makers through the process.

How the Public Involvement Was Considered in the Draft Housing Element

Modifications and directions as a result of the community involvement process have resulted in revisions to the City's secondary dwelling unit program to reduce the minimum lot size and changes to the City's secondary dwelling unit amnesty program to refocus on accessory buildings and uses. Other community comments have helped to identify areas for possible location(s) for the emergency shelter for the homeless overlay zone and performance standards required of shelters. A summary of community workshop comments and all meeting comments are available on the City's website.

Community outreach activities also have included community meetings to review the Preliminary Draft Housing Element — Menlo Park Housing Commission (November 6, 2013), Menlo Park Planning Commission (November 18, 2013) and Menlo Park City Council (December 10, 2013). Following review and direction on the Preliminary Draft Housing Element, the Draft Housing Element will prepared and forwarded to the California Department of Housing and Community Development (HCD) in December 2013 for their review and comments as required by State law. Noticed public hearings on the Draft Housing Element will occur through adoption.

In addition to review of the Preliminary Draft Housing Element, the November and December meetings of the Menlo Park Housing Commission, Planning Commission and City Council provide an opportunity to review the potential areas for the emergency shelter for the homeless overlay zone, the preliminary drafts of the proposed Zoning Ordinance amendments related to emergency shelter for the homeless, transitional and supportive housing, and reasonable accommodation, and a summary table and approach for modifications to the secondary dwelling unit and accessory buildings/structures ordinances.

The schedule and process graphic on the next page shows the sequence of steps and timing for the Housing Element update process. The approach conforms to the City's Community Engagement Model (CEM), which has been used effectively by the City in the past as a guide for comprehensive community involvement in important City decisions, and has provided outreach to all economic segments of the community.

Section II

Housing Goals, Policies and Programs

A Why is Housing Important?



The Housing Element's intent with respect to housing needs in Menlo Park is expressed in two ways. The first is in the form of goals and objectives sought by the community. A goal is an ideal to strive for — or the desired state of things at some point in the future. Objectives are defined steps toward a goal, which measure progress and should be expressed in quantified terms or targets. State

law requires that the City's housing objectives establish the maximum number of housing units that the City will strive to be constructed, rehabilitated or conserved between ~~2007-2014~~2014-2022.

The second, and more specific aspect of the Housing Element, are policy statements and implementation programs. These describe the way citizens, local government and other involved agencies or organizations can achieve objectives, and move closer to the City's goals. Policies establish a recognized community position on a particular subject. Implementing programs are more detailed actions that the City, or other identified entity, will implement to ensure the attainment of the Housing Element's goal and objectives. The discussion below provides summary information on key trends and issues facing the City of Menlo Park as they relate to the Housing Element.

Critical questions facing the community are:

- **What Kind of Housing Do We Need?** What kind of housing (size, type, and price) best fits our housing needs, including the needs of our workforce, our growing senior population, young families, etc., and their ability to pay for housing?
- **How Can We Effectively Help Special Needs Groups?** Where can specialized housing be located and what can be done to assist those households with special needs, including, but not limited to the elderly, homeless, people living with physical or emotional disabilities?
- **How Can We Effectively Work Together?** What can the City do — in collaboration with the community, community organizations, other agencies, non-profits and for-profit developers — to encourage the construction of needed workforce, affordable and special needs housing?

- **Where Can We Appropriately Put New Housing?** Where in our community should additional residential units be accommodated, especially those that can meet future housing needs?

Below are some of the key **regional and national** trends affecting Menlo Park now and into the future. The intent of the Housing Element is to strive to **address-respond to** these **concernstrends as they affect housing choices in the community**.



THE MILLENNIAL GENERATION WILL INCREASINGLY DEFINE THE HOUSING MARKET

The Millennial generation (individuals between the ages of 20 and 34 years old) will increasingly define the housing market over the coming decade. The Millennial generation is a growing force in the housing and job market and their preferences will shape our communities in the future. Millenials have consistently expressed a preference for dense, mixed-use, walk-able and bike-able communities, according to studies by the Urban Land Institute. They want to be near work, near schools for their children, and be close to public transportation. These amenities, along with safety and schools, are the top priorities for the Millennial generation. Menlo Park, with the multiple activities and transit available in downtown and new jobs at Facebook and other locations, is a prime location for Millenials.

Due to this generation's age and the recent recession, Millenials have been less likely to live on their own or own a home, but this is now changing. As the economy improves, there will likely be a pent-up demand for housing among Millennials. Many studies have shown that Millennials rent apartments and buy homes at a rate less than previous generations. Instead, many Millennials have moved in with their parents or choose to live with roommates. Many have speculated that Millenials may be a "generation of renters," but as the economy picks back up and aging occurs, this conclusion may change. Approximately 69 percent of Millenials expect their next move to be to a house they own.

Millennials are also value-conscious. They have less money than their older counterparts, in part because they have not had time to build up savings. They also must contend with higher rates of debt and a slow job market.



THERE WILL BE INCREASES IN SENIOR HOUSING AND INCREASES IN SINGLE-PERSON HOUSEHOLDS

As baby boomers age, there will be a “silver tsunami.” Ensuring safe, desirable options for aging seniors will require advance planning. Over the next decade about one-third of the new households created in Menlo Park are expected to be single-person households due to the aging of the population and personal choices. The number of seniors in San Mateo County will increase dramatically over the next decade and a half, as the large baby boomer generation ages. According to studies by the American Association of Retired Persons (AARP), the vast majority of seniors want to “age in place,” or remain in their current home or in their community, as long as possible.

Seniors have special housing needs as a result of limited income and mobility issues, which should be explicitly addressed to accommodate this growing population. Many seniors live on fixed incomes, which limits their housing options and also puts them at risk of being displaced. Seniors who are renters are at particularly high risk for being displaced by increasing rents. Seniors in San Mateo County typically see their income reduce by half as they age from their 50’s to their 80’s. Further, seniors who own their home are often house rich but income poor.

Assuming national trends hold and 90 percent of seniors stay in their home, a large number, more than ten thousand San Mateo County seniors, will be looking to move in the coming years. Many seniors prefer to trade down to a smaller home with less upkeep. Safety is also a significant concern for seniors. Additionally, many seniors do not enjoy driving, and walkability and the availability of nearby public transit are very important.



THERE WILL CONTINUE TO BE A SHORTAGE IN WORKFORCE HOUSING AND A HIGH NUMBER OF LOCAL WORKERS WHO COMMUTE DAILY INTO MENLO PARK

San Mateo County has a workforce housing shortage caused by years of rapid economic growth and slow housing growth. This trend is exacerbated by the number of lower-wage jobs, which account for more than one-third of all jobs. For many years, job growth has been faster than housing production. This has caused a shortage in workforce housing. As Silicon Valley has grown, smart, hard working, talented people from all over the world have flocked to the area for the opportunities, promise and culture of innovation. However, by and large, new workers have had to move to other counties to live. While for many years Silicon Valley has led California in job growth, the opposite is true for housing. Of California’s 58 counties, San Mateo County was last in terms of percent of

housing growth from 2000 to 2010. Santa Clara County was only slightly better, ranking 40th out of 58. From 1990 to 2000, San Mateo County was 54th and Santa Clara was 26th (1990, 2000 and 2010 US Census).

Job growth in San Mateo County has been picking up steadily since the recession, and is anticipated to be strong through the coming five years. According to the Association of Bay Area Governments, job growth is anticipated to average 1.7 percent annually (5,800 new jobs) in San Mateo County from 2010-2020. In contrast, the number of new homes grew four percent over ten years (2000 and 2010 U.S. Census). Job growth over the past decade has also been largely in the lower-income sectors.

In San Mateo County, the demand for housing will far outstrip the supply, with the problem being much more acute for affordable housing. While San Mateo County has a steadily climbing median income among residents, it also has a growing income disparity between its higher income residents and lower-income workers who live outside the county. According to the San Mateo Housing Needs Study (San Mateo County Department of Housing), by 2025 the housing supply will only meet one-third to one-half of the demand for housing. This growing housing shortage is particularly a problem for lower-income families and individuals, who currently cannot find affordable housing in San Mateo County. Projections show that this will continue to develop into a deficit of 21,000 units by 2025 (San Mateo Housing Needs Study).



THERE WILL BE INCREASED DIVERSITY

San Mateo County, like California as a whole, is diversifying rapidly. According to 2010 U.S. Census data, San Mateo County is a “majority-minority” county — that is, no one racial group makes up over 50 percent of the population. The two racial groups growing the most rapidly in San Mateo County are Asians and Latinos. According to the 2010 U.S. Census, regional Plan Bay Area, adopted on July 18, 2013, Latinos will emerge as the increase in the Asian-largest ethnic group, increasing from 23 percent to 35 percent of the total population in the Bay Area by 2040. is largely due to recent immigration. The Latino population in San Mateo County is mostly growing due to “natural increases,” (i.e., births are exceeding deaths) According to demographic data, Latino families often have more children than families of other groups, partially because the Latino population is younger. Both the California Department of Finance, as referenced in the regional Plan Bay Area, both Asian and Latino families are more likely to live in multigenerational households, though this trend diminishes as people have been in the United States for a longer period of time. In

addition, recent immigrants are more likely to be linguistically isolated, which ~~could~~ create problems for the provision of services.

SUSTAINABILITY AND CLIMATE ACTION PLANNING STRONGLY RELATE TO PLANNING FOR HOUSING



Sustainability generally means living in a way that does not compromise the ability of future generations to enjoy the same quality of life. Housing affects sustainability in many ways including water quality, air quality, use of resources and climate change. Housing has both direct effects (heating, cooling and powering homes) and indirect effects (transportation patterns). Additionally, housing patterns influence the amount people drive. ~~Promoting walk-able, transit-oriented neighborhoods is the single greatest thing that a community can do to promote sustainability.~~

Climate change, caused in part by the release of carbon dioxide and other gases, is an important issue in California and in San Mateo County. Major concerns include potential for rising sea levels and decreased water supplies due to smaller snow packs. ~~Additionally, change of temperature and rain patterns may hurt agricultural parts of the county.~~ Based on maps that assume one meter (a little over three feet) of sea level rise this century, which is expected, San Mateo County is likely to suffer flooding from the Bay and the Ocean.

Housing affects climate change in two ways. The houses themselves take energy to heat, cool and power, and the energy production contributes to climate change. Additionally, housing patterns affect how often and how far people have to drive. Since vehicles contribute over 40 percent of climate change gases in California, and over 50 percent in the Bay Area, finding ways to allow people to drive fewer miles is important. Menlo Park published a Climate Action Plan (CAP) in 2009 that included measures to reduce greenhouse gas emissions. In ~~2011~~ June 2013, the City Council adopted a ~~supplemental report to the CAP, which updated Menlo Park's community~~ greenhouse gas ~~inventories between 2005 and 2009, and also provided a five-year strategy of climate action initiatives~~ reduction target to achieve a 27 percent reduction below the 2005 levels by 2020.

B Housing Goals

The overarching goal of the City of Menlo Park Housing Element is to:

Address community needs for housing by providing a range of housing choices that blend new development into the community consistent with environmental, infrastructure and services needs.

Goal H1 — IMPLEMENTATION RESPONSIBILITIES

Continue to Build Local Government Institutional Capacity and Monitor Accomplishments to Respond Effectively to Housing Needs.

Goal H1 is intended to: (1) define the City's role and responsibilities in implementing the Housing Element; (2) provide information and outreach opportunities for the community; and (3) promote housing opportunities for all persons regardless of age, race, color, sex, sexual orientation, marital status, disability, ancestry, national origin and other barriers that prevent choice in housing.

Goal H2 — EXISTING HOUSING AND NEIGHBORHOODS

Maintain, Protect and Enhance Existing Housing and Neighborhoods.

Goal H2 is intended to encourage the maintenance, improvement and rehabilitation of the City's existing housing stock, the preservation of the City's affordable housing stock and the enhancement of community stability.

Goal H3 — SPECIALIZED HOUSING NEEDS

Provide Housing for Special Needs Populations that is Coordinated with Support Services.

Goal H3 is intended to proactively address the special housing needs of the community, including seniors, disabled individuals and the homeless.

Goal H4 — NEW HOUSING

Use Land Efficiently to Meet Community Housing Needs at a Variety of Income Levels, Implement Sustainable Development Practices and Blend Well-Designed New Housing into the Community.

Goal H4 is intended to: (1) promote the development of a balanced mix of housing types and densities for all economic segments throughout the community, (2) remove governmental and non-governmental constraints on the production, rehabilitation and/or cost of housing where appropriate, and (3) to encourage energy efficiency in both new and existing housing.

C Housing Policies and Implementing Programs



Goal H1 — IMPLEMENTATION RESPONSIBILITIES
CONTINUE TO BUILD LOCAL GOVERNMENT INSTITUTIONAL CAPACITY AND MONITOR ACCOMPLISHMENTS TO EFFECTIVELY RESPOND TO HOUSING NEEDS.

Policies

- H1.1 **Local Government Leadership.** ~~Recognize affordable~~~~Affordable~~ housing ~~is as~~ an important City priority and the City will take a proactive leadership role in working with community groups, other jurisdictions and agencies, non-profit housing sponsors and the building and real estate industry in following through on identified Housing Element implementation actions in a timely manner.
- H1.2 **Community Participation in Housing and Land Use Plans.** Strengthen a sense of community by providing opportunities for community participation, developing partnerships with a variety of groups and providing community leadership to effectively address housing needs. The City will undertake effective and informed public participation from all economic segments and special needs groups in the community in the formulation and review of housing and land use policy issues.
- H1.3 **Neighborhood Responsibilities within Menlo Park.** ~~The City will~~~~s~~Seek ways, specific to each neighborhood, to provide additional housing as part of each neighborhood's fair ~~fair~~ share responsibility and commitment to help achieve community-wide housing goals. This may range from in-lieu fees, secondary dwelling units, higher density housing sites, infill housing, mixed-use or other new housing construction.
- H1.4 **Neighborhood Meetings.** ~~Developers~~~~Encourage developers~~ of major housing projects will be encouraged to conduct neighborhood meetings with residents early in the process to undertake problem solving and facilitate more informed, faster and constructive development review.

- H1.5 **Inter-Jurisdictional Strategic Action Plan for Housing.** ~~The City will~~ eCoordinate housing strategies with other jurisdictions in San Mateo County as appropriate to meeting the City’s housing needs.
- H1.6 **Equal Housing Opportunity.** ~~The City will a~~Actively support housing opportunities for all persons to the fullest extent possible. The City will ensure that individuals and families seeking housing in Menlo Park are not discriminated against on the basis of race, color, religion, marital status, disability, age, sex, family status (due to the presence of children), national origin, or other arbitrary factors, consistent with the Fair Housing laws.
- H1.7 **Local Funding for Affordable Housing.** ~~The City will s~~Seek ways to reduce housing costs for lower income workers and people with special needs by developing ongoing local funding resources and continuing to utilize other local, state and federal assistance to the fullest extent possible. The City will also maintain the Below Market Rate (BMR) ~~Housing-housing~~ program requirements for residential and non-residential developments.
- H1.8 **Organizational Effectiveness.** ~~In recognition that there are limited resources available to the City to achieve housing goals, the City will s~~Seek ways to organize and allocate staffing and community resources effectively and efficiently to implement the programs of the Housing Element. ~~In recognition that there are limited resources available to the City to achieve housing goals~~ ~~in~~ implementing this policy, the City will, to the extent practical:
- a. Provide technical and administrative support, as well as assist in finding outside funding, to agencies and private sponsors in developing and/or rehabilitating housing to accommodate special housing needs.
 - b. Provide representation on committees, task forces, or other forums addressing housing issues at a local, regional or state level.
- H1.9 **Housing Element Monitoring, Evaluation and Revisions.** The City will establish a regular monitoring and update process to assess housing needs and achievements, and to provide a process for modifying policies, programs and resource allocations as needed in response to changing conditions.

Implementing Programs

H1.A **Establish City Staff Work Priorities for Implementing Housing Element Programs.**

As part of the annual review of the Housing (see Program H1.B), establish work priorities to implement the Housing Element related to community outreach, awareness and input on housing concerns and striving to ensure that all City publications, including the City's Activity Guide, include information on housing programs. City staff work priorities specific to the Housing Element include:

- a. Conduct the annual review of the Housing Element.
- b. Review options for funding affordable housing.
- c. Make recommendations to City Commissions on strategies for housing opportunity sites and for funding.
- d. Provide follow-up on housing opportunity sites and funding based on directions provided by the City Council, including working with the community and implementing Housing Element programs.
- e. Conduct community outreach and provide community information materials through an open and non-advocacy process.
- f. Engage property owners in identifying opportunities for the construction of affordable housing.
- g. Pursue unique opportunities where the City can participate in the construction of affordable housing, either on City-owned sites, or through funding or regulatory means.
- h. Develop ongoing and annual outreach and coordination with non-profit housing developers and affordable housing advocates.
- i. Continue to participate in ongoing regional activities related to housing, including participation in ongoing efforts as part of the Countywide 21 Elements effort.

Responsibility: City Commissions; Planning Division; City Manager; City Council
Financing: General Fund
Objectives: Establish staff priorities for implementing Housing Element programs.
Timeframe: Participate in ongoing regional planning activities throughout the Housing Element planning period and develop a work program ~~in 2013~~ as part of the annual review of the Housing Element (see Program H1.B).

H1.B **Review the Housing Element Annually.** As required by State law, the City will review the status of Housing Element programs by April of each year, beginning April ~~2014~~2015. As required by statute, annual review will cover:

- a. Consistency between the Housing Element and the other General Plan Elements. As portions of the General Plan are amended, this Housing Element will be reviewed to ensure that internal consistency is maintained. In addition, a consistency review will be implemented as part of the annual general plan

- implementation report required under Government Code Section 65400.
- b. Statistical summary of residential building activity tied to various types of housing, household need, income and Housing Element program targets.

Responsibility: City Commissions; Planning Division; City Council
Financing: General Fund
Objectives: Review and monitor Housing Element implementation; **conduct public review with the Housing Commission, Planning Commission and City Council, and** submit Annual Report to HCD.
Timeframe: April ~~2014~~**2015 and annually thereafter.**

H1.C Publicize Fair Housing Laws and Respond to Discrimination Complaints. Promote fair housing opportunities for all people and support efforts of City, County, State and Federal agencies to eliminate discrimination in housing by continuing to publicize information on fair housing laws and State and federal anti-discrimination laws. Below are specific aspects of this program:

- a. The City Manager shall designate an Equal Opportunity Coordinator in Menlo Park with responsibility to investigate and deal appropriately with complaints.
- b. Discrimination complaints will be referred to the appropriate agency. Specifically, the City will continue to work with Eden Council for Hope and Opportunity (ECHO) and the San Mateo County Department of Housing in handling fair housing complaints. Calls to the City are referred to ECHO for counseling and investigation. ECHO also provides direct fair housing education to Menlo Park residents.
- c. Enforce a non-discrimination policy in the implementation of City approved housing programs.
- d. The City will provide public information materials and referrals to the Peninsula Conflict Resolution Center (PCRC) and the Landlord and Tenant Information and Referral Collaborative (LTIRC) to assist tenants and landlords in resolving conflicts and understanding their respective rights and obligations.
- e. Information regarding the housing discrimination complaint referral process will be posted on the City's website and available for the public and City staff consistent with Program 1H.D.
- f. As needed, the City will outreach to lenders to increase flow of mortgage funds to city residents.

Responsibility: Planning Division; City Manager; City Attorney
Financing: General Fund
Objectives: Obtain and distribute materials (see Program 1H.D).
Timeframe: ~~2013~~**2014**; ongoing thereafter and in response to complaints.

H1.D Provide Information on Housing Programs. The City will promote the availability of San Mateo County programs for housing construction, homebuyer assistance, rental assistance and housing rehabilitation through the following means: (a) creating a link on the City’s website that describes programs available in the City of Menlo Park and provides direct links to County agencies that administer the programs; (b) including contact information on County programs in City mail-outs and other general communications that are sent to residents; (c) maintaining information on programs at the City’s public counters; (d) training selected City staff to provide referrals to appropriate agencies; (e) distributing information on programs at public locations (library, schools, etc.); and (f) using the activity calendar and public information channel.

Examples of specific information would include:

- a. Fair Housing Laws
- b. Rehabilitation loan programs
- c. San Mateo County Housing Authority information
- d. Housing programs, including rental assistance programs such as Section 8
- e. Code enforcement
- f. Homebuyer assistance
- g. Information about affordable housing

Responsibility: Planning Division
Financing: General Fund
Objectives: Review and obtain materials by June ~~2013~~2014; distribute and post materials, conduct staff training by December ~~2013~~2014; annually update as needed thereafter.
Timeframe: Distribute educational materials at public locations and make public service announcements through different media at least two times a year.

H1.E Undertake Community Outreach When Implementing Housing Element Programs. Coordinate with local businesses, housing advocacy groups, neighborhood groups and others in building public understanding and support for workforce, special needs housing and other issues related to housing, including the community benefits of affordable housing, mixed use and pedestrian-oriented development. The City will notify a broad representation of the community to solicit ideas for housing strategies when they are discussed at City Commissions or City Council meetings. Specific actions should be linked to the preparation and distribution of materials as identified in Programs H1.D. Specific outreach activities include:

- a. Maintain the Housing Element mailing list and send public hearing notices to all interested public, non-profit agencies and affected property owners.
- b. Post notices at City Hall, the library, and other public locations.
- c. Publish notices in the local newspaper.
- d. Post information on the City’s website.

- e. Conduct outreach (workshops, neighborhood meetings) to the community as Housing Element programs are implemented.
- f. Assure that Housing Commission meetings are publicized and provide opportunities for participation from housing experts, affordable housing advocates, special needs populations, and the community as a whole.
- g. Provide public information materials concerning recycling practices for the construction industry, as well as use of recycled materials and other environmentally responsible materials in new construction, consistent with Chapter 12.48, Salvaging and Recycling of Construction and Demolition Debris, of the City of Menlo Park Municipal Code and California Building Code requirements.
- h. Provide public information materials about available energy conservation programs, such as the PG&E Comfort Home/Energy Star new home program, to interested property owners, developers and contractors.
- i. Promote and help income-eligible households to access federal, state and utility income qualifying assistance programs.
- j. Provide public information materials to developers, contractors and property owners on existing federal, state and utility incentives for installation of renewable energy systems, such as rooftop solar panels, available to property owners and builders.

Responsibility: Planning Division
Financing: General Fund
Objectives: Conduct community outreach and distribute materials (see Programs H1.C and 1H.D).
Timeframe: Consistent with implementing programs.

H1.F Work with the San Mateo County Department of Housing. Continue to coordinate with the San Mateo County Department of Housing (DOH) for management of the affordable housing stock in order to ensure permanent affordability, and implement resale and rental regulations for very low, low and moderate-income units, and assure that these units remain at an affordable price level.

Responsibility: Planning Division; City Manager
Financing: General Fund
Objectives: Coordinate with County efforts to maintain and support affordable housing.
Timeframe: Ongoing

H1.G Adopt an Anti-Discrimination Ordinance. Adopt an Anti-Discrimination Ordinance to prohibit discrimination based on the source of a person’s income or the use of rental subsidies, including Section 8 and other rental programs.

Responsibility: City Commissions; Planning Division; City Attorney; City Council
Financing: General Fund

Objectives: Undertake Municipal Code amendment and ensure effective implementation of anti-discrimination policies and enforcement as needed.

Timeframe: 20142016

H1.H **Utilize the City’s Below Market Rate (BMR) Housing Fund.** The City will administer and ~~annually~~ no longer than every two years advertise the availability of funds in the Below Market Rate (BMR) Housing Fund as it applies to residential, commercial and industrial development projects.

Responsibility: City Commissions; Planning Division; City Attorney; City Manager; City Council

Financing: Below Market Rate Housing Fund and General Fund

Objectives: Accumulate and distribute funds for affordable housing.

Timeframe: Ongoing

H1.I **Work with Non-Profits on Housing.** The City will continue to work with non-profits to assist in achieving the City’s housing goals and implementing programs. Coordination should occur on an ongoing basis, and as special opportunities arise as the Housing Element is implemented. Participation of non-profits in an advisory role when implementing housing programs would be desirable to help understand the needs and opportunities for non-profit housing development in the community. The City currently works with and provides partial funding support for Human Investment Project (HIP Housing), Center for Independence of the Disabled (CID), Eden Council for Hope and Opportunity (ECHO), Rebuilding Together; HEART memberships and Peninsula Conflict Resolution Center.

Responsibility: Planning Division; City Manager

Financing: General Fund

Objectives: Maintain a working relationship with non-profit housing sponsors.

Timeframe: Ongoing

H1.J **Update the Housing Element.** In coordination with other jurisdictions in San Mateo County, update the Menlo Park Housing Element to be consistent with State law requirements and to address the City’s RHNA 5 for the 2014-2022 planning period.

Responsibility: City Commissions; Planning Division; City Council

Financing: General Fund

Objectives: Assure consistency with SB375 and Housing Element law.

Timeframe: ~~Participate in ongoing regional planning activities and u~~Update the Housing Element by ~~the end of 2014~~2022.

H1.K **Address Rent Conflicts.** Provide for increased use and support of tenant/landlord educational and mediation opportunities and continue the City's financial contribution to and encourage resident use of the Peninsula Conflict Resolution Center as a vehicle to resolve rental disputes between renters and property owners.

Responsibility: Planning Division; City Manager; City Attorney
Financing: General Fund
Objectives: Resolve rent issues as they arise.
Timeframe: Ongoing

H1.L **Adopt Priority Procedures for Providing Water and Sewer Service to Affordable Housing Developments.** Consistent with SB 1087 (Government Code Section 65589.7), the City will provide a copy of the adopted Housing Element to water and sewer providers immediately upon adoption and will work with water and sewer providers to adopt written policies and procedures that grant priority for service allocations to proposed developments that include housing units affordable to lower income households.

Responsibility: Planning Division; Department of Public Works (Menlo Park Municipal Water District); City Manager; City Council; California Water Service; O'Connor Tract Coop Water District; West Bay Sanitary District
Financing: General Fund
Objectives: Comply with Government Code Section 65589.7.
Timeframe: ~~2013~~2014 (*Delete program if completed this year*)

H1.M **Lobby for Changes to State Housing Element Requirements.** In coordination with other jurisdictions in San Mateo County, as appropriate, lobby for modifications to State Housing Element requirements to address unfunded State mandates and enable a more community-driven process and more local control in developing appropriate housing policies and programs. Specific modifications to State requirements include, but are not limited to, the following:

- a. Enable State projections and the development of regional housing needs to be a more transparent process, subject to public hearings and peer review.
- b. Enable more consideration of local issues such as water supply, infrastructure needs, schools, roadway improvements, as well as the fiscal demands that come with providing additional city services to new residents.
- c. Address unfunded mandates and expenses local governments must incur to comply with State requirements, especially when rezoning of sites to meet State mandated densities is required.
- d. Assist local governments in meeting their affordable housing requirements and the resulting need for additional schools and infrastructure required (water, waste water, etc.).

- e. Recognize the importance of second units as a particularly viable mechanism to address housing needs in providing housing for family members, students, the elderly, in-home health care providers, the disabled and others at below market prices, and allow jurisdictions to use GIS to count illegal second units, and if an amnesty plan is adopted, allow cities to count a high percentage of the illegal units toward the housing need.
- f. Provide greater flexibility to allow a city to mix affordable housing with community serving retail, like a grocery store, that may make development of affordable housing a more financially attractive to local developers and may increase the likelihood that affordable housing will be built (and in a sustainable fashion where dependence on the automobile is reduced).
- g. Recognize that in high housing cost localities, like Menlo Park, higher density zoning may not necessarily produce affordable housing and results in incentives for developers to build market rate housing rather than affordable housing. Modify Government Code Section 65583.2 that requires cities to zone sufficient property at 30 units/acre as the major mechanism to define affordable housing and for jurisdictions to provide their share of the regional housing need.

Responsibility: Planning Division; City Commissions; City Attorney; City Council; City Manager

Financing: General Fund

Objectives: Work with other San Mateo County jurisdictions, as appropriate, and lobby for modifications to Housing Element law.

Timeframe: Identify possible lobbying efforts as part of Program H1.B (Review the Housing Element Annually). ~~Identify possible lobbying actions as part of the Annual Review of the Housing Element (April 2014 — see Program H1.B).~~



**Goal H2 — EXISTING HOUSING AND NEIGHBORHOODS
MAINTAIN, PROTECT AND ENHANCE EXISTING HOUSING AND NEIGHBORHOODS.**

Policies

- H2.1 **Maintenance, Improvement and Rehabilitation of Existing Housing.** ~~The City will e~~Encourage the maintenance, improvement, and rehabilitation of the City's existing housing stock, the preservation of the City's affordable housing stock, and the enhancement of community stability to maintain and improve the character and stability of Menlo Park's existing residential neighborhoods while providing for the development of a variety of housing types. The provision of open space and/or quality gathering and outdoor spaces shall be encouraged.
- H2.2 **Preservation of Residential Units.** ~~In order to protect and conserve the housing stock, the City will, to the extent permitted by law, l~~imit the conversion of residential units to other uses and ~~will~~ regulate the conversion of rental developments to non-residential uses unless there is a clear public benefit or equivalent housing can be provided ~~to ensure the protection and conservation of the City's housing stock to the extent permitted by law.~~
- H2.3 **Condominium Conversions.** ~~The City will a~~Assure that any conversions of rental housing to owner housing accommodate the tenants of the units being converted, consistent with requirements to maintain public health, safety and welfare. The City will also encourage limited equity cooperatives and other innovative housing proposals that are affordable to lower income households.
- H2.4 **Protection of Existing Affordable Housing.** ~~The City will s~~Strive to ensure that affordable housing provided through government incentives, subsidy or funding, and deed restrictions remains affordable over time, and the City will intervene when possible to help preserve such housing.
- H2.5 **Maintenance and Management of Quality Housing and Neighborhoods.** The City will encourage good management practices, rehabilitation of viable older housing, and long-term maintenance and improvement of neighborhoods.

H2.6 **Energy Conservation in Housing.** ~~The City will e~~Encourage energy efficiency in both new and existing housing and will promote energy conservation in the design of all new residential structures and promote incorporation of energy conservation and weatherization features in existing homes. In addition, the City will support the actions contained in the City’s Climate Action Plan (CAP).

Implementing Programs

H2.A **Adopt Ordinance for “At Risk” Units.** While there are currently no “at risk” subsidized units in Menlo Park, the City will prepare an ordinance requiring a one-year notice to residents, the City and the San Mateo County Department of Housing of all proposed conversions of subsidized housing units to market rents. In addition, the City will establish regular contact with the owners of potential “at risk” units to assure long-term coordination. If the units appear to be in danger of conversion or being lost as affordable housing, the City will establish contact with public and non-profit agencies who may be interested in managing or purchasing the units to inform them of the project’s status and inform tenants of any assistance available. In working with other agencies, the City will ensure that funding sources are identified and timelines for action are executed.

Responsibility: City Commissions; Planning Division; City Attorney; City Council
Financing: General Fund
Objectives: Protect existing affordable housing.
Timeframe: ~~Since no affordable housing developments have been identified as “at risk” of conversion to market rate, this should be a longer-term implementing program for inclusion in the next Housing Element covering the 2014-2022 planning period. Coordinate with the timing of Program H1.G for 2014 implementation.~~2016

H2.B ~~Implement Promote~~ **Energy Loan Programs and Improvements.** Promote county, state (Energy Upgrade California), federal and PG&E energy programs for energy assessments and improvements. Seek grants and other funding to supplement City energy conservation activities.

Responsibility: Environmental Division; Building Division; PG&E
Financing: Energy Conservation and PG&E Program Funding
Objectives: Provide loans for 25-50 homes from 2007-20142014-2022.
Timeframe: 2007-20142014-2022

H2.C **Amend the Zoning Ordinance to Protect Existing Housing.** Consistent with State law, the City will amend the Zoning Ordinance to reflect the Housing Element policy of limiting the loss of existing residential units or the conversion of existing residential units to commercial or office space (see Policy H2.2). Zoning Ordinance changes and City activities should address residential displacement impacts, including the following:

- a. Consistency with the Ellis Act — The Ellis Act allows property owners of rental housing to "go out of business."
- b. Regulations used in other communities.
- c. Consideration of a modified replacement fee on a per unit basis, or replacement of a portion of the units, relocation assistance, etc. to the extent consistent with the Ellis Act.
- d. Collaboration between the City, the San Mateo County Department of Housing, Mid-Pen Housing Corporation and others, as needed, to ensure protection of affordable units in Menlo Park.

Responsibility: City Commissions; Planning Division; City Attorney; City Council

Financing: General Fund

Objectives: Protect existing rental housing as part of infill implementation and other Zoning Ordinance changes.

Timeframe: Consider as part of the City's General Plan Update (2014-2015).~~2014~~

H2.D Assist in Implementing Housing Rehabilitation Programs. The City will continue to target Belle Haven as a primary area for rehabilitation to prevent existing standard units, both single family and apartments, from becoming deteriorated and to significantly reduce the number of seriously deteriorated units. Emphasis will be placed on the rehabilitation of apartments along Pierce Road. In addition, the City will:

- a. Continue to work with and refer people to the San Mateo County Department of Housing/ Programs including the Single Family Ownership Rehabilitation Program and the Multi-Family Rental Rehabilitation program.
- b. Encourage private sponsors to develop and maintain housing units using state and federal housing assistance programs for emergency and other repairs.
- c. Work with San Mateo County to compete for Community Development Block Grant funds to ensure continuation of the Single Family Ownership Rehabilitation Program for low- and very low-income families in the community.
- d. Investigate possible use of housing rehabilitation loans to assist homeowners in implementing the City's secondary dwelling unit programs.

Responsibility: Planning Division; Building Division.

Financing: Outside subsidy

Objectives: Investigate use of housing rehabilitation loans (2015). Provide loans to rehabilitate very low and low income housing (20 loans in total, with 16 loans made from 2007-2011 plus 4 more from 2012-20142014-2022).

Timeframe: ~~2007-2014~~2014-2022



**Goal H3 — SPECIALIZED HOUSING NEEDS
PROVIDE HOUSING FOR SPECIAL NEEDS
POPULATIONS THAT IS COORDINATED WITH
SUPPORT SERVICES.**

Policies

- H3.1 **Special Needs Groups.** ~~The City will e~~Encourage non-profit organizations and private developers to build and maintain affordable housing for groups with special needs, including the needs of seniors, people living with disabilities, the homeless, people with HIV/AIDS and other illnesses, people in need of mental health care, single-parent families, large families and other persons identified as having special housing needs.
- H3.2 **Health and Human Services Programs Linkages.** ~~As appropriate to its role, the City will a~~Assist service providers to link together programs serving the needs of special populations to provide the most effective response to homelessness or persons at risk of homelessness, youth needs, seniors, persons with mental or physical disabilities, substance abuse problems, HIV/AIDS, physical and developmental disabilities, multiple diagnoses, veterans, victims of domestic violence and other economically challenged or underemployed workers.
- H3.3 **Incentives for Special Needs Housing.** ~~The City will u~~Use density bonuses and other incentives to assist in meeting special housing needs, including housing for lower income elderly and disabled.
- H3.4 **Adaptable/Accessible Units for the Disabled.** ~~The City will e~~Ensure that new multi-family housing includes units that are accessible and adaptable for use by disabled persons in conformance with the California Building Code. This will include ways to promote housing design strategies to allow seniors to “age in place” or in the community.
- H3.5 **Transitional and Supportive Housing.** ~~The City of Menlo Park r~~Recognizes the need for and desirability of transitional and supportive housing and ~~will~~ treat transitional and supportive housing as a residential use that will be subject ~~only~~

to the same restrictions that apply to other residential uses of the same ~~type in the same~~ zone.

- H3.6 **Rental Assistance Programs.** ~~The City will e~~Continue to publicize and create opportunities for using available rental assistance programs, such as the project-based and voucher Section 8 certificates programs, in coordination with the San Mateo County Department of Housing (DOH) and other entities.
- H3.7 **Emergency Housing Assistance.** Participate and allocate funds, as appropriate, for County and non-profit programs providing disaster preparedness and emergency shelter and related counseling services.
- H3.8 **Coordination with Other Agencies in Housing the Homeless.** ~~The City will actively e~~Engage ~~with~~ other jurisdictions in San Mateo County to support long-term solutions for homeless individuals and families in San Mateo County, and to implement the Shelter Plus Care Program¹ or similar activities. The City will allocate funds, as appropriate, for County and non-profit programs providing emergency shelter and related support services.
- H3.9 **Local Approach to Housing for the Homeless.** ~~The City of Menlo Park s~~Supports a “housing first” approach to addressing homeless needs, consistent with the Countywide HOPE Plan. “Housing first” is intended to provide homeless people with housing quickly and then provide other services as needed, with a primary focus on helping individuals and families quickly access and sustain permanent housing. The City also recognizes the need for and desirability of emergency shelter housing for the homeless and will allow a year-round emergency shelter as a permitted use in specific locations to be established in the Zoning Ordinance. ~~Designated site(s) must be located within one-quarter mile of a bus stop that provides service 7 days a week, since this could be considered a reasonable distance for a person to walk to/from a bus stop.~~
- In addition, the following would apply:
- a. ~~In recognition that homeless Veterans are a special need in San Mateo County, the City will work with the Veteran’s Administration in Menlo Park to identify possible programs and locations for housing and support services for homeless veterans. The City will encourage a dispersion of facilities to avoid an over-concentration of shelters for the homeless in any given area. An over-concentration of such facilities may negatively impact the neighborhood in which they are located and interfere with the “normalization process” for~~

¹ Shelter Plus Care Program provides rental assistance that, when combined with supportive services,

~~clients residing in such facilities.~~

- b. The City will encourage positive relations between neighborhoods and providers of permanent or temporary emergency shelters. Providers or sponsors of emergency shelters, transitional housing programs and community care facilities shall be encouraged to establish outreach programs within their neighborhoods and, when necessary, work with the City or a designated agency to resolve disputes.
- c. It is recommended that a staff person from the provider agency be designated as a contact person with the community to review questions or comments from the neighborhood. Outreach programs may also designate a member of the local neighborhood to their Board of Directors. Neighbors of emergency shelters shall be encouraged to provide a neighborly and hospitable environment for such facilities and their residents.
- d. Development standards for emergency shelters for the homeless located in Menlo Park will ensure that shelters would be developed in a manner which protects the health, safety and general welfare of nearby residents and businesses, while providing for the needs of a segment of the population as required by State law. Shelters shall be subject only to development, design review and management standards that apply to residential or commercial development in the same zone, except for the specific written and objective standards as allowed in State law.

Implementing Programs

- H3.A **Zone for Emergency Shelter for the Homeless.** The City will establish an overlay zone to allow emergency shelters for the homeless to address the City's need for providing **at least** 16 beds to address homeless needs in the community. Appropriate locations for the overlay zoning will be evaluated based on land availability, physical or environmental constraints (e.g., flooding, chemical contamination, slope instability), location (e.g., proximity to services, jobs, and transit), available acreage (i.e., vacant or non-vacant sites), compatibility with surrounding uses and the realistic capacity for emergency shelters. In reviewing potential non-vacant sites, the potential for reuse or conversion of existing buildings to emergency shelters will be considered. ~~Based on review of other facilities in the Bay Area, it is estimated that about one-quarter to one-half acre of land would be needed to address Menlo Park's homeless needs. The overlay zone designation will cover between 1 to 3 acres of land to provide a choice of potential sites if and when a facility or multiple, smaller facilities are proposed.~~ The City will also investigate the use of local churches providing temporary shelter for the homeless. In addition, the City will establish written and objective standards in the Zoning Ordinance covering:

- a. Maximum number of beds;
- b. Off-street parking based upon demonstrated need;
- c. Size and location of on-site waiting and intake areas;
- d. Provision of on-site management;
- e. Proximity to other shelters;
- f. Length of stay;
- g. Lighting; and
- h. Security during hours when the shelter is open.

Responsibility: Planning Division; City Attorney; City Commissions; City Council
Financing: General Fund
Objectives: Amend the Zoning Ordinance.²
Timeframe: 2014; concurrent with RHNA 5 Housing Element Update.

H3.B Zone for Transitional and Supportive Housing.³ Amend zones to specifically allow residential care facilities, transitional and supportive housing (see definitions), as required by State law. Transitional and supportive housing shall be considered a residential use subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.

Responsibility: City Commissions; Planning Division; City Attorney; City Council
Financing: General Fund
Objectives: Amend the Zoning Ordinance.
Timeframe: 2014; concurrent with RHNA 5 Housing Element Update.~~2013~~

H3.C Adopt Procedures for Reasonable Accommodation. Establish internal review procedures and/or ordinance modifications to provide individuals with disabilities reasonable accommodation in rules, policies, practices and procedures that may be necessary to ensure equal access to housing. The purpose of these procedures and/or

² There must be a realistic potential for redevelopment or reuse within the proposed zone and it must be an appropriate location for a shelter, with access to transportation and services. Within this zone, shelters must be permitted without a conditional use permit or other discretionary action and shelters must be subject to the same development and management standards as other residential or commercial uses within the same zone.

³ (See definitions beginning on page 8) **Supportive housing** is permanent rental housing linked to a range of support services designed to enable residents to maintain stable housing and lead fuller lives. This type of housing has no limit on length of stay, is occupied by the target population (such as low-income persons with disabilities and certain other disabled persons) and is linked to onsite or offsite services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community. **Transitional housing** and transitional housing development mean rental housing operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. Transitional housing is a type of supportive housing used to facilitate the movement of homeless individuals and families to permanent housing. A homeless person may live in a transitional apartment for up to two-years while receiving supportive services that enable independent living.

ordinance modifications is to provide a process for individuals with disabilities to make requests for reasonable accommodation in regard to relief from the various land use, zoning, or building laws, rules, policies, practices and/or procedures of the City.

Responsibility: City Commissions; Planning Division; City Attorney; City Council
Financing: General Fund
Objectives: Amend the Zoning Ordinance and/or modify administrative procedures; create public handout.
Timeframe: 2014; concurrent with RHNA 5 Housing Element Update.2013

H3.D Encourage Rental Housing Assistance Programs. Encourage the use of federal, state and local rental housing programs for special needs populations. Continue to publicize programs and work with the San Mateo County Department of Housing to implement the Section 8 Rental Assistance Program and, as appropriate, assist similar non-profit housing sponsor rental assistance programs. Information will be provided through implementation of Housing Element Program H1.D.

Responsibility: Planning Division; City Manager; San Mateo County Department of Housing and non-profit housing sponsors; U.S. Department of Housing and Urban Development (HUD).
Financing: Outside subsidy
Objectives: Provide assistance at current Section 8 funding levels to assist 235-220 extremely low and very low-income households per year (assumes continued funding of program).⁴
Timeframe: Annually2014-2022

H3.E Investigate Possible Multi-Jurisdictional Emergency Shelter. Pursuant to State law requirements, and as the opportunity arises, the City will consider participation in a multi-jurisdictional emergency shelter, should one be proposed in the future.⁵

Responsibility: City Commissions; Planning Division; City Manager; City Attorney; City Council
Financing: General Fund; other sources
Objectives: Coordinate in the construction of a homeless facility (if determined feasible)
Timeframe: Since there currently are no plans for a specific facility, this is a longer-term implementing program.

H3.F Assist in Providing Housing for Persons Living with Disabilities. The City will continue to contribute financial support for the programs of the Center for the

⁴ Source of data Housing Leadership Council of San Mateo County (<http://www.hlcsmc.org/data/affordable-housing>) from the San Mateo County Department of Housing (Housing Authority)

⁵ State law allows adjacent jurisdictions to collaborate on the provision of a homeless facility that meet homeless needs in both communities.

Independence of the Disabled and other non-profit groups that improve housing opportunities for disabled persons.

Responsibility: City Commissions; Planning Division; City Manager; City Attorney; City Council

Financing: General Fund; other sources

Objectives: Provide housing and services for disabled persons.

Timeframe: ~~2014~~Ongoing

H3.G Develop Incentives for Special Needs Housing. The City will initiate a Zoning Ordinance amendment, including review of the R-L-U (Retirement Living Units) Zoning District, to ensure it is consistent with Housing Element policies and fair housing laws, and to develop density bonus and other incentives for needed senior housing, senior care facilities and other special needs housing for persons living with disabilities in the community. Emphasis will also be placed on ways to facilitate the development of housing for seniors with very low, low and moderate incomes. Below are specifics:

- a. The regulations should address the changing needs of seniors over time, including units for independent living and assisted living as well as skilled nursing facilities.
- b. The City will continue to allow the development and expansion of housing opportunities for seniors and special needs persons through techniques such as smaller unit sizes, parking reduction and common dining facilities when units are sponsored by a non-profit organization or when developed under the Retirement Living Unit (RLU) District provisions of the Zoning Ordinance.

Responsibility: City Commissions; Planning Division; City Manager; City Attorney; City Council

Financing: General Fund; other sources

Objectives: Amend the Zoning Ordinance to provide opportunities for housing and adequate support services for seniors and people living with disabilities.

Timeframe: Consider as part of the City's General Plan Update (2014-2015)~~2014~~

H3.H Continue Support for Countywide Homeless Programs. The City will support activities intended to address homeless needs in San Mateo County. Below are specifics:

- a. The City will work with and support the Veteran's Administration and Haven House emergency shelter programs.
- b. The City will continue to support Human Investment Project (HIP Housing) programs.⁶

⁶ HIP Housing programs include home sharing, rental subsidies and case management for individuals and families. Home Sharing is a living arrangement in which two or more unrelated people share a home or apartment. Each has his/her private room and shares the common living areas. The Self-Sufficiency Program (SSP) provides housing assistance and support services to low-income families with career and

Responsibility: City Commissions; Planning Division; City Manager; City Council; HIP Housing; Veteran’s Administration; InnVision/Shelter Network; HEART (The Housing Endowment and Regional Trust)

Financing: General Fund; other sources

Objectives: Support housing and services for the homeless and at risk persons and families.

Timeframe: 2014 Ongoing

H3.1 **Work with the Veteran’s Administration on Homeless Issues.** The City will work with the Veteran’s Administration to identify possible programs and locations for housing and support services for the homeless, including homeless veterans.

Responsibility: Planning Division; City Manager; City Council, Veteran’s Administration Affairs

Financing: General Fund and outside

Objectives: Coordination in addressing the needs of the homeless veterans.

Timeframe: 2014; ongoing thereafter

educational goals and motivation to become financially self-reliant within 12-24 months. Participants receive subsidized rents or a housing scholarship while they complete an education or job training program and find employment with an adequate income to support their families. While in the program, HIP Housing provides monthly case management and life skills workshops to encourage continued progress.



Goal 4 — NEW HOUSING
USE LAND EFFICIENTLY TO MEET HOUSING NEEDS FOR A VARIETY OF INCOME LEVELS, IMPLEMENT SUSTAINABLE DEVELOPMENT PRACTICES AND BLEND WELL-DESIGNED NEW HOUSING INTO THE COMMUNITY.

Policies

H4.1 Housing Opportunity Areas. ~~Given the diminishing availability of developable land, the City will identify~~ housing opportunity areas and sites where a special effort will be made to provide affordable housing consistent with other General Plan policies. ~~Given the diminishing availability of developable land,~~ Housing Opportunity Areas should have the following characteristics:

- a. The site has the potential to deliver sales or rental units at low or below market rate prices or rents.
- b. The site has the potential to meet special housing needs for local workers, single parents, seniors, small families or large families.
- c. The City has opportunities, through ownership or special development review, to facilitate provision of housing units to meet its housing objectives.
- d. The site scores well for Low Income Housing Tax Credits (LIHTC) subsidy or has unique opportunities due to financing and/or financial feasibility.
- e. For sites with significant health and safety concerns, development may be tied to nearby physical improvements, and minimum density requirements may be reduced.
- f. Site development should consider school capacity and the relationship to the types of residential units proposed (i.e., housing seniors, small units, smaller workforce housing, etc. in school capacity impact areas).
- g. Consider incorporating existing viable commercial uses into the development of housing sites.

H4.2 Housing to Address Local Housing Needs. ~~The City will~~ strive to provide opportunities for new housing development to meet the City's ~~fair~~ share of its Regional Housing Needs Allocation (RHNA). In doing so, it is the City's intent to

provide an adequate supply and variety of housing opportunities to meet the needs of Menlo Park's workforce and special needs populations, striving to match housing types, affordability and location, with household income, and addressing the housing needs of extremely low income persons, lower income families with children and lower income seniors.

- H4.3 **Housing Design.** ~~The City will r~~Review proposed new housing in order to achieve excellence in development design through an efficient process and will encourage infill development on vacant and underutilized sites that is harmonious with the character of Menlo Park residential neighborhoods. New construction in existing neighborhoods shall be designed to emphasize the preservation and improvement of the stability and character of the individual neighborhood.

The City will also encourage innovative design that creates housing opportunities that are complementary to the location of the development. It is the City's intent to enhance neighborhood identity and sense of community by ensuring that all new housing will (1) have a sensitive transition with the surrounding area, (2) avoid unreasonably affecting the privacy of neighboring properties, or (3) avoid impairing access to light and air of structures on neighboring properties.

- H4.4 **Variety of Housing Choices.** ~~In response to the broad range of housing needs in Menlo Park, the City will s~~Strive to achieve a mix of housing types, densities, affordability levels and designs ~~in response to the broad range of housing needs in Menlo Park.~~ Specific ~~item~~s include:

- a. The City will work with developers of non-traditional and innovative housing approaches in financing, design, construction and types of housing that meet local housing needs.
- b. Housing opportunities for families with children should strive to provide necessary facilities nearby or on site.
- c. The City will encourage a mix of housing types, including: owner and rental housing, single and multiple-family housing, housing close to jobs and transit, mixed use housing, work force housing, special needs housing, single-room occupancy (SRO) housing, shared living and co-housing, mobile-homes, manufactured housing, self-help or "sweat-equity" housing, cooperatives and assisted living.
- d. The City will support development of affordable, alternative living arrangements such as co-housing and "shared housing" (e.g., the Human Investment Project's — HIP Housing — shared housing program).

- H4.5 Density Bonuses and Other Incentives for Affordable Housing Development.** ~~The City will u~~Use density bonuses and other incentives to help achieve housing goals while ensuring that potential impacts are considered and mitigated. This will include affordable housing overlay zoning provisions as an alternative to State Density Bonus Law.⁷
- H4.6 Mixed Use Housing.** ~~The City will e~~Encourage well-designed mixed-use developments (residential mixed with other uses) where residential use is appropriate to the setting and to encourage mixed-use development in proximity to transit and services, such as at shopping centers and near to the downtown to support Downtown businesses (consistent with the El Camino Real/Downtown Specific Plan).
- H4.7 Redevelopment of Commercial Shopping Areas and Sites.** ~~The City will e~~Encourage the development of housing in conjunction with the redevelopment of commercial shopping areas and sites when it occurs as long as adequate space for retail services remain.
- H4.8 Retention and Expansion of Multi-Family Sites at Medium and Higher Density.** ~~The City will s~~Strive to protect and expand the supply and availability of multi-family and mixed-use infill housing sites for housing. When possible, the City will avoid re-designating or rezoning multi-family residential land for other uses or to lower densities without re-designating equivalent land for multi-family development and will ensure that adequate sites remain at all times to meet the City's share of the region's housing needs.
- H4.9 Long-Term Housing Affordability Controls.** ~~The City will a~~Apply resale controls and rent and income restrictions to ensure that affordable housing provided through incentives and as a condition of development approval remains affordable over time to the income group for which it is intended. Inclusionary units shall be deed-restricted to maintain affordability on resale to the maximum extent possible (at least 55 years).

⁷ State density bonus law, Government Code Section 65915, was first enacted in 1979. The law requires local governments to provide density bonuses and other incentives to developers of affordable housing who commit to providing a certain percentage of dwelling units to persons whose incomes do not exceed specific thresholds. Cities also must provide bonuses to certain developers of senior housing developments, and in response to certain donations of land and the inclusion of child care centers in some developments. Essentially, state density bonus law establishes that a residential project of five or more units that provides affordable or senior housing at specific affordability levels may be eligible for a "density bonus" to allow more dwelling units than otherwise allowed on the site by the applicable General Plan Land Use Map and Zoning. The density bonus may be approved only in conjunction with a development permit (i.e., tentative map, parcel map, use permit or design review). Under State law, a jurisdiction must provide a density bonus, and concessions and incentives will be granted at the applicant's request based on specific criteria.

- H4.10 Inclusionary Housing Approach.** ~~To increase affordable housing construction, the City will r~~Require residential developments involving five (5) or more units to provide units or an in-lieu fee equivalent for very low, low and moderate-income housing. The units provided through this policy are intended for permanent occupancy and must be deed restricted, including but not limited to single-family housing, multi-family housing, condominiums, townhouses or land subdivisions. In addition, the City will require larger non-residential developments, as job generators, to participate in addressing housing needs in the community through the City's commercial in-lieu fee requirements.
- H4.11 Secondary Dwelling Units.** ~~The City will e~~Encourage the development of well-designed new secondary dwelling units (e.g., carriage houses, attached independent living units, small detached living units) and the legalization of existing secondary dwelling units ~~or conversion of accessory buildings or structures to safe and habitable secondary dwelling units~~ as an important way to provide affordable housing in combination with primary residential uses on low-density lots. ~~Secondary dwelling units must be in compliance with adopted City standards.~~
- H4.12 Fair Share** ~~Fair Share~~ **Distribution of Housing throughout Menlo Park.** ~~The City will p~~Promote the distribution of new, higher density residential developments throughout the city, taking into consideration compatibility with surrounding existing residential uses, particularly near public transit and major transportation corridors in the city.
- H4.13 Preferences for Affordable Housing.** ~~To the extent consistent with Fair Housing laws, the City will i~~Implement BMR housing preferences for people who live or work in Menlo Park ~~to the extent consistent with Fair Housing laws.~~⁸
- H4.14 Infill Housing Adjacent to Downtown.** Create opportunities for a limited number of new housing units in areas adjacent to the El Camino Real/Downtown Specific Plan area to meet the City's ~~fair~~ share of its Regional Housing Needs Allocation (RHNA), support downtown retail activities, and to locate new housing near jobs and transit. New housing opportunities are not intended to significantly change the character of these areas but would allow larger properties to redevelop at higher densities with design review to assure a fit of new housing with the character of the area and adjacent uses.

⁸ Link to Menlo Park BMR Guidelines:
<http://www.menlopark.org/departments/hsg/CurrentBMRGuidelinesMay2011.pdf>

Implementing Programs

~~H4.A — **Modify Development Standards to Encourage Additional Infill Housing.** Review and modify the following development standards based on the most up-to-date empirical studies to allow exceptions and incentives for infill housing located close to transit and services. This program will focus first on lots 10,000 square feet or greater around the El Camino Real/Downtown Specific Plan area, with a maximum of 70 new units possible in the near term. The design character, community vision and potential for additional development in these areas will be considered as part of the City's comprehensive General Plan update. Housing Element policy and program actions should also consider possible expansion to smaller lots.~~

- ~~a. — **Variable Density Standards.** Establish unit densities for studio and one-bedroom units based on “density unit equivalents” or the size of the unit. In addition, develop standards for single-room occupancy (SRO) units.~~
- ~~b. — **Zoning Standards and Development Requirements.** Review Zoning standards and requirements, including Floor Area Ratio (FAR), parking, density and other standards to encourage infill housing. Provide reduced parking standards to support affordable and senior housing development. Modify the R-3 and R-4 districts requirements and/or create new zoning that would be appropriate for high-density housing. Provide for more flexible parking requirements that help to facilitate infill, affordable, transit-oriented and mixed-use development, while at the same time avoiding off-site parking impacts. Examples include joint use parking, off-site parking (currently allowed), allowances for reduced standards depending upon location (such as near transit), parking stall dimensions, “grandfathering” non-compliant buildings and uses, etc.~~
- ~~c. — **Expedite the Review Process and Consider Fee Waivers or Reductions.** In developing requirements for infill development, identify and implement ways to shorten the review process (such as Program H4.I implementation to “Refine Multi-Family and Residential Mixed Use Design Guidelines”) and develop criteria for possible waivers or reductions of development fees where feasible.~~
- ~~d. — **Parcel Consolidation.** Promote parcel consolidation for the assembly of new housing sites to ensure minimum densities are achieved and integrated site planning occurs by (1) identifying priority sites for lot consolidation where common ownership occurs, (2) contacting property owners of contiguous vacant and underutilized sites, (3) conducting outreach to affordable housing developers, and (4) offering the incentives listed above to promote lot consolidation.~~
- ~~e. — **Work with Property Owners.** Conduct outreach with property owners to identify specific incentives for property owners to develop their properties with housing.~~

~~Responsibility: — Planning Division; City Attorney; Planning Commission; City Council~~

~~Financing: — General Fund —~~

~~Objectives: Amend the Zoning Ordinance to encourage smaller units and infill housing.~~

H4.B-A Modify R-2 Zoning to Maximize Unit Potential. Modify R-2 zoning to tie floor area to dwelling units to minimize underutilization of R-2 zoned lots and maximize unit potential, unless unique features of a site prohibit additional units being constructed.

Responsibility: Planning Division; City Attorney; City Commissions; City Council

Financing: General Fund

Objectives: Amend the Zoning Ordinance to minimize underutilization of R-2 development potential.

Timeframe: Consider as part of the City's General Plan Update (2014-2015).2014

~~H4.C Adopt Standards for an "Affordable Housing Overlay Zone." Amend the Menlo Park Zoning Ordinance to establish specific standards and incentives for an affordable housing overlay zone. Specific standards include densities, development standards incentives, parking, building heights, specified level of affordability, allowances for mixed use in order to provide services to residents of the development, etc.⁹ The Affordable Housing Overlay Zone will be applied to housing opportunity sites in the El Camino Real/Downtown Specific Plan area and other key housing opportunity sites that could be designated under this zoning. The affordable housing overlay zoning would also be applicable to the Specific Plan area as a tool to achieve the public benefit densities for affordable housing.~~

~~*Responsibility:* City Commissions; Planning Division; City Attorney; City Council~~

~~*Financing:* General Fund~~

~~*Objectives:* Amend the Zoning Ordinance to provide flexibility and incentives in the application of development standards for affordable projects.~~

H4.BD Implement Inclusionary Housing Regulations and Adopt Standards to Implement State Density Bonus Law. Continue to administer the Below Market Rate (BMR) Housing Program for Commercial and Industrial Developments and the Below Market Rate (BMR) Housing Program for Residential Developments. ~~Review and amend the Zoning Ordinance as follows:~~

- ~~a. Amend the Zoning Ordinance to be consistent with State Density Bonus Law requirements.~~
- ~~b. Re-evaluate BMR program requirements to reduce the cost of providing BMR units and to encourage new BMR units to be built and to identify ways to construct housing affordable to lower income households, including family housing. As part of the BMR program evaluation the City will establish clear policy and criteria for the allocation of~~

⁹ The Town of Corte Madera offers a good example where a committee identified "high potential sites" linked to the City's Affordable Housing Overlay zoning. The Affordable Housing Overlay zone removes barriers to housing development. The recently built San Clemente Place in Corte Madera, providing 79 affordable one-, two- and three- bedroom apartments on a 2.74-acre infill site was developed using the Affordable Housing Overlay zoning. The apartments rent to households earning between approximately \$12,000 and \$73,000. Corte Madera's Affordable Housing Overlay Zone received HUD's Robert L. Woodson Jr. Award.

~~funds from the City's BMR housing fund that prioritizes non-profit development of workforce rental housing affordable to low and very low income households on sites the City has determined to be viable for LIHTC funding by setting aside a substantial portion of the uncommitted BMR fund balance and of future BMR fees received by the City for such development.~~

- ~~e. Update the BMR fee nexus study. If possible, coordinate the update of the BMR nexus fee study with other jurisdictions in San Mateo County as part of the countywide 21 Elements project, which is a collaborative effort among all 21 jurisdictions in San Mateo County to provide assistance and collaborate on housing element implementation.~~
- ~~d. Modify provisions regarding rental housing to be consistent with the Costa-Hawkins Act.~~

Responsibility: Planning Division; City Attorney; City Commissions; City Council
Financing: General Fund
Objectives: Implement requirements to assist in providing affordable housing opportunities in Menlo Park. ~~Amend the Zoning Ordinance to require affordable units in market rate developments and establish State Density Bonus Law incentives.~~
Timeframe: Ongoing ~~Amend the Zoning Ordinance to be consistent with State Density Bonus Law within 60 days of Housing Element adoption. Re-evaluate the BMR program and update the BMR nexus study by 2014.~~

H4.C **Modify BMR Guidelines.** Review and amend the Zoning Ordinance to reduce the cost of providing BMR units and to encourage new BMR units to be built, and to identify ways to construct housing affordable for lower income households, including family housing. As part of the BMR program evaluation the City will establish clear policy and criteria for the allocation of funds from the City's BMR housing fund that prioritizes non-profit development of workforce rental housing affordable to low and very-low income households on sites the City has determined to be viable for Low Income Housing Tax Credits (LIHTC) funding by setting aside a substantial portion of the uncommitted BMR fund balance and of future BMR fees received by the City for such development. The City will also modify provisions regarding rental housing to be consistent with the Costa-Hawkins Act.

Responsibility: Planning Division; City Attorney; City Commissions; City Council
Financing: General Fund
Objectives: Amend the Zoning Ordinance to require affordable units in market rate developments.
Timeframe: Modify the BMR program by 2015.

H4.D Update the BMR Fee Nexus Study. Coordinate the update of the BMR nexus fee study with other jurisdictions in San Mateo County as part of the Countywide 21 Elements project, which is a collaborative effort among all 21 jurisdictions in San Mateo County to provide assistance and collaborate on housing element implementation. Modify fees accordingly following the nexus study.

Responsibility: Planning Division; City Attorney; City Commissions; City Council
Financing: General Fund; collaborative funding effort with other jurisdictions
Objectives: Update to fees consistent with the nexus of potential impacts on affordable housing need.
Timeframe: 2015.

H4.E Modify Secondary Dwelling Unit Development Standards and Permit Process. Continue to encourage secondary dwelling units,¹⁰ and modify the City's current regulations to ~~assure consistency with State law, reduction~~ reduce the in-minimum ~~parcel~~ lot size to 5,750 square feet, and consider; allowances for larger secondary dwelling units, flexibility in height limits, reduced fees (possible reduction in both Planning/Building fees and impact fees as a result of the small size of the units), flexibility in how parking is provided on site and a greater City role in publicizing and providing guidance for the approval of secondary dwelling units ~~as part of the General Plan update~~. Specifics would be developed as part of program implementation.

Responsibility: City Commissions; Planning Division; City Attorney; City Manager; City Council
Financing: General Fund
Objectives: Amend the Zoning Ordinance to reduce the minimum lot size to create greater opportunities for new second units to be built. Achieve Housing Element target for new second units (~~40-40~~ new secondary dwelling units between ~~2012-2014~~2014-2022, with ~~5-5~~ per year) — ~~3-15~~ very low, ~~4-15~~ low and ~~3-10~~ moderate income second units.
Timeframe: ~~Consider as part of the City's General Plan Update (2014-2015). Within 60 days of Housing Element adoption. 2014; ongoing thereafter~~

H4.F Establish a Process and Standards to Allow the Conversion of Accessory Buildings and Structures to a Secondary Dwelling Unit. Undertake a Secondary dwelling Unit Amnesty Program. Allow converted accessory buildings/structures that do not comply with the current secondary dwelling unit ordinance to be reviewed through a new process that establishes an allowance for one or more exceptions from the

¹⁰ Studies conducted on secondary dwelling units conclude that many new secondary dwelling units will be affordable to lower income individuals, regardless of whether they are deed restricted. Some units are made available free of charge to employees or relatives, helping meet the need for extremely low-income households. In other cases, secondary dwelling units are often rented, below the market price typically charged for larger apartments.

secondary dwelling unit development regulations. Modify the existing development regulations of accessory buildings/structures to more clearly distinguish how accessory buildings/structures can be used (such as modifying the regulations to prohibit living areas without main dwelling unit setbacks and/or the number of plumbing fixtures) and consider reduction or waiver of fees. ~~Initiate an amnesty program for secondary dwelling units that do not have permits in order to increase the legal housing stock while striving to ensure the continued affordability of the housing, such as agreement to accept Section 8 vouchers. A specific period of time will be allowed for owners of illegal units to register their units without incurring fines. The City will enact enforcement mechanisms to encourage owners of illegal units to upgrade them, provide additional parking and legalize them. Specific aspects of the program include:~~

- ~~a. Conduct a study to determine the potential number of illegal secondary dwelling units in Menlo Park.~~
- ~~b. Establish specific standards legalized units must meet to be legalized.~~
- ~~c. Establish a specific window in time for the amnesty program to be implemented.~~
- ~~d. Provide extensive community wide publicity and targeted publicity for the legalization program.~~

Responsibility: Planning Division; Building Division; City Manager; City Attorney; City Council; Fire District; Department of Public Works (Menlo Park Municipal Water District); California Water Service; O’Connor Tract Coop Water District; West Bay Sanitary District

Financing: General Fund

Objectives: Adopt procedures and requirements ~~to allow conversion of accessory structures and buildings for an amnesty program; 70 secondary dwelling units legalized by 2014, of which 35 would be considered “new” units towards the City’s RHNA (15 new secondary dwelling units — 40-5 very low income, 15-5 low income and 40-5 moderate income units).~~

Timeframe: ~~2014-2015-2014~~; ongoing thereafter

H4.G Implement First-Time Homebuyer Program. The City will continue to work with agencies and organizations offering first-time, moderate income-homebuyers down-payment assistance loans for homes purchased in the city.

Responsibility: Planning Division

Financing: ~~BMR Fund~~; HEART; Union Bank (or other bank affiliated with the program)

Objectives: Provide ~~loans for 40 units between 2007-2014~~ referrals.

Timeframe: ~~2007-2014~~ 2014-2022

- H4.H Work with Non-Profits and Property Owners on Housing Opportunity Sites.** Work with non-profits and property owners to seek opportunities for an affordable housing development. Undertake the following actions on sites zoned R-4-S and/or AHO to encourage development of multi-family, affordable housing:
- a. Work closely with non-profit housing developers and property owners to identify housing development opportunities, issues and needs.
 - b. On larger sites with multiple properties the City will strive to identify opportunities for parcel consolidation to ensure a minimum density of 20 units/acre is achieved and integrated site planning occurs by (1) identifying sites where common ownership occurs, (2) contacting property owners of contiguous vacant and underutilized sites, (3) conducting outreach to affordable housing developers, and (4) offering the incentives contained in the R-4-S and AHO zoning to promote lot consolidation.
 - c. Undertake community outreach as part of the rezoning and, as appropriate, in coordination with the potential developer and property owner.
 - d. Use the affordable housing overlay zone (when adopted — see Program H4.C) to incentivize affordable housing and lot consolidation on specific sites.
 - e. Complete site-planning studies, continue community outreach, and undertake regulatory approvals in coordination with the development application.
 - f. Facilitate development through regulatory incentives, including the establishment of housing as a “permitted use,” the reduction or waiver of City fees, enable the processing of affordable housing development proposals to, as best as possible, fit with the varied financing requirements for the affordable units, use of affordable housing funds, implementation of other Housing Element Programs, and other assistance by City Planning staff in development review.
 - g. Target sites in Downtown and surrounding infill areas and, especially properties where lot consolidation is possible and provide incentives for lot consolidation and property redevelopment with housing.
 - h. Investigate the potential for development of new housing on underutilized commercial and industrial sites, including the creation of residential overlay zoning, to allow for residential development in selected, underutilized industrial areas.
 - i. Establish specific mechanisms to expedite processing of permits for housing projects that include on-site residential units affordable to persons of lower or moderate income. This may include granting priority in scheduling such proposals for public review and priority in plan check and subsequent issuance of building permits.
 - j. Encourage the use of funding techniques such as mortgage revenue bonds, mortgage credit certificates, and low-income housing tax credits to facilitate the development of affordable housing.

Responsibility: City Commissions; Planning Division; City Attorney; City Council
Financing: General Fund
Objectives: ~~Develop~~ Identify incentives and procedures to facilitate development of affordable housing on higher density housing sites.
Timeframe: ~~Undertake items a-d, above, during 2013~~ Ongoing

H4.I **Create Multi-Family and Residential Mixed Use Design Guidelines.** Provide more specific guidance in the appropriate design of multiple family and mixed-use housing development outside of the El Camino Real/Downtown Specific Plan boundary area. The intent would be to more clearly establish City expectations to make the design review process as efficient as possible.

Responsibility: City Commissions; Planning Division; City Attorney; City Council

Financing: General Fund

Objectives: Establish design guidelines for multi-family and mixed use housing developments.

Timeframe: Consider as part of the City's General Plan Update (2014-2015)~~2014~~

H4.J **Consider Surplus City-Owned Land for Housing.** The City will promote the development of housing on appropriate surplus City-owned land.

Responsibility: Planning Division; City Attorney; City Commissions; City Council

Financing: General Fund

Objectives: Identify opportunities for housing as they arise.

Timeframe: Consider as part of the City's General Plan Update (2014-2015)~~2014~~

H4.K **Work with the Fire District.** Work with the Fire District on local amendments to the State Fire Code to pursue alternatives to standard requirements that could otherwise be a potential constraint to housing development and achievement of the City's housing goals.

Responsibility: Fire District; Planning Division; Public Works; Building Division; City Attorney; City Commissions; City Council

Financing: General Fund

Objectives: Undertake local amendments to the State Fire Code and approve City Council Resolution ratifying the Fire District's local amendments.

Timeframe: ~~2014 (in progress)~~ January 1, 2014

H4.L **Coordinate with School Districts to Link Housing with School District Planning Activities.** Work with the four school districts in Menlo Park to coordinate demographic projections and school district needs as the Housing Element is implemented and housing is developed. Consistent with Policy H4.1, site development should consider school capacity and the relationship to the types of residential units proposed.

Responsibility: Planning Division; School Districts; City Manager; City Commissions; City Council

Financing: General Fund

Objectives: Coordinate with local school districts in planning for future housing in consideration of each school districts long-range planning, resources and capacity.

Timeframe: Ongoing with Housing Element program implementation.
Consider as part of the City's General Plan Update (2014-2015).

H4.M Review the Subdivision Ordinance. Review the Subdivision Ordinance to assure consistency with Housing Element policies and implementing actions and update the Ordinance to fully comply with the current Subdivision Map Act and streamline the review and approval process.

Responsibility: Planning Division; Public Works; Building Division; City Attorney; City Commissions; City Council

Financing: General Fund

Objectives: Modify to the Subdivision Ordinance as needed.

Timeframe: Consider as part of the City's General Plan Update (2014-2015).~~Part of the General Plan Update (next Housing Element planning period from 2014-2022).~~

H4.N Create Opportunities for Mixed Use Development. Study modifications to zoning to allow residential uses in commercial zones dependent on proximity to other services and transit and the preservation of viable local-serving commercial uses.

Responsibility: Planning Division; Public Works; Building Division; City Attorney; City Commissions; City Council

Financing: General Fund

Objectives: Conduct study to determine appropriate locations for housing in commercial zones.

Timeframe: Consider as part of the City's General Plan Update (2014-2015).~~Part of the General Plan Update (next Housing Element planning period from 2014-2022).~~

~~**H4.O Implement Actions in Support of High Potential Housing Opportunity Sites.**~~

~~Undertake actions, including rezoning of adequate sites at 30 units or more per acre and the use of the Affordable Housing Overlay Zone (see Program H4.B) in support of affordable housing opportunities on high potential housing opportunity sites. To facilitate the development of multi-family housing affordable to lower income households, the City will identify and rezone sufficient sites to accommodate at least 500 units with the R4 zoning district or comparable designation, allowing multi-family housing development, primarily residential uses with possible ancillary commercial uses, and a minimum of 30 units per acre. Rezoned sites will be selected as part of the Housing Element update process and will be suitable for residential development, have the capacity for at least 16 units, and will be available for development in the planning period where water and sewer can be provided. Specific actions include:~~

- ~~a. Rezone sites and modify the Zoning Ordinance to accommodate the City's Regional Housing Need Allocation (RHNA).~~
- ~~b. Develop incentives for affordable housing as part of the Affordable Housing Overlay Zone (see Program H4.C).~~
- ~~c. Develop internal City review procedures for affordable projects sponsored by non-profits to enable the processing of affordable housing development proposals to, as best as possible, fit with the varied financing requirements for the affordable units.~~
- ~~d. Consider modifications to the City's R-4 zoning district.~~

~~Responsibility: Planning Division; City Attorney; City Commissions; City Council~~

~~Financing: General Fund~~

~~Objectives: Undertake Zoning Ordinance amendments to enable the construction of affordable housing to achieve the City's RHNA.~~

H4.P-O Review Transportation Impact Analysis Guidelines. Review the City's Transportation Impact Analysis (TIA) Guidelines to reduce the processing time for projects that are not exempt from CEQA.

Responsibility: Planning Division; Public Works; Building Division; City Attorney; City Commissions; City Council

Financing: General Fund

Objectives: Modify Transportation Impact Analysis (TIA) guidelines.

Timeframe: Consider as part of the City's General Plan Update (2014-2015). Part of the General Plan Update (next Housing Element planning period from 2014-2022).

H4.PQ— Update Parking Stall and Driveway Design Guidelines. Review the Guidelines, including driveway widths, back-up distances, and turning templates pertaining to multi-family residential housing.

Responsibility: Planning Division; Public Works; City Commissions; City Council; OA

Financing: General Fund

Objectives: Modify Parking Stall and Driveway Design Guidelines

Timeframe: 2014

H4.QR Achieve Long-Term Viability of Affordable Housing. Work with non-profits and other project sponsors to implement the City's Preferences for Affordable Housing policy (Policy H4.13), as appropriate, and to assure a fair tenant selection process, appropriate project management, high level of project maintenance and upkeep, and coordination with the City departments (such as Planning, Public Works, Police, etc.) and other agencies on an ongoing basis as needed. The City will also encourage project sponsors to conduct outreach with the neighborhood and City decision-makers to identify project design and other concerns.

Responsibility: Planning Division; City Attorney; Public Works; Police; Fire District

Financing: General Fund

Objectives: Establish project management and other ongoing project coordination needs.

Timeframe: As developments are proposed and ongoing thereafter.

H4.RS Review-Modify Overnight Parking Requirements ~~for~~ to Include the R-4-S Zoning District. Work with other City staff and the City Attorney to review and modify Section 11.24.050 [Night Parking Prohibited] of the Municipal Code to incorporate the R-4-S Zoning District as needed.

Responsibility: Planning Division; City Attorney; Police Department; Public Works

Financing: General Fund

Objectives: Modify Section 11.24.050 [Night Parking Prohibited] of the Municipal Code as needed.

Timeframe: 2014

H4.SF Explore Creation of a Transportation Management Association. Explore the creation of a Transportation Management Association focused on the Haven Avenue/Bayfront Expressway area to coordinate grants, shuttles and other forms of transportation to the area as part of the City's comprehensive General Plan update.

Responsibility: City Commissions; Public Works, Planning Division; City Attorney; City Council

Financing: General Fund

Objectives: Explore creation of a Transportation Management Association

Timeframe: Consider as part of the City's General Plan Update (2014-2015).~~2014~~

H4.TU Explore Pedestrian and Bicycle Improvements. Coordinate with the City of Redwood City to explore a pedestrian and bicycle overpass over Highway 101 between Marsh Road and 5th Avenue in Redwood City as part of the City's comprehensive General Plan update.

Responsibility: City Manager; Public Works, City Attorney; City Council, City of Redwood City

Financing: General Fund, Outside Funding Source

Objectives: Coordinate with Redwood City on potential pedestrian and bicycle improvements

Timeframe: Consider as part of the City's General Plan Update (2014-2015).~~2014~~

Section III

Implementation Timeframe

A Overview

The Menlo Park Housing Element is built around preserving and enhancing residential neighborhoods, sustaining the community's character and environmental resources, and fulfilling unmet housing needs. The implementing programs in the Housing Element, as described in the previous section, are intended to address these concerns. In reviewing the list of programs, it is important to



recognize several other concerns: (1) there is limited staffing and budget resources to undertake all of the programs listed immediately; (2) some programs require other funding or actions to occur first; and (3) HCD can offer expedited review for the ~~next Housing Element (for the Draft 2014-2022 planning period)~~ Housing Element if certain programs are implemented, such as programs related to ~~rezoning of higher density housing sites and~~ zoning for emergency shelters, supportive and transitional housing, and zoning for reasonable accommodation.

This section covers all of the implementing programs described in the Housing Element, and represents the City's commitment to take an active leadership role in assuring the implementation of the programs described. It is also the City's intent to: (1) encourage public review and effective participation in all aspects of the planning process; and (2) assure annual review of the Housing Element in order to periodically revise and update this Action Plan as necessary to keep it effective.

B Implementation Summary Table

Menlo Park Housing Element Programs	Time Frame	2014-2022 Housing Element Planning Period Target	Responsible Department or Agency	Source of Funding	
Goal 1 Implementation Responsibilities					
H1.A	Establish City Staff Work Priorities for Implementing Housing Element Programs	Annually	Priorities for implementing Housing Element Programs	P; COM; CM; CC	GF
H1.B	Review the Housing Element Annually	2015 and Annually thereafter	Review and monitoring of Housing Element implementation; submit Annual Report to HCD	P; COM; CC	GF
H1.C	Publicize Fair Housing Laws and Respond to Discrimination Complaints	2014; respond to complaints	Obtain and distribute materials (see Program 1H.D)	P; CM; CA	GF
H1.D	Provide Information on Housing Programs	Annual outreach	Obtain and distribute materials at public locations	P	GF
H1.E	Undertake Community Outreach When Implementing Housing Element Programs	Consistent with program timelines	Conduct public outreach and distribute materials (see Programs H1.C and H1.D)	P	GF
H1.F	Work with the San Mateo County Department of Housing	Ongoing	Coordinate with County efforts to maintain and support affordable housing	P; CM; OA	GF; OF
H1.G	Adopt an Anti-Discrimination Ordinance	2016	Undertake Municipal Code amendment	P; CA; COM; CC	GF
H1.H	Utilize the City's Below Market Rate (BMR) Housing Fund	Ongoing	Accumulate and distribute funds for affordable housing	P; CA; COM; CM; CC	GF; OF
H1.I	Work with Non-Profits on Housing	Ongoing	Maintain a working relationship with non-profit housing sponsors	P; CM	GF
H1.J	Update the Housing Element	2022	Maintain consistency with Housing Element law	P; CA; COM; CC	GF
H1.K	Address Rent Conflicts	Ongoing	Resolve rent conflicts as they arise	P; CA; CM	GF
H1.L	Adopt Priority Procedures for Water and Sewer Service to Affordable Housing Developments	2014	Comply with Government Code Section 65589.7	P; PW; CM; CC; FD; OA	GF; OF
H1.M	Lobby for Changes to State Housing Element Requirements	Annually	Work with other San Mateo County jurisdictions and lobby for changes to State Housing Element law (coordinate with Program H1.B)	P; CA; COM; CM; CC; OA	GF



Menlo Park Housing Element Programs	Time Frame	2014-2022 Housing Element Planning Period Target	Responsible Department or Agency	Source of Funding
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Goal 2 Existing Housing and Neighborhoods

H2.A	Adopt Ordinance for "At Risk" Units	2016	Protect existing subsidized rental housing (coordinate with Program H1.G)	P; CA; COM; CC	GF
H2.B	Promote Energy Loan Programs	2014-2022	Provide loans for 50 homes from 2014-2022	P; E; OA	OF
H2.C	Amend the Zoning Ordinance to Protect Existing Housing	General Plan Update	Protect existing rental housing	P; CA; COM; CC	GF
H2.D	Assist in Implementing Housing Rehabilitation Programs	2014-2022	Provide loans to rehabilitate very low and low income housing (20 loans 2014-2022)	P; B; OA	OF

Goal 3 Specialized Housing Needs

H3.A	Zone for Emergency Shelter for the Homeless	2014	Amend the Zoning Ordinance	P; CA; COM; CC	GF
H3.B	Zone for Transitional and Supportive Housing	2014	Amend the Zoning Ordinance	P; CA; COM; CC	GF
H3.C	Adopt Procedures for Reasonable Accommodation	2014	Amend the Zoning Ordinance and/or modify administrative procedures; create handout	P; CA; CM; COM; CC	GF
H3.D	Encourage Rental Housing Assistance Programs	2014-2022	Provide rental assistance to 220 extremely low and very low income Menlo Park residents annually	P; CM; OA	OF
H3.E	Investigate Possible Multi-Jurisdictional Emergency Shelter	Longer-Term	Construction of homeless facility (if feasible)	P; CA; CM; COM; CC; OA	GF; OF
H3.F	Assist in Providing Housing for Persons Living with Disabilities	Ongoing	Provision of housing and services for disabled persons	P; CA; COM; CC	GF
H3.G	Develop Incentives for Special Needs Housing	General Plan Update	Amend the Zoning Ordinance to provide opportunities for housing and adequate support services for seniors and people living with disabilities	P; CA; COM; CC	GF
H3.H	Continue Support for Countywide Homeless Programs	Ongoing	Support housing and services for the homeless and at-risk persons and families	P; CM; COM; CC; OA	GF; OF
H3.I	Work with Veteran's Affairs on Homeless Issues	2014; ongoing thereafter	Coordination in addressing the needs of homeless	P; CM; CC; OA	GF; OF





Menlo Park Housing Element Programs	Time Frame	2014-2022 Housing Element Planning Period Target	Responsible Department or Agency	Source of Funding
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Goal 4 New Housing

H4.A	Modify R-2 Zoning to Maximize Unit Potential	General Plan Update	Amend the Zoning Ordinance to maximize dwelling unit potential in R-2 zones	P; CA; COM; CC	
H4.B	Implement Inclusionary Housing Regulations	Ongoing	Implement requirements to assist in providing affordable housing opportunities in Menlo Park	P; CA; COM; CC	GF
H4.C	Modify BMR Guidelines	2015	Amend the Zoning Ordinance to require affordable units in market rate developments	P; CA; COM; CC	GF
H4.D	Update the BMR Fee Nexus Study	2015	Update to fees consistent with the nexus of potential impacts on affordable housing need	P; CA; COM; CC	GF
H4.E	Modify Second Dwelling Unit Development Standards and Permit Process	2014; ongoing thereafter	Amend the Zoning Ordinance to create great incentives for second units (40 new second units — 15 very low, 15 low and 10 moderate income units)	P; CA; COM; CC; CM	GF
H4.F	Establish a Process and Standards to Allow the Conversion of Accessory Buildings and Structures to a Secondary Dwelling Unit	2014; ongoing thereafter	Adopt procedures and requirements for conversions (15 new second units — 5 very low, 5 low and 5 moderate income units)	P; CA; CM; B; PW; CC; OA	GF
H4.G	Implement First-Time Homebuyer Program	2014-2022	Provide referrals	P; OA	OF
H4.H	Work with Non-Profits and Property Owners on High Potential Housing Opportunity Sites	Ongoing	Identify incentives and procedures to encourage affordable housing	P; COM; CA; CC	GF; OF
H4.I	Create Multi-Family and Residential Mixed Use Design Guidelines	General Plan Update	Establish design guidelines for multi-family and mixed use housing developments	P; CA; COM; CC	GF
H4.J	Consider Surplus City Land for Housing	General Plan Update	Identify opportunities for housing as they arise	P; CA; CM; COM; CC	GF
H4.K	Work with the Fire District	2014 (in progress)	Undertake local amendments to the State Fire Code	P; B; PW; CA; CM; COM; CC; FD	GF; OF
H4.L	Coordinate with School Districts to Link Housing with School District Planning Activities	Ongoing and part of General Plan Update	Coordinate and consider school districts long-range planning, resources and capacity in planning for housing	P; CA; CM; COM; CC; OA	GF; OF





Menlo Park Housing Element Programs		Time Frame	2014-2022 Housing Element Planning Period Target	Responsible Department or Agency	Source of Funding
H4.M	Review the Subdivision Ordinance	General Plan Update	Modify the Subdivision Ordinance as needed	P; B; PW; CA; COM; CC	GF
H4.N	Create Opportunities for Mixed Use Development	General Plan Update	Conduct study to determine appropriate locations for housing in commercial zones	P; B; PW; CA; COM; CC	GF
H4.O	Review Transportation Impact Analysis Guidelines	General Plan Update	Modify Transportation Impact Analysis (TIA) guidelines	P; B; PW; CA; COM; CC	GF
H4.P	Update Parking Stall and Driveway Design Guidelines	2014	Modify Parking Stall and Driveway Design Guidelines	P; PW; COM; CC; OA	GF
H4.Q	Achieve Long-Term Viability of Affordable Housing	Ongoing	Establish project management and other ongoing project coordination needs	P; PW; CA; POL; FD	GF
H4.R	Modify Overnight Parking Requirements to Include the R-4-S Zoning District	2014	Modify the Municipal Code as needed	P; PW; POL; COM; CC; CA; OA	GF
H4.S	Explore Creation of a Transportation Management Association	General Plan Update	Explore creation of a Transportation Management Association focused on the Haven/Bayfront Expressway area	P; PW; COM; CC; CA; OA	GF
H4.T	Explore Pedestrian and Bicycle Improvements	General Plan Update	Coordinate with Redwood City on potential pedestrian and bicycle improvements overpass over Highway 101 between Marsh Road and 5th Avenue	PW; COM; CC; OA	GF

Legend for the Implementation Summary Table

ELI	Extremely Low Income Housing	CC	City Council
VL	Very Low Income Housing	PC	Planning Commission
Low	Low Income Housing	CM	City Manager
Mod	Moderate Income Housing	CA	City Attorney
Mod+	Above Moderate Income Housing	OA	Outside Agency or Organization
GF	General Fund	B	Building Division
OF	Outside Funding Source	PW	Public Works
COM	City Commissions	P	Planning Division
E	Environmental Division	POL	Police
FD	Fire District		



Section IV

Quantified Housing Objectives

A Overview

State law requires the Housing Element to include quantified objectives for the maximum number of units that the City will strive to be constructed, rehabilitated or conserved between ~~2007-2014~~2014-2022. Policies and programs establish the strategies to achieve these objectives. The City's quantified objectives are described under each program, and represent the City's best effort in implementing each of the programs. Assumptions are based on past program performance and funding availability, construction trends, land availability, and future programs that will enhance program effectiveness and achieve full implementation of the City's housing goals.



~~The new construction objectives shown in the table are based on ABAG Projections 2007 through 2014, the City's RHNA for the 2007-2014 planning period for very low, low and moderate income housing, historic trends, and expectations for new secondary dwelling units. Rehabilitation and conservation objectives are based on specific program targets, including such programs as use of Section 8 rental housing vouchers.~~

B Quantified Objectives Summary Table

The table below summarizes the City's quantified objectives for housing ~~during~~for the ~~2007-2014~~2014-2022 Housing Element planning period. The objectives below should be viewed in light of potential program resources, historical development trends and market conditions. ~~Due to these considerations, they are less than the City's Regional Housing Needs (RHNA) but represent an anticipated summary of what the City is striving to achieve during this Housing Element planning period.~~

~~"New Construction" quantified objectives include anticipated new units over the 2014-2022 planning period based on historic development trends and the available land supply described in Section VII.B (units include secondary dwelling units, infill housing, housing within the El Camino Real/Downtown Specific Plan Area, potential higher density housing sites, BMR units and other market rate housing). "Rehabilitation" quantified objectives are based on the very limited availability of units include rehabilitation loan programs-program funding, and energy weatherization loan programs and replacement of 48 units as part of MidPen's~~

Gateway Apartments development. “Conservation and Preservation” **quantified objectives units** include programs to preserve existing “at risk” affordable housing and continuation of rental housing assistance programs (Section 8 **rental vouchers**) at current program levels.

Menlo Park Quantified Objectives Summary (~~2007-2014~~2014-2022)

Income Category	New Construction	Rehabilitation	Conservation and Preservation
Extremely Low Income	<u>10 20</u>	<u>5 5</u>	<u>150 25</u>
Very Low Income	<u>30 60</u>	<u>15 25</u>	<u>200 130</u>
Low Income	<u>40 100</u>	<u>15 20</u>	<u>100 135</u>
Moderate Income	<u>80 140</u>	<u>10 0</u>	<u>50 60</u>
Above Moderate Income	<u>140 480</u>	<u>0 0</u>	<u>0 0</u>
Total	<u>300 800</u>	<u>45 60</u>	<u>500 350</u>

Section V

Background Overview

A Review of the **1992-2007-2014 Housing Element**

The City's 2007-2014 Housing Element was adopted in May of 2013. The element was developed through an extensive, one-year long process that involved numerous community meetings and discussions of housing strategies. The 2007-2014 Housing Element contains a comprehensive set of policies and implementing programs intended to address effective implementation of the Housing Element, protection and enhancement of existing housing and neighborhoods, strategies to address special housing needs in the community and ways to provide an adequate supply of new housing.

Key Accomplishments of the 1992-2007-2014 Housing Element

The focus on implementation of the current Housing Element was to rezone adequate sites for housing and to create regulatory incentives for housing consistent with State law. As a result, the City accomplished the following in June 2013, immediately following adoption of the 2007-2014 Housing Element:

- a. **Adoption of an Affordable Housing Overlay (AHO) Zone.** The Affordable Housing Overlay zone that establishes specific standards and incentives for affordable housing, including densities, development standards incentives, parking, building heights, specified level of affordability, allowances for mixed use in order to provide services to residents of the development, etc.
- b. **Adoption of High Density Residential, Special (R-4-S) Zone.** The new R-4-S zoning was adopted to facilitate the development of multi-family housing and housing affordable to lower-income households. The sites rezoned allow primarily residential uses with possible ancillary commercial uses, and a minimum of 30 units per acre. In addition, objective and advisory design standards are included in the Zoning Ordinance for projects proposed under this zoning.
- c. **Rezoning.** The City Council approved the following rezoning to assure adequate sites for a variety of housing: (1) 1200 and 1300 blocks of Willow Road rezoned to R-4-S (AHO); (2) the 600, 700 and 800 blocks of Hamilton Avenue rezoned to R-4-S; and (3) the 3600 block of Haven Avenue rezoned to R-4-S (AHO). The Affordable Housing Overlay Zone has also been applied to housing opportunity

sites in the El Camino Real/Downtown Specific Plan area as a tool to achieve the public benefit densities for affordable housing.

- d. **Adoption of Zoning Consistent with State Density Bonus Law.** The City Council amended the Zoning Ordinance to be consistent with State Density Bonus Law requirements.
- e. **Adoption of Modifications to the R-3 (Apartment) Zoning District.** The City Council amended the Zoning Ordinance to create opportunities for higher density housing in infill locations around the El Camino Real/Downtown Specific Plan area in proximity to where services and transit are available.
- f. **Implementation of the Recently Adopted El Camino Real/Downtown Specific Plan.** The recently adopted El Camino Real/Downtown Specific Plan contains opportunities for 680 units to be built. Based on current zoning, densities of over 30 units per acre are permitted on the majority of the sites. Appendix A, Table 2 lists the Assessor Parcel Numbers of opportunity sites. There is also the opportunity for a significant number of affordable units to be built. The Affordable Housing Overlay Zone has been applied to the entire Specific Plan area and is a tool to achieve the public benefit densities for affordable housing.

~~The City has achieved many of the implementing action programs set out in the 1992 Housing Element. In some cases, time and opportunity hindered the accomplishment of some programs. When the Redevelopment Agency and redevelopment funding for housing programs was eliminated by the State of California in 2012, the City has continued to fund some programs through its General Fund. Attached in Appendix B is a matrix that lists all of the 1992 Housing Element programs and describes whether the program has been achieved and if it should be retained, deleted or modified. In this section, the focus is on particular successes of the 1992 Housing Element that should be carried forward and the lessons to be learned from the action programs not achieved.~~

Other Accomplishments of the 2007-2014 Housing Element

The City has continued to implement programs intended to address housing needs in the community and to comply with State law requirements. As part of the 2014-2022 Housing Element update process, the City has also undertaken a process to develop zoning for emergency shelter for the homeless, transitional and supportive housing, reasonable accommodation procedures and the establishment of a process and standards to allow the conversion of accessory buildings and structures to a secondary dwelling unit.

When the Redevelopment Agency and redevelopment funding for housing programs was eliminated by the State of California in 2012, the City continued to fund some programs through its General Plan. In addition, the City issued a Notice of Funding Availability (NOFA) for availability for approximately \$3.2 million in Below Market Rate housing funds to support the acquisition, rehabilitation or new construction of housing that will provide long-term affordability. The funding is intended to fill the financing gap between the projected total development costs and other available funding sources.

Conclusion

The goals, policies and implementing programs contained in the City's 2007-2014 Housing Element are still valid and effective ways to address housing needs in Menlo Park and comply with State law requirements. Minor modifications to policies and programs are needed to assure they are up-to-date for the 2014-2022 planning period.

B Consistency with the Menlo Park General Plan

The Menlo Park General Plan serves as the 'constitution' for development in the city. It is a long-range planning document that describes goals, policies and programs to guide decision-making. All development-related decisions must be consistent with the City of Menlo Park General Plan, of which the Housing Element is but one part. If a development proposal is not consistent with a city's general plan, it must be revised or the plan itself must be amended. State law requires a community's general plan to be internally consistent. This means that the Housing Element, although subject to special requirements and a different schedule of updates, must function as an integral part of the overall Menlo Park General Plan, with consistency between it and the other General Plan elements.

As part of the 2007-2014 Housing Element update and Environmental Assessment of the update ~~will be~~ a series of consistency modifications ~~were made to~~ the City of Menlo Park General Plan. The consistency modifications ~~are intended to~~ ensure that any potential impediments to implementation of the Housing Element are addressed in the ~~addressed in the~~ other elements of the General Plan. ~~In addition, the City will be undergoing a more comprehensive update of its General Plan over the next several years. The General Plan update will provide an opportunity to investigate and assist in implementing several programs as noted in the 2014-2022 Housing Element. (The City is pursuing these modifications concurrently with review and adoption of the Housing Element).~~

Section VI

Housing Conditions and Trends

NOTE: TABLES WITH BLACK BAR ARE UPDATES OR NEW TABLES INCLUDED IN THE EVALUATION OF HOUSING CONDITIONS AND NEEDS COMPARED TO THE ADOPTED HOUSING ELEMENT. The Housing Conditions and Needs section will include edits to some of the text and tables to ensure the easiest possible readability of the document.

A Overall Housing Needs

Population and Jobs Growth

Menlo Park’s population was estimated at ~~32,513~~32,679 in January 2012-2013 (CA Department of Finance). The population grew about ~~four~~three percent from 2000 to 2010, well below the peak growth of 9.8 percent in the 1990’s. In contrast, the ~~four~~three percent growth rate was ~~more than double~~slightly more than the overall growth rate for San Mateo County, but less than half the growth rate of the state. Santa Clara County’s population growth rate was 5.9 percent from 2000 to 2010. Bay Area Plan projections for Menlo Park and other Bay Area cities will be available in 2014. However, population projections from the Bay Area Plan are available now on a county level. The projections show San Mateo County’s population is projected to increase from 718,450 in 2010 to 904,430 in 2040, which is a 26% increase over 30 years, or about a 1% increase in population per year over that time span. Population growth trends are shown in the tables below.

Population Growth						
	Number			Percent Change		
	Menlo Park	County	State	Menlo Park	County	State
1990	28,040	649,623	29,760,021	-	-	-
2000	30,785	707,163	33,871,648	10%	9%	14%
2010	31,700	718,450	37,253,956	3%	2%	10%
2013	32,679	735,678	-	3%	2%	-
2020 (Projected)	34,600	801,300	-	9%	9%	-
2030 (Projected)	36,700	862,800	-	6%	8%	-

Source: Association of Bay Area Governments, Projections 2009; CA Department of Finance (2013); US Census SF1 1990-2010

Population Change

	2000	2010	2013	Projected 2020	Percent Change 2000-2010	Projected Percent Change 2010-2020
Atherton	7,194	6,914	6,893	7,600	3%	3%
Belmont	25,123	25,835	26,316	26,900	2%	4%
Brisbane	3,597	4,282	4,379	5,300	8%	26%
Burlingame	28,158	28,806	29,426	31,700	1%	10%
Colma	1,187	1,454	1,458	1,800	35%	11%
Daly City	103,625	101,072	103,347	118,000	2%	11%
East Palo Alto	29,506	28,155	28,675	37,100	11%	12%
Foster City	28,803	30,567	31,120	31,700	5%	5%
Half Moon Bay	11,842	11,324	11,581	13,400	10%	3%
Hillsborough	10,825	10,825	11,115	12,000	3%	8%
Menlo Park	30,785	32,026	32,679	34,600	3%	8%
Millbrae	20,718	21,532	22,228	23,600	4%	8%
Pacifica	38,390	37,234	37,948	39,300	2%	1%
Portola Valley	4,462	4,353	4,448	4,500	1%	0%
Redwood City	75,402	76,815	79,074	84,400	1%	10%
San Bruno	40,165	41,114	42,828	48,600	7%	12%
San Carlos	27,718	28,406	28,931	30,900	2%	8%
San Mateo City	92,482	97,207	99,061	105,700	3%	10%
South San Francisco	60,552	63,632	65,127	69,700	4%	9%
Woodside	5,352	5,287	5,441	5,600	7%	-2%
San Mateo County	707,163	718,451	735,678	801,300	4%	8%

Source: CA Department of Finance (2010, 2013); Association of Bay Area Governments, Projections 2009

According to the U. S. Census ~~2006-2008 American Community Survey (ACS)~~, about ~~89%~~ of the people who currently work in the City of Menlo Park also live in the City of Menlo Park, and ~~42~~10% of Menlo Park residents currently work in Menlo Park. The percentages differ because there are close to twice as many jobs in Menlo Park as employed residents but, regardless, the share is low compared to most other cities in the Bay Area and is attributable to a range of factors such as affordability and availability of housing that limits the ability to find housing within the City. Another contributing factor is the location and boundary configuration of the City making many other jurisdictions a short commute distance. ~~The tables below show projections for population, households and jobs for the next 15 years for the Bay Area, San Mateo County and the City of Menlo Park's City limits and Sphere of Influence (labeled as the City's Planning Area).~~

Local Workers Commuting

	Employed Jurisdiction Population 2010	In- Commuters	Percent of Workforce In- Commuting	Percent of Population Out- Commuting
Atherton	1,789	1,996	96%	96%
Belmont	9,253	4,853	91%	95%
Brisbane	2,083	5,889	97%	90%
Burlingame	13,318	31,586	95%	88%
Colma	786	3,564	99%	96%
Daly City	46,030	13,337	83%	94%
East Palo Alto	7,737	2,525	87%	95%
Foster City	18,257	17,202	93%	93%
Half Moon Bay	4,369	3,195	78%	79%
Hillsborough	4,081	1,077	91%	97%
Menlo Park	13,616	24,549	95%	90%
Millbrae	7,599	3,924	90%	94%
Pacifica	16,176	2,667	67%	92%
Portola Valley	1,640	945	96%	98%
Redwood City	32,153	42,906	91%	87%
San Bruno	17,159	10,351	91%	94%
San Carlos	12,212	10,955	91%	91%
San Mateo City	40,968	32,665	87%	88%
South San Francisco	30,618	37,691	91%	89%
Woodside	2,428	1,639	95%	96%
San Mateo County	302,934	184,544	61%	61%

Source: 2011 U.S. Census, On The Map

The tables below show projections for population, households and jobs for the next 15 years for the Bay Area, San Mateo County and the City of Menlo Park's City limits and Sphere of Influence (labeled as the City's Planning Area).

Projections for Population, Households and Total Jobs (2000-2025)

Geographical Area	2000	2005	2010	2015	2020	2025	2000-2025 Change
Bay Area Regional Total							
Population	6,783,762	7,096,500	7,341,700	7,677,500	8,018,000	8,364,900	1,581,138
Households	2,400,020	2,583,080	2,667,340	2,784,690	2,911,000	3,039,910	639,890
Persons Per Household	2.69	2.69	2.70	2.70	2.70	2.70	0
Employed Residents	3,452,117	3,225,100	3,410,300	3,633,700	3,962,800	4,264,600	812,483
Jobs	3,753,460	3,449,740	3,475,840	3,734,590	4,040,690	4,379,900	626,440
Employed Residents/Job	0.92	0.93	0.98	0.97	0.98	0.97	1.30
San Mateo County							
Population	707,163	721,900	733,300	766,900	801,300	832,400	125,237
Households	254,104	260,070	264,400	275,680	287,350	299,220	45,116
Persons Per Household	2.74	2.74	2.74	2.74	2.75	2.73	-0.01
Employed Residents	369,725	318,600	330,700	344,700	379,300	408,600	38,875
Jobs	386,590	337,350	346,320	373,370	404,400	439,850	53,260
Jobs/Employed Residents	1.05	1.06	1.05	1.08	1.07	1.08	0.03
Percent of Bay Area Population	10.4%	10.2%	10.0%	10.0%	10.0%	10.0%	-0.5%
Percent of Bay Area Jobs	10.3%	9.8%	10.0%	10.0%	10.0%	10.0%	-0.3%
City of Menlo Park Planning Area (City Limits and Sphere of Influence)							
Population	35,254	35,200	36,200	37,900	39,300	40,600	5,346
Households	14,136	14,180	14,630	15,160	15,710	16,260	2,124
Persons Per Household	2.43	2.42	2.40	2.43	2.43	2.43	0.00
Employed Residents	18,034	15,260	16,520	17,180	18,810	20,170	2,136
Jobs	39,860	28,820	29,400	29,850	30,390	33,450	-6,410
Jobs/Employed Residents	2.21	1.89	1.78	1.74	1.62	1.66	-0.12
Percent of County Population	5.0%	4.9%	4.9%	4.9%	4.9%	4.9%	-0.1%
Percent of County Jobs	10.3%	8.5%	8.5%	8.0%	7.5%	7.6%	-2.7%

Source: ABAG Projections 2009

Projections for Types of Jobs (2000-2025)

Geographical Area	2000	2005	2010	2015	2020	2025	2000-2025 Change
Bay Area Regional Total							
Agriculture and Natural Resources Jobs	24,470	24,170	24,520	24,870	25,070	25,270	800
Manufacturing, Wholesale and Transportation Jobs	863,420	711,380	717,180	763,680	819,010	861,170	-2,250
Retail Jobs	402,670	367,180	347,400	370,880	399,950	453,870	51,200
Health, Educational and Recreational Service Jobs	1,056,030	1,053,510	1,120,700	1,216,120	1,322,650	1,403,080	347,050
Financial and Professional Services Jobs	851,610	780,260	766,860	824,190	893,550	990,840	139,230
Other Jobs	555,260	513,240	499,180	534,850	580,460	645,670	90,410
Total Jobs	3,753,460	3,449,640	3,693,920	3,979,200	4,280,700	4,595,170	841,710
Total Employed Residents	3,452,117	3,225,100	3,410,300	3,633,700	3,962,800	4,264,600	812,483
San Mateo County County							
Agriculture and Natural Resources Jobs	1,910	1,880	1,900	1,910	1,910	1,900	-10
Manufacturing, Wholesale and Transportation Jobs	93,260	71,310	73,940	78,520	84,490	86,860	-6,400
Retail Jobs	45,930	35,460	33,840	36,890	39,030	45,540	-390
Financial and Professional Services Jobs	95,150	89,750	90,990	98,020	104,950	118,880	23,730
Health, Educational and Recreational Service Jobs	94,330	86,080	93,420	102,400	113,320	117,650	23,320
Other Jobs	56,010	52,870	52,230	55,630	60,700	69,020	13,010
Total Jobs	386,590	337,350	346,320	373,370	404,400	439,850	53,260
Total Employed Residents	369,725	318,600	330,700	344,700	379,300	408,600	38,875
Ratio of Jobs to Employed Residents	1.05	1.06	1.05	1.08	1.07	1.08	1.37
City of Menlo Park Planning Area							
Agriculture and Natural Resources Jobs	30	20	20	20	20	20	-10
Manufacturing, Wholesale and Transportation Jobs	9,890	5,960	6,220	6,410	6,650	7,110	-2,780
Retail Jobs	2,900	1,800	1,870	2,180	2,250	2,320	-580
Financial and Professional Services Jobs	14,710	11,640	11,730	11,650	11,660	13,360	-1,350
Health, Educational and Recreational Service Jobs	7,740	5,790	6,090	6,270	6,490	6,650	-1,090
Other Jobs	4,590	3,610	3,470	3,320	3,320	3,990	-600
Total Jobs	39,860	28,820	29,400	29,850	30,390	33,450	-6,410
Total Employed Residents	18,034	15,260	16,520	17,180	18,810	20,170	2,136
Ratio of Local Jobs to Employed Residents	2.21	1.89	1.78	1.74	1.62	1.66	-3.00

Source: ABAG Projections 2009

Employment, Income and Poverty

Menlo Park residents tend to be well educated. Over 93 percent of residents had at least a high school or college degree in 2010 (almost 70 percent had at least a college degree). Approximately 68 percent of residents **who are** age 16 and older were in the work force in 2010, nearly identical to the county rate and a few percentage points higher than the state rate.

Most residents who are in the workforce, 66 percent, were in “management, business, science and arts occupations” significantly more than the rate in San Mateo County or the state. The Census Bureau also analyzes employment by industry. Many Menlo Park residents (28 percent) work in education, health care or social assistance. The next most

common category, with 23 percent of residents, is professional, scientific and management industries.

The median household income for residents in 2011 was ~~just under \$107,900~~ **\$118,022 according to the Association of Bay Area Governments**. Slightly over six percent of households were below the poverty line in 2010. Two of the groups most likely to be poor are seniors and single mothers. Single mothers with children had a poverty rate of more than 18 percent. Seniors had a poverty rate of six or seven percent, depending on their age. Only about one percent of households received food stamps.

Workforce Age, Salary and Education		
	Menlo Park	County
Jobs by Worker Age		
Age 29 or Younger	16%	19%
Age 30 to 54	65%	61%
Age 55 or Older	19%	20%
Salaries Paid by Jurisdiction Employers		
\$1,250 per Month or Less	7%	14%
\$1,251 to \$3,333 per Month	18%	27%
More than \$3,333 per Month	75%	59%
Jobs by Worker Educational Attainment		
Less than High School	7%	9%
High school or Equivalent, No College	10%	13%
Some College or Associate Degree	20%	23%
Bachelor's Degree or Advanced Degree	47%	36%
Educational Attainment Not Available	16%	19%
Total Workers	25,903	303,529

Source: 2011 U.S. Census On The Map

Note: Educational Attainment Not Available is for workers 29 and younger

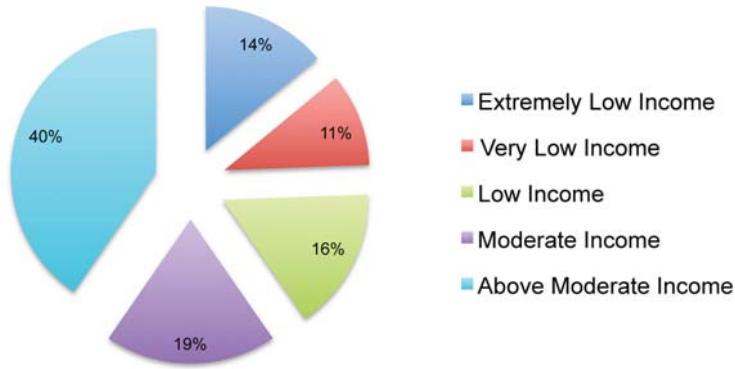
Household Income			
	Menlo Park	County	State
Under \$25,000	10%	12%	21%
\$25,000 to \$34,999	6%	6%	9%
\$35,000 to \$49,999	7%	10%	13%
\$50,000 to \$74,999	11%	16%	17%
\$75,000 to \$99,999	10%	12%	12%
\$100,000+	55%	44%	28%
Poverty Rate	5.2%	7.4%	16%
Total	12,883	256,305	12,433,049
Median Income 2000	\$114,222	\$95,606	\$64,116
Median Income 2011	\$118,022	\$91,958	\$63,816

Source: Association of Bay Area Governments

Note: Adjusted for inflation to 2013 dollars

Distribution of Menlo Park Households by Income (2012)

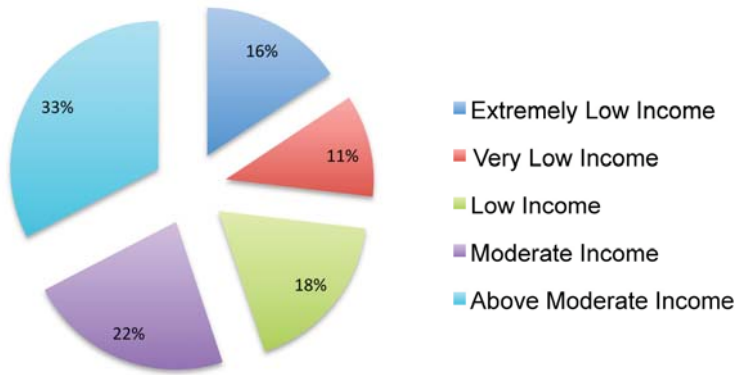
Income Distribution of All Households in Menlo Park (12,388 households)



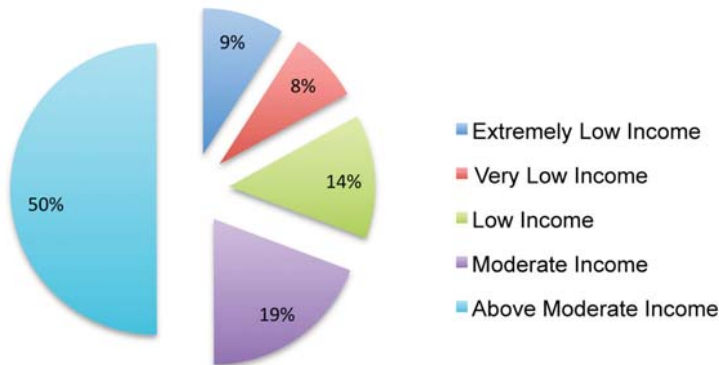
Source: Claritas, 2012 and California Department of Finance, 2012

Distribution of Menlo Park Households by Age and Income (2012)

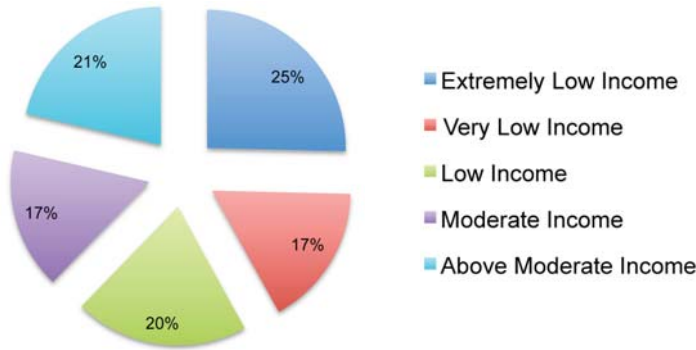
Young Adult Households Up to Age 34 (17% of all households)



Middle Age Households Ages 35 to 64 (60% of all households)



Senior Households Over Age 65 (23% of all households)



Source: Claritas, 2012

Employee Demographics

It is interesting to look at the characteristics of people who work in Menlo Park. The workforce is diverse and does not fit neatly into stereotypes. One pronounced difference between Menlo Park residents and employees is that the workforce is made up of people of all economic levels, while Menlo Park tends to be significantly higher income. Overall, the workforce is more diverse (less likely to be white and more likely to be Asian). While still well educated, the work force is less likely to have a college degree (18% of employees had a high school degree or less). The workforce is made up of people of all ages. Approximately, 18 percent of the workforce was under 30, 63 percent are 30-54 and 20 percent are over 55.

In Menlo Park in 2010, eleven percent of the work force made less than \$15,000 a year. Twenty percent made between \$15,000 and \$40,000 and 68 percent made more than \$40,000. ~~As detailed in the housing need section,~~ Between 2005 and 2025, 40 percent of new homes in San Mateo ~~county~~ County need to be provided at levels affordable to lower income residents to match the need created by new jobs (San Mateo County Department of Housing, San Mateo County Housing Needs Study, 2008).

Distribution of Workforce Salaries in Menlo Park (2010)

Salary	Percent of Workforce
Under \$15,000	11%
\$15,000-\$39,999	20%
Over \$40,000	68%

Source: US Census Bureau, Longitudinal Employer-Household Dynamics Survey.

Population Age



Menlo Park, like the state and nation as a whole, has an increasing senior population as baby boomers near retirement age. From 2000 to ~~2010~~2011, the median age in Menlo Park increased from ~~37.4~~ 37.4 to ~~38.7~~ 40 years of age, slightly older than the median age in California, which was ~~35.2~~ 35 years of age in ~~2012~~ 2011. Presented another way, in 2000, 39 percent of the population was between the age of 20 and 44. However, by 2010, this number had dropped to 34 percent of the population. Correspondingly, the number of residents between the ages of 45 and 65 increased from 21 to 26 percent of the population.

Age of Residents				
	2000		2011	
	Menlo Park	Menlo Park	County	State
Under 5 years	7%	6%	6%	7%
5 to 19 years	17%	17%	18%	21%
20 to 34 years	22%	18%	19%	22%
35 to 44 years	17%	17%	15%	14%
45 to 59 years	18%	23%	22%	20%
60 to 74 years	10%	12%	13%	11%
75 years and over	9%	7%	6%	5%
Median age	37	40	39	35
Total population	30,785	32,084	720,143	37,330,448

Source: 2000 US Census SF1, 2009-2011 American Community Survey

Families and Household Size

In 2000, ~~57-56~~ percent of the population was made up of families. By 2010, that number had increased to 61 percent of the population. This was significantly lower than the state, where ~~69-68~~ percent of households were families, ~~and which is the same as San Mateo county~~County as a whole, where 68 percent of households were families in 2010.

Household Type			
	Menlo Park	County	State
Single person	34%	25%	24%
Family no kids	28%	37%	35%
Family with kids	28%	31%	33%
Multi-person, nonfamily	10%	7%	7%
Total households	12,883	256,305	12,433,049

Source: 2009-2011 American Community Survey

Household Growth

	Number			Percent Change		
	Menlo Park	County	State	Menlo Park	County	State
1990	11,881	242,348	10,381,206	-	-	-
2000	12,387	254,104	11,502,870	4%	5%	10%
2010	12,850	264,400	12,577,498	4%	4%	9%
2020 (Projected)	13,850	287,350	-	7%	8%	-
2030 (Projected)	14,880	310,970	-	7%	8%	-

Source: Association of Bay Area Governments, Projections 2009; US Census SF1 1990-2010

The average household size in Menlo Park was 2.4 in 2000, ~~and 2.45~~ in 2011 ~~and, according to the California Department of Finance, 2.6 persons per household in 2013.~~ This is smaller than the state and county average. A single person lived in 22 percent of owner occupied homes and 39 percent of renter occupied homes. There were fewer large households, with five or more people, in Menlo Park than in county or state. ~~Not surprisingly, large families tend to own their homes.~~ Almost 29 percent of owner occupied homes were large households while only 17 percent of renter occupied homes were large households ~~in 2010 according to the U.S. Census.~~

Comparison of Household Size and Percent of Single-Person and Large Households (2010)

	Menlo Park	San Mateo County	California
Average Household Size 2010	2.5	2.8	2.9
Single Person Households	30%	25%	23%
Large Households (5+ people)	10%	13%	16%

Source: 2010 U.S. Census

Household Size & Owners Versus Renters

		Menlo Park	County	State
2000	Average Household Size	2.4	2.7	2.9
	Percent Owners	57%	61%	57%
	Percent Renters	43%	39%	43%
2011	Average Household Size	2.4	2.7	2.9
	Owners Average Household Size	2.7	2.8	3.0
	Renters Average Household Size	2.1	2.7	2.9
	Percent Owners	54%	59%	56%
	Percent Renters	46%	41%	44%

Source: 2010 US Census SF1, 2009-2011 American Community Survey

~~Almost one quarter of residents, 24 percent, were born in a different country. Some of these residents, approximately five percent of households, are linguistically isolated, where no one over the age of 14 speaks English well. The language spoken by these families varies greatly, with Spanish, Asian languages and other European languages the most common.~~

People Moving

Menlo Park is an attractive location for families because of the good school districts and for Silicon Valley workers because of proximity to jobs. Consequently, many young people have moved into the city. ~~Between~~ According to the U.S. Census, between 2000 and 2010, about 1,875 people in their 20's and 30s have moved to Menlo Park.

Older families are more likely to move out of Menlo Park. This may be because their children finish school and they are looking to trade down to a smaller home. ~~Or, because they-t~~ Older families may also want to cash out the equity they have in their homes. According to the U.S. Census, About about 1,740 people in their 40's, 50's and 60's moved out of Menlo Park between 2000 and 2010, with more than half of this number coming from people in their 40s.

Women in their 80's also were particularly likely to move out, with approximately 200 people in that age group who moved out between 2000 and 2010. Percentage wise, according to the U.S. Census, 17 percent of the women in their 80's moved out of Menlo Park between 2000-2010.

Race and Ethnicity

In 2010, Menlo Park was approximately 74 percent White, 13 percent Asian, and less than six percent African American. Approximately 18 percent of Menlo Park's population is Latino/Hispanic (which is measured separately and not considered a race by the US Census). Statewide, the Latino/Hispanic population was 38 percent in 2010.

Race and Ethnicity			
	Menlo Park	County	State
White	75%	59%	62%
Black	6%	3%	6%
Asian	11%	25%	13%
Other	5%	8%	14%
More than one Race	4%	5%	4%
Hispanic	16%	25%	38%
Not Hispanic	84%	75%	62%
Total population	32,084	720,143	37,330,448

Source: 2009-2011 American Community Survey

Almost one quarter of residents, 24 percent, were born in a different country. Some of these residents, approximately five percent of households, are linguistically isolated, where no one over the age of 14 speaks English well. The language spoken by these families varies greatly, with Spanish, Asian languages and other European languages the most common.

General Housing Characteristics

According to the ~~2010 U.S. Census~~ California Department of Finance –there were ~~13,313~~13,124 homes in Menlo Park ~~in 2010~~as of January 2013. This is about a ~~4.5~~three percent increase from 2000. This rate is ~~slightly higher~~ lower than the ~~3.6~~five percent growth rate for San Mateo County but significantly less than the eleven percent growth rate for the state as a whole. However, it is important to remember that the housing growth rate for San Mateo County was the lowest in the entire state from 2000 to ~~2010~~ 2013.

Comparison of General Housing Characteristics

	Menlo Park	San Mateo County	California
Number of Homes 2013	13,124	272,477	13,552,624
Number of Homes 2000	12,738	260,576	12,214,549
Percent Change 2000-2010	3%	5%	11%
Single family (detached)	55%	57%	58%
Single family (attached)	8%	9%	7%
2 units	3%	2%	3%
3 - 4 units	10%	4%	6%
5 - 9 units	7%	6%	6%
10 -19 units	6%	6%	5%
20+ units	11%	13%	11%
Mobile homes	<1%	1%	4%
Homeowner vacancy rate	1%	1%	2%
Rental vacancy rate	3%	4%	5%
Ownership rate	57%	61%	58%

Source: 2010 ACS ~~and California Department of Finance (2013)~~

Approximately 55 percent of homes were single family detached in 2010. Ten percent of homes were in buildings with three or four units. Another 11 percent were in large complexes, with 20 or more units. The rest were between 5 and 19 units. In 2010, 57 percent of homes in Menlo Park were owner-occupied, the same rate as 2000. This is slightly lower than the rate for San Mateo County (61 percent) and the state (58 percent). Vacancy rates in Menlo Park are low. Approximately ~~3.44~~0 percent of rental units were vacant in ~~2010~~2011, which is considered a tight market based on routine turnover of apartments.

Vacancy Rate				
		Menlo Park	County	State
2000	Owner	0.3%	0.5%	1.4%
	Renter	1.5%	1.8%	3.7%
2011	Owner	0.8%	1.2%	2.2%
	Renter	4.0%	4.0%	5.5%

Source: 2009-2011 American Community Survey, 2000 US Census

Year Structures Built and Potential Housing Problems

Menlo Park has many neighborhoods, some newer and some older. Overall, almost 30 percent of Menlo Park homes were built in the 1950s. Approximately ~~15~~19 percent were built between 1980 and today. Ten percent of homes are at least 80 years old.

Year Structure Built			
	Menlo Park	County	State
Built in 2000 or more recently	6%	5.4%	12%
Built in 1990s	7%	6%	11%
Built in 1980s	6%	9%	15%
Built in 1970s	15%	17%	18%
Built in 1960s	11%	17%	14%
Built 1950s or Earlier	56%	45%	30%
Total	13,623	271,140	13,688,351

Source: 2009-2011 American Community Survey

As can be seen in the table below, slightly over half of the housing units in Menlo Park are 3-bedroom units or larger, with 20% being studio and one-bedroom units. With an average household of 2.6 persons, as of 2013, there is somewhat of a mismatch between the size of the housing available and the need for housing in the community. This situation is indicative of an aging population with seniors living in housing larger than their needs.

Bedrooms			
	Menlo Park	County	State
No bedroom	3%	4%	4%
1 bedroom	17%	16%	14%
2 bedrooms	29%	26%	28%
3 bedrooms	31%	34%	33%
4 bedrooms	15%	16%	16%
5 or more bedrooms	5%	5%	4%
Total	13,623	271,140	13,688,351

Source: 2009-2011 American Community Survey

The U.S. Census defines housing problems as either physical defects, overcrowded units or households that are considered cost burdened and paying more than 30% of their income for housing. The table below shows housing problems in Menlo Park by the income of the household based on the income categories defined under State housing element law. As can be seen in the table, a significant number of households are considered cost burdened.

Housing Problems

	Total Renters	Total Owners	Total Households
Extremely Low Income			
Percent with any housing problems	0%	0%	0%
Cost Burden >30% to 49% of income	13%	8%	11%
Cost Burden >50% of income	66%	67%	67%
Total	640	495	1135
Very Low Income			
Percent with any housing problems	0%	0%	0%
Cost Burden >30%	78%	91%	83%
Total	630	475	1105
Low Income			
Percent with any housing problems	0%	0%	0%
Cost Burden >30%	67%	54%	62%
Total	910	680	1590

Source: CHAS Data 2006-2010

Home Sales Prices and Rents

The median single-family home price in Menlo Park in 2012 was ~~\$1.325~~\$1,468,433. million. This is about a 40.5ten percent increase from the previous year, when the median single-family home price in Menlo Park was ~~\$1.199~~ \$1,339,314-million. The median price of a condominium was (relatively) more affordable, at ~~\$895,000~~\$903,950 in 2012, but that was a 27-24 percent increase from 2011, when the median price of a condominium was ~~\$705,000~~\$726,150. The median home in Menlo Park has regained all of its value since 2007. At the high point in 2007, the median Menlo Park home was worth ~~\$1.19~~\$1,910,000-million. Adjusted for inflation to 2012-2013 dollars, this translates to ~~\$1.31 million~~\$1,310,000, about equal to the value today (sales data from the San Mateo County Association of Realtors, SAMCAR and inflation data from Bureau of Labor Statistics). Below are sales prices for single-family homes and common interest development homes for 2012 in San Mateo County (data from the San Mateo County Association of Realtors, SAMCAR). Home values are determined by Zillow based on generalized sales for a given area and type of house, while sales prices are the actual price paid for a specific property.

Median Home Value

	Single Family			Multi Family		
	Menlo Park	County	State	Menlo Park	County	State
2003	\$1,080,072	\$733,320	\$401,940	\$651,294	\$465,318	\$353,682
2004	\$1,127,541	\$802,821	\$477,486	\$701,961	\$512,910	\$413,895
2005	\$1,296,743	\$939,148	\$576,436	\$772,905	\$586,432	\$498,848
2006	\$1,366,545	\$961,170	\$636,410	\$792,925	\$625,140	\$534,980
2007	\$1,337,952	\$935,536	\$594,272	\$763,168	\$600,432	\$493,920
2008	\$1,320,084	\$865,512	\$485,784	\$739,260	\$554,364	\$412,776
2009	\$1,234,764	\$749,304	\$365,580	\$686,772	\$465,696	\$337,716
2010	\$1,233,496	\$762,910	\$359,948	\$718,933	\$449,507	\$333,733
2011	\$1,168,947	\$691,439	\$330,527	\$622,635	\$390,576	\$300,142
2012	\$1,149,986	\$660,944	\$305,727	\$596,001	\$360,065	\$271,185
2013	\$1,423,600	\$764,000	\$338,200	\$713,900	\$413,300	\$297,700

Source: Zillow Real Estate median home price, based on January estimate of each year, supplemented with median sales price from San Mateo County Association of Realtors.
 Note: Adjusted for inflation to 2013 dollars

Median Home Sale Prices

	Single Family			Multi Family		
	Menlo Park	County	State	Menlo Park	County	State
2005	\$1,710,011	\$939,148	\$576,436	\$987,700	\$586,432	\$498,848
2006	\$1,686,835	\$961,170	\$636,410	\$881,978	\$625,140	\$534,980
2007	\$1,608,688	\$935,536	\$594,272	\$767,200	\$600,432	\$493,920
2008	\$1,675,877	\$865,512	\$485,784	\$1,066,500	\$554,364	\$412,776
2009	\$1,338,999	\$749,304	\$365,580	\$837,000	\$465,696	\$337,716
2010	\$1,401,584	\$762,910	\$359,948	\$873,120	\$449,507	\$333,733
2011	\$1,339,314	\$691,439	\$330,527	\$726,150	\$390,576	\$300,142
2012	\$1,468,433	\$660,944	\$305,727	\$903,950	\$360,065	\$271,185

Source: San Mateo County Association of Realtors, based on actual sales of each year; State based on Zillow/MLS
 Note: Adjusted for inflation to 2013 dollars

The median single-family home price in San Mateo County in 2012 was ~~\$736,000~~\$660,944 and for California as a whole it was ~~\$301,000~~\$305,727. In Santa Clara County, the median home price was \$588,000. Menlo Park's home prices have increased in real dollar terms over the last ten years, while the prices for the state and the county as a whole have not. ~~Below are sales prices for single-family homes and common interest development homes for 2012 in San Mateo County (data from the San Mateo County Association of Realtors, SAMCAR). Following the two SAMCAR tables is additional information compiled from Zillow.com for comparison.~~

Several sources of data have been used to assess rental housing costs — U.S. Census, Craigslist and RealFacts, a private firm that surveys asking rents in the Bay Area. The median rental price for single-family homes was \$4,239 per month in June 2012 according to the Census. For multi-family apartments, the price was \$2,803. Adjusted for size, the median price was \$2.27 per square foot. The US Census listed the median rent

figure as \$1,710 in 2010. The census listed San Mateo County median rent as \$1,443 and the California's median rent as \$1,147. ~~A Craigslist survey of all Menlo Park apartments found a median asking price of \$3,555 (conducted Aug 31, 2012). The median price for various size apartments was as follows:~~

- ~~➤ 0-1 bedroom \$2,387~~
- ~~➤ 2 bedrooms \$3,262~~
- ~~➤ 3 bedrooms \$3,900~~
- ~~➤ 4+ bedrooms \$6,675~~

~~Information from RealFacts and Craigslist are shown in the tables below found the following rents for various size units in Menlo Park. and San Mateo County as a whole in the second quarter of 2012. Over Rents have been rising recently, although over the past two years year average rental prices have increased decreased slightly. by 30% to 50% in Menlo Park, depending on unit size.~~

Average Rents in Menlo Park from RealFacts						
	1 Bdrm 1 Bath		2 Bdrm 1 Bath		3 Bdrm 2 Bath	
	Price	Percent Increase	Price	Percent Increase	Price	Percent Increase
2005	\$1,971		\$1,934	x	\$3,628	
2006	\$2,082	6%	\$1,916	-1%	\$3,820	5%
2007	\$2,209	6%	\$1,996	4%	\$3,866	1%
2008	\$2,224	1%	\$2,031	2%	\$3,830	-1%
2009	\$2,242	1%	\$2,102	3%	\$3,803	-1%
2010	\$2,130	-5%	\$2,094	0%	\$3,572	-6%
2011	\$2,302	8%	\$2,466	18%	\$3,894	9%
2012	\$2,531	10%	\$2,843	15%	\$4,442	14%
2013	\$2,495	-1%	\$2,725	-4%	\$4,177	-6%

*Source: RealFacts Annual Trends Report, based on reporting from large apartment complexes of 50 or more units
Note: Adjusted for inflation to 2013 dollars*

Average Rents in Menlo Park from Craigslist		
	Menlo Park	Survey Size
Studio	\$1,666	4
One Bedroom	\$2,202	18
Two Bedroom	\$3,202	20
Three Bedroom	\$5,537	17
Four Bedroom	\$7,065	6
Average Square Footage	1,419	52
Average Number of Bedrooms	2.3	70
Average Rent	\$4,409	70
Average Rent per Sq. Foot	\$3.11	52

Source: Craigslist Rental Survey conducted in June and July of 2013

Summary of 2013 Rents

	Menlo Park		County	
	RealFacts	Craigslist	RealFacts	Craigslist
Studio	-	\$1,666	\$1,463	\$1,429
One Bedroom	\$2,495	\$2,202	\$2,004	\$1,990
Two Bedroom	\$2,725	\$3,202	\$2,285	\$2,660
Three Bedroom	\$4,177	\$5,537	\$3,400	\$3,758
Four Bedroom	-	\$7,065	-	\$6,418

Source: RealFacts Annual Trends Report, based on reporting from large apartment complexes, Craigslist Survey conducted in June and July 2013

Note: County Craigslist information derived from average of municipal sampling.

Median County Rents from San Mateo County Department of Housing

	Yearly		Yearly	
	1br	Increase	2br	Increase
2003	\$1,580	-9.2%	\$1,916	-7.9%
2004	\$1,503	-4.9%	\$1,806	-5.8%
2005	\$1,472	-2.1%	\$1,698	-6.0%
2006	\$1,523	3.4%	\$1,714	0.9%
2007	\$1,628	7.0%	\$1,840	7.4%
2008	\$1,715	5.3%	\$1,957	6.3%
2009	\$1,672	-2.5%	\$1,871	-4.4%
2010	\$1,555	-7.0%	\$1,760	-5.9%
2011	\$1,600	2.9%	\$1,818	3.3%
2012	\$1,824	14%	\$2,087	15%
2013	\$1,954	7.1%	\$2,234	7.1%

Source: San Mateo Department of Housing

Note: Adjusted for inflation to 2013 dollars



Affordability

Because Menlo Park's housing is so expensive, many people have to stretch to make their monthly rent payment.

Also, many people who work in Menlo Park cannot afford to live in the city. There are a number of consequences of the lack of affordable housing in Menlo Park and Silicon Valley. People who work in the community are forced to

commute long distances. Children and senior citizens may not be able to afford to live in the community where they grew up or grew old. And the long commutes clog our highways and contribute to climate change.

To afford the median priced home in Menlo Park, a family would need to make more than \$260,000. To afford a home that rents at \$3,000 a month, a family would need to make more than \$125,000. Most jobs in Menlo Park and the region do not pay this amount. The difference between what the workforce and the community can pay for housing based on household income and what the prices are for homes in the community is called an affordability gap – and this gap is significant in Menlo Park.

The general rule of thumb is that a household should not spend more than 30 percent of its income on housing. If they do, they are referred to as cost burdened. Many people in Menlo Park are cost burdened to some degree, but it is worse for certain groups. Seniors, large families, low and moderate-income households, and single parent households are most at risk. Households who are cost burdened may be forced to move from their communities or be unable to pay for necessities.

The tables below show the sales and rental affordability gap between household incomes for 2012-2013 established for San Mateo County (see definitions) compared to actual sales and rental costs. As can be seen in the table, sales prices and market rents are not affordable to households earning moderate incomes or below.

Ability to Pay for For-Sale Single Family Detached Homes in Menlo Park

	Annual Income	Maximum Affordable Home Price	Median Priced Single Family Detached Home	Affordability Gap for Single Family Home
Single Person				
Extremely Low Income	\$23,750	\$97,114	\$1,468,433	-\$1,371,319
Very Low Income	\$39,600	\$161,925	\$1,468,433	-\$1,306,508
Low Income	\$63,350	\$259,039	\$1,468,433	-\$1,209,394
Median Income	\$72,100	\$294,818	\$1,468,433	-\$1,173,615
Moderate Income	\$86,500	\$353,699	\$1,468,433	-\$1,114,734
Four Person				
Extremely Low Income	\$33,950	\$138,822	\$1,468,433	-\$1,329,611
Very Low Income	\$56,550	\$231,233	\$1,468,433	-\$1,237,200
Low Income	\$90,500	\$347,655	\$1,468,433	-\$1,120,778
Median Income	\$103,000	\$370,055	\$1,468,433	-\$1,098,378
Moderate Income	\$123,600	\$505,402	\$1,468,433	-\$963,031

Source: Baird + Driskell Community Planning; San Mateo County Association of Realtors; www.hsh.com/calc-howmuch.html

Ability to Pay for For-Sale Condominiums or Townhomes in Menlo Park

	Annual Income	Maximum Affordable Home Price	Median Priced Townhouse or Condominium	Affordability Gap for Condo
Single Person				
Extremely Low Income	\$23,750	\$97,114	\$903,950	-\$806,836
Very Low Income	\$39,600	\$161,925	\$903,950	-\$742,025
Low Income	\$63,350	\$259,039	\$903,950	-\$644,911
Median Income	\$72,100	\$294,818	\$903,950	-\$609,132
Moderate Income	\$86,500	\$353,699	\$903,950	-\$550,251
Four Person				
Extremely Low Income	\$33,950	\$138,822	\$903,950	-\$765,128
Very Low Income	\$56,550	\$231,233	\$903,950	-\$672,717
Low Income	\$90,500	\$347,655	\$903,950	-\$556,295
Median Income	\$103,000	\$370,055	\$903,950	-\$533,895
Moderate Income	\$123,600	\$505,402	\$903,950	-\$398,548

Source: Baird + Driskell Community Planning; San Mateo County Association of Realtors; www.hsh.com/calc-howmuch.html

Note: Maximum Affordable House Price is based on the following assumptions: 4.5% interest rate; 30-year fixed loan; 50% Yearly Salary as Down Payment; 1% property tax; PMI, .5% insurance rate; and no other monthly payments/debt.

Ability to Pay for Rental Housing

	Annual Income	Maximum Affordable Monthly Rent	2012 Market Rent	Affordability Gap
Single Person				
Extremely Low Income	\$23,750	\$594	\$2,495	-\$1,901
Very Low Income	\$39,600	\$990	\$2,495	-\$1,505
Low Income	\$63,350	\$1,584	\$2,495	-\$911
Median Income	\$72,100	\$1,803	\$2,495	-\$693
Moderate Income	\$86,500	\$2,163	\$2,495	-\$333
Four Person				
Extremely Low Income	\$33,950	\$849	\$4,177	-\$3,328
Very Low Income	\$56,550	\$1,414	\$4,177	-\$2,763
Low Income	\$90,500	\$2,263	\$4,177	-\$1,915
Median Income	\$103,000	\$2,575	\$4,177	-\$1,602
Moderate Income	\$123,600	\$3,090	\$4,177	-\$1,087

Source: Baird + Driskell Community Planning; RealFacts (2013)

Note: Estimates based upon upper end of income bracket. Single person analysis based upon 1 bedroom 1 bath unit, four-person estimate is based on 3 bedroom 2 bath unit. Ability to pay is based upon 30% of income devoted to housing.

Households Overpaying for Housing

	Income	Menlo Park		County	State
		Number	Percent		
Owner-occupied	Less than \$35,000	580	71%	68%	68%
	\$35,000-\$74,999	498	51%	53%	54%
	\$75,000+	1,376	27%	33%	27%
Renter-occupied	Less than \$35,000	998	88%	95%	90%
	\$35,000-\$74,999	698	57%	61%	49%
	\$75,000+	309	10%	11%	9%

Source: 2009-2011 American Community Survey

Note: Excludes Households with no income or cash rent.

Based on ~~2000 Comprehensive Housing Affordability Strategy (CHAS) data~~ 2009-2011 American Community Survey (U.S. Census) data, there were ~~2,074~~ 2,005 renter households and ~~1,997~~ 2,454 owner households (total of ~~4,071~~ 4,459 households) overpaying for housing in Menlo Park in ~~2000~~ 2011. Of those overpaying households, ~~2,559~~ 2,774 were lower income (~~1,732~~ 1,696 renter and ~~827~~ 1,078 homeowner lower-income households overpaying). Further, of the lower income households overpaying for housing, there were ~~704~~ 998 renter and ~~428~~ 580 homeowner extremely low-income (ELI) households. Approximately 68 percent of senior renters, 57 percent of large family renters, and 33 percent of the general Menlo Park population, are cost burdened. Using the 30 percent rule, below is an estimate how much people can afford to spend on housing.

How Much Can People Afford to Pay for Housing

Income Level Name	Income Level Range	Maximum Affordability Sales Price	Maximum Rental Price ^H
Extremely Low Income	Under \$30,481	\$125,600	\$762
Very Low Income	\$30,481-\$53,400	\$220,200	\$1,335
Low Income	\$53,401 - \$85,450	\$309,900	\$2,136
Moderate Income	\$85,451 - \$111,750	\$405,300	\$2,794
Above Moderate Income	\$111,750 +	-	-

Assumptions: Mortgage at 4% interest, 30 year fixed rate loan, property tax at 1% and homeowners insurance at 0.25% of home value, down payment based on 50% of annual salary, and maximum front-end ratio of 28%.

At this price, homes are not affordable to many people in the local workforce. Based on the jobs expected in San Mateo County, the workforce housing needs to accommodate all income levels are shown in the table below.

Housing Need Based on New Jobs in San Mateo County (2012)

Income Level Name	New Housing Need Based on New Jobs in San Mateo County	Percent of Recently Sold Homes Available to Different Income Levels
Extremely Low Income	8%	0%
Very Low Income	13%	<1%
Low Income	22%	5%
Moderate Income	14%	12%
Above Moderate Income	44%	-

Source: Zillow database of 1,540 recently sold homes accessed on September 4, 2012. Homes not sold "at arms length" (e.g. sold for \$1) not included.

Overcrowding

One consequence of high housing prices is overcrowding. ~~The general~~The U.S. Census uses a standard is that if there is of more than 1 person per room ~~the home is resulting in a home that is considered~~ overcrowded. If there are more than 1.5 people per room it is considered severely overcrowded. Because this standard uses rooms¹¹ (not bedrooms), two people can share a one-bedroom apartment and not be overcrowded. Menlo Park had an overcrowding rate of 2.8 percent and a severe overcrowding rate of 1.5 percent in 2010. Overcrowding was significantly worse for renters. ~~The~~According to the U.S. Census estimated there are 168-211 overcrowded owner households and ~~533-323~~ overcrowded renter households in Menlo Park.

Number of Overcrowded Units		Occupied Homes		Percent	
		Menlo Park	Menlo Park	County	State
Owner	Not overcrowded	6,775	97%	96%	96%
	Overcrowded	187	2.7%	3%	3%
	Extremely overcrowded	24	0.3%	1%	1%
Renter	Not overcrowded	5,574	95%	86%	86%
	Overcrowded	230	3.9%	8%	8%
	Extremely overcrowded	93	1.6%	5%	6%

Source: 2009-2011 American Community Survey

Note: 0-1 people per room is not overcrowded, 1-1.5 people per room is overcrowded, more than 1.5 people per room is extremely overcrowded

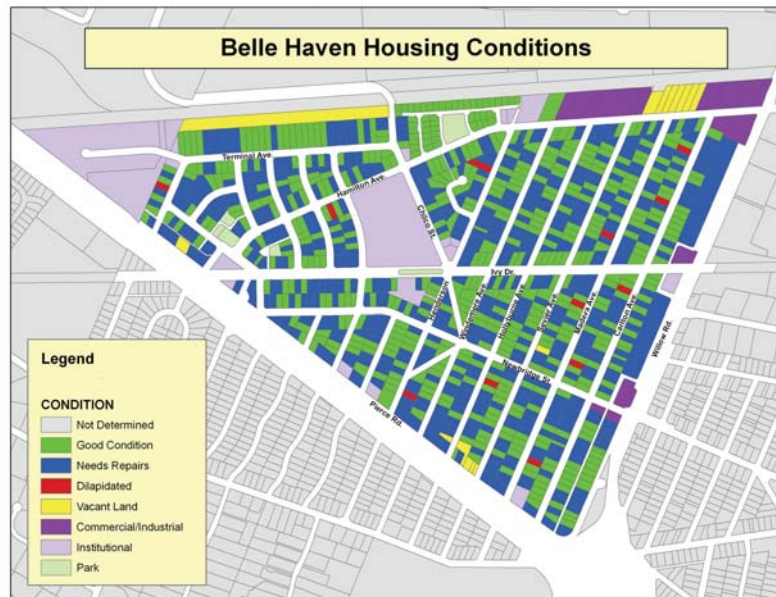
Housing Stock Condition

The condition of the housing stock in Menlo Park is generally good, with the exception of individual units that are scattered around the city and a small concentration of units in poor condition within the Belle Haven neighborhood.

¹¹ Kitchens, bathrooms and hallways are excluded from the calculations.

The best way to learn about the condition of homes is to do a physical survey of a neighborhood. Additionally, sometimes jurisdictions use census data to look at homes that do not have complete plumbing or kitchen facilities. In Menlo Park, the 2010 ACS survey found no homes that lacked complete plumbing facilities and 22 homes (0.2%) that lacked complete kitchens. [According to the U.S. Census, complete kitchens include a sink with piped water, range or cook stove and a refrigerator.](#) Sometimes, older homes are more at risk for disrepair. The age of homes is detailed above, but because many homes in Menlo Park have been updated, there is not much connection between age and condition.

The map [below to the right](#) shows the results of a housing condition survey conducted in the Belle Haven community in October 2008. [This survey is still considered relevant today as a means of identifying housing conditions and needs in the Belle Haven neighborhood. The San Mateo County Department of Housing operates several](#)



[rehabilitation loan programs to address housing conditions. In addition, organizations such as the Center for Independence of Individuals with Disabilities, El Concilio of San Mateo County and Rebuilding Together Peninsula offer rehabilitation assistance.](#) Of 1,009 housing units surveyed in the neighborhood, 492 (48.76%) were judged to be in good condition. This number included the 47 newly completed homes from the Hamilton Park development.

Five hundred and four homes (50 percent) were determined to need repairs, often fairly extensive. The methodology for classifying these homes was based on some exterior clues that suggested the extent to which they had been maintained or updated over the years. The first exterior clue was the size of the mast and weather head through which electrical service enters the home. The original mast was a one-inch pipe. If the original weather head was still in service, it suggests that the home still has the original knob and tube wiring and an antiquated electrical service. If the electrical service has been

upgraded to accommodate the load capacity requirements for a modern house, the weather head would likely have been replaced with a new, larger mast and weather head. Also, if the old wiring has not been replaced, it is likely that the home has no insulation in the walls. Poorly insulated homes are not ~~only not~~ energy efficient, ~~but and~~ ~~can~~ lead to conditions that can result in the cultivation of mold on or in the walls, which can have impacts on the health of the occupants.

The second exterior clue that was employed was the type of windows on the unit. The original single-glaze wood or metal-framed windows are not energy efficient and condensation forms on the inside during cold weather. The condensation can pool on the window stool, eventually causing rot in the wood and mold growth around the window and in the walls below it. Where windows have been replaced with double-glaze, condensation is less common.

Thirteen homes were classified as dilapidated, suggesting the need for major rehabilitation or demolition. Several vacant lots were also identified in the neighborhood.

B Special Housing Needs



In addition to overall housing needs, cities and counties must plan for the special housing needs of certain groups. State law (65583(a)(6)) requires that several populations with special needs be addressed — homeless people, seniors, people living with disabilities, large families and female-headed households. The Housing Element should take into account any local factors that create an extraordinary need for housing, and should quantify those needs as well as possible.

Farmworker housing is also required by State law to be addressed in local Housing Elements if it is a local need. In Menlo Park, less than one-tenth of one percent of the population is employed in agriculture combined (ABAG). While there is a need for farmworker housing in San Mateo County (primarily in west County areas), there is no need for farmworker housing in Menlo Park so it is not included in this analysis.

Seniors

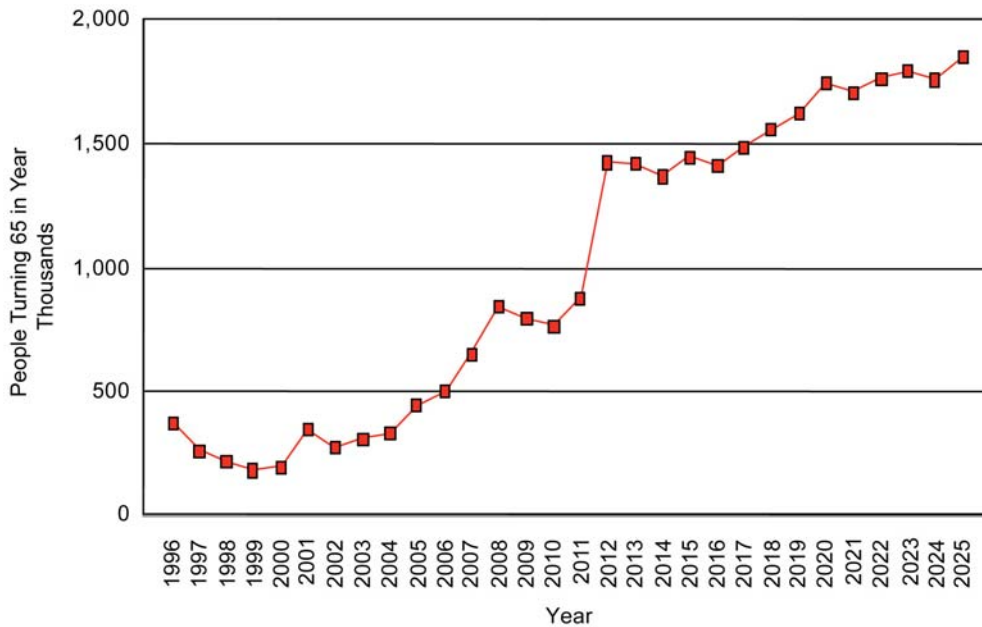
As described ~~above earlier~~, Menlo Park has a higher percentage of seniors than the county or the state. In 2010, there were approximately 4,580 seniors (age 65 plus) in

Menlo Park. Approximately 920 were 85 or older. This is a decrease from 2000, when there were approximately 4,890 senior households. Approximately nine percent of Menlo Park residents are in their 60's, 5.5 percent are in their 70's and 5.1 percent are in their 80's or older.

In 2000, the last year data was accessible, there were just over 800 senior renter households in Menlo Park and 68 percent of them were paying more than 30 percent of their income in rent. There were approximately 2,400 senior owner households and one quarter of them were overpaying for housing. Approximately 43 percent of senior renter households were lower income and almost all of these residents were overpaying.

Seniors' income tends to decline as they age. Young seniors often have some retirement savings or employment income that can supplement social security. More than 42 percent of seniors in the 65-74 year age bracket worked in the past year, while only 10 percent of seniors age 75 or more worked. Older seniors are more likely to use up their savings and therefore are more likely to live in poverty. The graph below shows the significant increase in the senior population in the United States.

Number of People Projected to Turn 65 Each Year in the United States



Source: Pew Research Center, 2010

Younger seniors tend to need less support. Most prefer to stay in their home for as long as they can. They may benefit from programs to help them rehabilitate their homes to make them better for people to age in place. Older seniors often are unable to maintain

a single family home and look to move to a smaller home or some type of senior living development. Senior renters are particularly at risk for displacement because their incomes are decreasing while their housing expenses are increasing.

Senior Households Renting Versus Owning by Tenure				
		Menlo Park	County	State
All Ages	Owners	56%	60%	57%
	Renters	44%	40%	43%
	Total	12,726	256,423	12,433,172
Age 65-74	Owners	80%	79%	75%
	Renters	20%	21%	25%
	Total	1,483	27,053	1,265,873
Age 75-84	Owners	80%	81%	75%
	Renters	20%	19%	25%
	Total	900	18,014	823,750
Age 85 +	Owners	74%	75%	69%
	Renters	26%	25%	31%
	Total	538	9,136	342,029

Source and Notes: 2009-2011 American Community Survey, Seniors are age 65 +

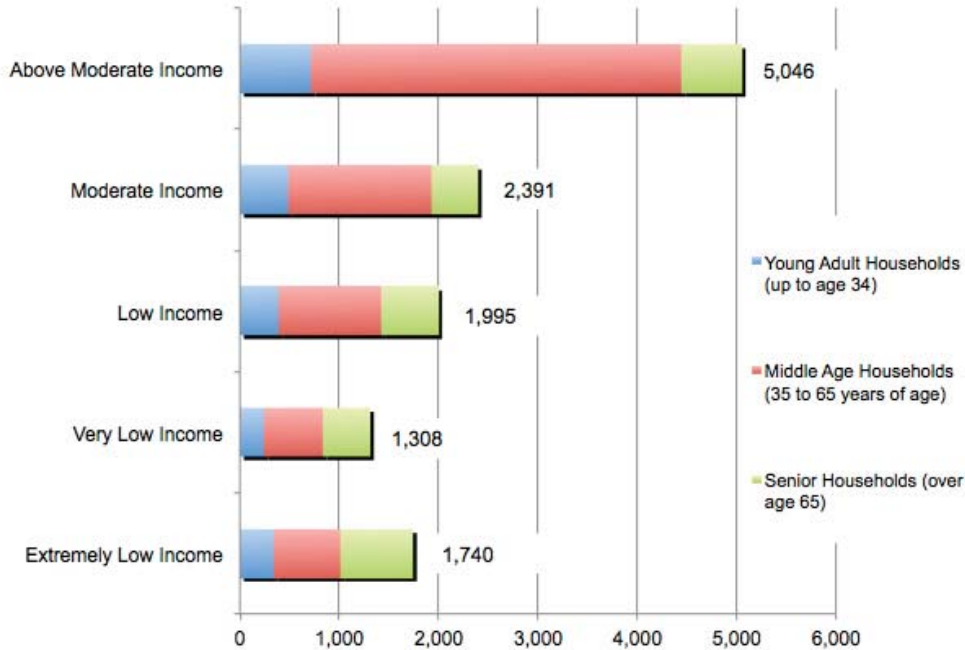
Seniors and Income			
	Menlo Park	County	State
Below Poverty Level	5%	6%	10%
Income under \$30,000	28%	28%	38%
\$30,000-\$49,000	16%	19%	20%
\$50,000-\$74,999	13%	16%	16%
\$75,000-\$99,999	8%	11%	9%
\$100,000+	34%	26%	17%
Total Seniors	3,032	55,093	2,474,879

Source and Notes: 2009-2011 American Community Survey, Seniors are age 65+

Seniors by Income, Tenure and Age						
		Extremely Low	Very Low	Low	Moderate	Above Moderate
		<30% of Median Income	50% of Median Income	80% of Median Income	120% of Median	>120% of Median
All Ages	Owner	42%	43%	43%	54%	66%
	Renter	58%	57%	57%	46%	34%
	Total	980	1,110	1,595	955	7,815
Age 62-74	Owner	43%	86%	82%	42%	94%
	Renter	58%	14%	18%	58%	6%
	Total	200	185	305	130	1,190
Age 75+	Owner	62%	69%	67%	90%	88%
	Renter	38%	31%	33%	10%	12%
	Total	265	225	275	195	690

Sources: CHAS Data 2006-2010

Distribution of Households by Age and Income in Menlo Park (2012)



Source: Claritas, 2012

Persons Living with Disabilities

Approximately seven percent of residents in Menlo Park had a disability, as defined by the US Census. The Census Bureau defines disability as, “A long-lasting physical, mental, or emotional condition. This condition can make it difficult for a person to do activities such as walking, climbing stairs, dressing, bathing, learning, or remembering. This condition can also impede a person from being able to go outside the home alone or to work at a job or business.” Not surprisingly, people over 65 are much more likely to have a disability. Over 29 percent of seniors have some type of disability.



Age and Type of Disability

	Number			Percent		
	Menlo Park	County	State	Menlo Park	County	State
Under 18 with Disability	102	3,270	280,649	1%	2%	3%
Age 18-64 with Disability	884	23,231	1,843,497	3%	5%	8%
Age 65 + with Disability	1,081	28,703	1,547,712	25%	31%	37%
Any Age with Any Disability	2,067	55,204	3,671,858	7%	8%	10%
Any Age with Hearing Disability	616	15,651	1,022,928	2%	2%	3%
With Vision Disability	308	8,199	685,600	1%	1%	2%
With Cognitive Disability	615	19,549	1,400,745	2%	3%	4%
With Ambulatory Disability	932	29,757	1,960,853	3%	4%	5%
With Self Care Disability	435	12,819	862,575	1%	2%	2%
With Independent Living Disability	872	22,735	1,438,328	3%	3%	4%

Source: 2009-2011 American Community Survey

Note: Some people may have multiple disabilities

People with disabilities may have unique housing needs. Fair housing laws and subsequent federal and state legislation require all cities and counties to further housing opportunities by identifying and removing constraints to the development of housing for individuals with disabilities, including local land use and zoning barriers, and to also provide reasonable accommodation as one method of advancing equal access to housing.

Living Arrangements of People with Disabilities

Lives with	Number		Percent	
	Menlo Park	County	Menlo Park	County
Parents/Legal Guardian	123	2,289	86%	66%
Community Care Facility (1-6 Beds)	1	532	1%	15%
Community Care Facility (7+ Beds)	0	73	0%	2%
Independent/Supportive Living	17	349	12%	10%
Intermediate Care Facility	0	191	0%	5%
All Others	2	60	1%	2%
Total:	143	3,494	100%	100%

Source: Golden Gate Regional Center

Note: Counts based on zipcode and may include areas outside of jurisdictional borders.

The Fair Housing laws require that cities and counties provide flexibility or even waive certain requirements when it is necessary to eliminate barriers to housing opportunities for people with disabilities. An example of such a request might be to place a ramp in a front yard to provide access from the street to the front door. The State Attorney General, in a letter to the City of Los Angeles in May 2001, stated that local governments have an affirmative duty under fair housing laws to provide reasonable accommodation and "It is becoming increasingly important that a process be made available for handling such requests that operates promptly and efficiently." He advised jurisdictions not to use existing variance or conditional use permit processes because they do not provide the correct standard for making fair housing determinations and because the public process

used in making entitlement determinations fosters opposition to much needed housing for individuals with disabilities.

A fundamental characteristic of a fair housing reasonable accommodation procedure is the establishment of appropriate findings that reflect the intent and specific language of both the federal and state fair housing statutes. In this regard, it is somewhat different than traditional or typical zoning cases because here the focus of review is the need of the individual with disabilities to overcome barriers to housing, not on the topography of the site or the unique character of the lot. The focus here is solely on the special need of the individual to utilize his or her home or dwelling unit, which is directly related to the individual’s disability. It is this reasoning that underlies the Attorney General’s warning not to utilize variance criteria for such determinations.

People with Developmental Disabilities

SB 812, signed into law in 2010, requires Housing Elements to include an analysis of the special housing needs of people with developmental disabilities. Additionally, SB 812 requires that individuals with disabilities receive public services in the least restrictive, most integrated setting appropriate to their needs. The information below has been provided by the Golden Gate Regional Center (GGRC), which covers the San Francisco Bay Area.

California defines developmentally disabled as a, “severe and chronic disability that is attributable to a mental or physical impairment. The disability must begin before the person’s 18th birthday, be expected to continue indefinitely, and present a substantial disability.” Some development disabilities cause mental retardation and some do not. Common developmental disabilities include Down’s Syndrome, autism, epilepsy and cerebral palsy.

Type of Developmental Disability	San Mateo County Distribution of People with Developmental Disabilities
Mild/Moderate Mental Retardation	50%
Autism	18%
Epilepsy	18%
Cerebral Palsy	17%
Severe/Profound Mental Retardation	11%

Source: Golden Gate Regional Center

People with developmental disabilities in San Mateo County have various diagnoses. The common ones are summarized below. Because people can have multiple diagnoses, the numbers total more than 100 percent.

People with developmental disabilities also tend to be younger than the general population. There are several reasons for this. For some diagnoses there is a shorter life expectancy. More importantly, starting in the 1990s there was an “autism wave” with many more young people being diagnosed with the disorder, for reasons that are still not well understood. The racial demographics of the developmentally disabled population mirror that of the population of the Bay Area.

Age of People with Development Disabilities	
People with Developmental Disability	
0-5	19%
6-21	30%
22-51	36%
52+	15%
Total	100%

Source: Golden Gate Regional Center. (County level data)

Many people with developmental disabilities are unable to secure long-term employment. This results in many people relying on Supplemental Security Income (SSI) and many earn 10-20 percent of the Area Median Income (AMI).

People with developmental disabilities have various housing needs and housing situations. Almost all (86 percent) of Menlo Park residents with developmental disabilities live with a parent or legal guardian. The remaining Menlo Park residents with developmental disabilities live independently or with some supportive services.

Living Arrangements of People with Disabilities				
Lives with	Number		Percent	
	Menlo Park	County	Menlo Park	County
Parents/Legal Guardian	123	2,289	86%	66%
Community Care Facility (1-6 Beds)	1	532	1%	15%
Community Care Facility (7+ Beds)	0	73	0%	2%
Independent/Supportive Living	17	349	12%	10%
Intermediate Care Facility	0	191	0%	5%
All Others	2	60	1%	2%
Total:	143	3,494	100%	100%

Source: Golden Gate Regional Center, 2013

Note: Counts based on zipcode and may include areas outside of jurisdictional borders.

According to the Golden Gate Regional Center, trends that are affecting people with developmental disabilities include California's moves to reduce institutionalization, aging family caregivers not being able to continue providing in-house care and the growing wave of people with autism.

- a. **Deinstitutionalization** – In 1977, California passed the Lanterman Developmentally Disabled Services Act to minimize the institutionalization of developmentally disabled people, help them remain in their communities, and to allow them to live their lives as similar to non-disabled people as possible. To accomplish this end the state has been closing large institutional care facilities, resulting in more people with disabilities being integrated into the community. However, this has increased the demand for community based independent living options to serve the needs of the developmentally disabled.

- b. **Aging Baby Boomers Unable to Care for Their Children with Developmental Disabilities** – Almost three quarters of people with developmental disabilities live with a parent or caregiver, and many of these caregivers are baby boomers. As these caregivers age their ability to continue to care for their developmentally disabled children will decrease to the point where it is no longer possible. This trend is also going to be a factor in the increased need for community based independent living options for the developmentally disabled. Many service delivery systems and communities are not prepared to meet the increasing need.

- c. **Increasing Numbers of People with Autism** - There is a large number of young adults with developmental disabilities that have autism. They have been brought up as independent members of the community and want to remain independent and involved in the community. There is a growing need to supply community based independent living options for these individuals.

People with developmental disabilities face many challenges when looking for housing:

- a. **Limited supply** – There is a limited supply of disabled accessible, affordable housing generally, and the supply is especially tight near transit. Being near transit is important because many people with developmental disabilities cannot drive.

- b. **Lack of rental history** – Because many people with developmental disabilities have lived with their parents they often do not have rental or credit history. This makes it harder for them to compete for the limited housing that is available.

- c. Unable to afford high rents – Due to the challenge of securing long-term employment, people with developmental disabilities are often extremely low income and San Mateo County residents with developmental disabilities often cannot afford the rents in the communities where they grew up.

The three major needs for people with developmental disabilities are low cost (subsidized) rents, disabled accessible homes, and buildings near public transportation. These needs are very similar to the desires of other segments of the population. Policies that promote affordable housing generally are also good for the developmentally disabled community. The Menlo Park Housing Element contains policies and programs supporting the specific recommendations from the Golden Gate Regional Center. GGRC recommendations and related City programs, in parenthesis, are listed below:

- Jurisdictions assisting with site identification for low income developments (higher density zoned sites and sites designated with the City's Affordable Housing Overlay zoning; Program H3.D Encourage Rental Housing Assistance Programs)
- Policies to promote accessible homes (Program H3.B, Zone for Transitional and Supportive Housing; Program H3.C, Adopt Procedures for Reasonable Accommodation; Program H3.F, Assist in Providing Housing for Persons Living with Disabilities, Program H3.G Develop Incentives for Special Needs Housing)
- Inclusionary zoning (H4.B, Implement Inclusionary Housing Regulations)
- Second units (Program H4.E, Modify Second Dwelling Unit Development Standards and Permit Process; Program H4.F, Establish a Process and Standards to Allow the Conversion of Accessory Buildings and Structures to a Secondary Dwelling Unit)
- Mixed use zoning (implementation of the El Camino Real/Downtown Specific Plan; Program H4.N Create Opportunities for Mixed Use Development)

Additionally, some people with development disabilities need supportive housing that is affordable and located near public transit. In supportive housing, additional services are provided at the home.

Large Families and Female-Headed Households

In 2010, eleven percent of owners and seven percent of renters were large families. Large families were significantly more likely to be poor than smaller families. Over 40 percent of large families had lower incomes in 2010. In 2010, there were a total of 1,039 households headed by a female head of household in Menlo Park. Of those, there were 545 owner households headed by women and 494 renter households headed by women. Of the 545 owner households, 22 were ages 15-34, 334 were ages 35-64 and

189 with the householder over age 65. Of the 494 renter households, 115 were ages 15-34, 346 were ages 35-64 and 33 with the householder over age 65.

Households of 5 or more by Tenure and Housing Problems					
		Menlo Park		County	State
		Number	Percent		
Owner-occupied	Housing Problems	455	67%	59%	61%
	No Housing Problems	225	33%	41%	39%
Renter-occupied	Housing Problems	240	76%	84%	81%
	No Housing Problems	75	24%	16%	19%

Source: 2006-2010 CHAS Data

Household Size, Income and Overcrowding in Menlo Park (2010)

Overcrowding	1-4 persons	5+ Persons
Not Overcrowded	89%	11%
Overcrowded	92%	7%
Income Level		
Extremely Low Income	6%	10%
Very Low Income	3%	15%
Low Income	9%	7%
Moderate Income or Above	82%	59%
Total Households	4,716	1,030

Source: 2006-1010 ACS, 2000 CHAS

Housing Unit Sizes for Renter and Owner Units in Menlo Park (2010)

Number of Bedrooms	Renters	Owners	Total
0 Bedrooms (studio)	<1%	2%	1%
1 Bedroom	2.3%	35%	16%
2 Bedrooms	20%	44%	30%
3 Bedrooms	51%	14%	35%
4 Bedrooms	21%	5%	14%
5 + Bedrooms	7%	0%	4%
Total Households	7,358	5,243	12,601

Source: 2010 ACS

Additional multi-family housing including child care facilities can allow single mothers to secure gainful employment outside the home to address both the housing needs and the supportive service needs of female-headed households. In addition, as identified through workshops on the Menlo Park Housing Element, providing private or nearby open space and recreation assists in the quality of life for families.

In addition, the creation of innovative housing for female heads of household could include co-housing developments where childcare and meal preparation responsibilities

can be shared. The economies of scale available in this type of housing would be advantageous to this special needs group as well as all other low-income households. Limited equity cooperatives sponsored by non-profit housing developers are another financing structure that could be considered for the benefit of all special needs groups.

Female Headed Households				
	Menlo Park		County	State
	Number	Percent		
Female living with own children, no husband	418	3%	4%	7%
Female living with other family members, no husband	464	4%	6%	6%
Female living alone	2,304	18%	15%	13%
Total Households	12,883	100%	256,305	12,433,049
Female Households Below Poverty Level	NA	5%	8%	17%

Source: 2009-2011 American Community Survey

C Homeless Needs

In 2005-2006, a countywide group of diverse stakeholders undertook an intensive community-based planning process to develop a plan to end homelessness in San Mateo County. The end result – entitled “Housing Our People Effectively (HOPE): Ending Homelessness in San Mateo County” (“the HOPE Plan”) – lays out concrete strategies designed to end homelessness in our community within 10 years. The report incorporates the experiences and expertise of over 200 stakeholders, including members of the business, nonprofit and government sectors. These stakeholders met in working groups over a period of 12 months to develop the recommendations in the plan. Homeless and formerly homeless persons were represented in the working groups, as well as in several focus groups conducted in emergency shelters and transitional housing programs. The result of this year-long community planning process was the finalized HOPE Plan, which was completed in March 2006.

One of the key strategies for ending homelessness laid out in the HOPE Plan is to increase the supply of permanent affordable and supportive housing for people who are homeless and develop strategies to help them to move into permanent housing as rapidly as possible (a “housing first” or “rapid re-housing” approach). The HOPE Plan intentionally made no recommendation to expand the supply of emergency or transitional housing. Although the HOPE planners recognized that there is a lack of needed resources throughout the housing continuum, including emergency and transitional housing, the greatest need and the most effective use of new and/or redirected resources is for creating and sustaining quality affordable housing and supportive housing.

Homeless Count and Demographics

Every other year, San Mateo County along with many other stakeholders, conducts a homeless count. Conducted on January 24, 2013, they found 16 (unsheltered) homeless people living in Menlo Park as well as 142 homeless residents in shelters, institutions, motel voucher programs, etc.

Homeless Count						
Year	Menlo Park			County		
	Unsheltered Homeless	Sheltered Homeless	Total	Unsheltered Homeless	Sheltered Homeless	Total
2007	52	177	229	1,094	970	2,064
2009	25	208	233	803	993	1,796
2011	72	168	240	1,162	987	2,149
2013	16	142	158	1,299	982	2,281
2007 - 2013 Change	-36	-35	-71	205	12	217
2007 - 2013 % Change	-69%	-20%	-31%	+19%	+1%	+11%

Source: 2013 San Mateo County Homeless Census and Survey, 2011 San Mateo County Homeless Census and Survey, 2009 San Mateo County Homeless Census and Survey, prepared by the San Mateo Human Services Agency, Center on Homelessness

There is no data presently available documenting the increased level of demand for shelter in San Mateo County during particular times of the year. Due to the relatively mild climate, the only time of year when increased demand appears to be a factor is during the winter months (December to February). During extremely cold periods, some shelters set up additional cots to accommodate increased demand for shelter and the County periodically opens special “warming shelters” during extended cold spells. Anecdotal evidence suggests that this additional capacity is sufficient to meet the need during these periods.

The biannual homeless count always takes place in the last week of January, which is a period of time when demand for shelter typically is at its highest. ~~Since~~ The year-round need described above is based on that biannual count. Below is the distribution of homeless persons by need **from the 2013 count**.

Demographics of Homeless Population

	County	
	Unsheltered Homeless	Sheltered Homeless
Single Adult or Living w/Another Adult	94%	79%
Family	6%	21%
Male	71%	60%
Female	29%	40%
White	60%	
Latino	19%	
African American	13%	
Other Races	10%	
Non-Veteran	89%	76%
Veteran	11%	24%
Alcohol / Drug Problems	72%	8%
Physical Disability	52%	
Chronic Health Problem	47%	
Mental Illness	37%	10%

Source: 2013 San Mateo County Homeless Census and Survey, prepared by the San Mateo Human Services Agency, Center on Homelessness. May not total 100% due to rounding

Location when Homelessness Occurred

	County
Living in San Mateo County when became homeless	87%
Hometown in San Mateo County	69%

Source: 2013 San Mateo County Homeless Census and Survey, prepared by the San Mateo Human Services Agency, Center on Homelessness

County Homeless Population Location 2007-2013

	2007	2013	Change
On the Street	29%	15%	-41%
In Car, R.V., or Encampment	24%	41%	90%
In Emergency Shelter	14%	11%	-18%
In Motel with Motel Voucher	5%	1%	-73%
In Transitional Housing	15%	19%	41%
In Institution	13%	12%	7%
Total:	2,064	2,281	217

Source: 2013 San Mateo County Homeless Census and Survey, 2011 San Mateo County Homeless Census and Survey, 2009 San Mateo County Homeless Census and Survey, prepared by the San Mateo Human Services Agency, Center on Homelessness

As part of the planning process for the HOPE Plan, a working group was convened to develop an estimate of the number of supportive housing units that would have to be developed to meet the housing needs of all the homeless people in San Mateo County. This working group drew from best practices in the field of supportive housing as well as the expertise of local housing and shelter providers to develop their methodology. The result was an estimate that San Mateo County needed to create 1,682 units of

supportive housing for homeless people during the 10-year period from 2006 to 2015. In the two years since the plan was published, 34 supportive housing units for homeless people have been created, leaving a balance of 1,648 units needed.

The estimates presented in the HOPE Plan do not provide a breakdown of unmet need by jurisdiction. However, Menlo Park has estimated its share of the needed units based on the percentage of the total number of unsheltered homeless people living in the community.

The Homeless Survey did not ask respondents to indicate whether they were runaway youth, emancipated foster youth or “transitional age” youth (i.e. ages 18-25), so no data is available on those subpopulations.

~~The following chart provides an inventory of emergency shelter beds, transitional housing beds and supportive housing units for homeless people in San Mateo County. The data source is the San Mateo County Center on Homelessness, which updates this inventory on an annual basis.~~

~~Based on information contained in the 2013 San Mateo County Homeless Census and Survey, there are currently three facilities providing beds for 142 homeless people in Menlo Park: (1) Veterans Affairs Domiciliary Program, with beds for 61 adults; (2) Veterans Affairs Compensated Work Therapy Program, with beds for 10 adults; and, (3) Haven Family House, which opened in June 2000 and is operated by Shelter Network as shelter and transitional housing, with beds serving 28 adults, 3 youths and 40 children (71 total, with a capacity to serve 23 families at a time). In addition to the sheltered count of 142 persons, there were 16 unsheltered people in Menlo Park in January 2013 to the Homeless Census and Survey.~~

~~Support services are available at each of the three facilities located in Menlo Park. Haven Family House provides case management, housing and job search assistance, financial literacy and savings, children’s services, life skills education and services that go “beyond the bed” to meet their clients’ unique needs and enable them to become self-sufficient for the long term.~~

~~The VA facility is operated under the VA Palo Alto Health Care System, which consists of three inpatient facilities located at Palo Alto, Menlo Park and Livermore, plus seven outpatient clinics in San Jose, Fremont, Capitola, Monterey, Stockton, Modesto, and Sonora. These facilities provide some of the world's finest medical care and cutting-edge technology.~~

There are also other supportive housing programs available for the homeless in San Mateo County. Two of the largest supportive housing programs in the county are the San Mateo County Housing Authority’s Shelter Plus Care and Supportive Housing programs. These are tenant-based voucher programs, in which participants receive a rent subsidy to rent units in the private rental market and have a choice as to where they will live. Tenants are therefore scattered throughout the County and the distribution of units by jurisdiction fluctuates as participants enter and exit the program.

The table below shows programs providing support services for the homeless in San Mateo County.

Emergency Shelter, Transitional and Supportive Housing Facilities in Menlo Park (2011)

Facility/Program Name	Provider Name	Housing Type	Family Beds	Individual Beds	Supportive Housing Units
Emergency Shelter	GORA (Community Overcoming Relationship Abuse)	Emergency	19	3	0
Transitional Housing Program	GORA	Transitional	34	0	0
Transitional Housing Program	Homeless Veterans Program	Transitional	0	42	0
Emergency Shelter	InnVision	Emergency	24	38	0
Transitional Housing Program	InnVision	Transitional	24	26	0
Hayden Family House	Shelter Network	Transitional	116	0	0
Subtotal Menlo Park	-	-	217	109	0

Sources: San Mateo County Center on Homelessness

Programs Providing Support Services for the Homeless in San Mateo County (2011)

Provider/Program	Services Provided	Service Area
Core Service Agencies		
Coastside Hope	Information and referral, emergency assistance, rental and utility assistance	Coastside
Daly City Community Services Center	Information and referral, emergency assistance, rental and utility assistance	North County
North Peninsula Neighborhood Services Center	Information and referral, emergency assistance, rental and utility assistance	North County
Pacifica Resource Center	Information and referral, emergency assistance, rental and utility assistance	North County
Samaritan House	Information and referral, emergency assistance, rental and utility assistance	Central County
El Concilio Emergency Services	Information and referral, emergency assistance,	South County

Partnership	rental and utility assistance	
Fair Oaks Community Center	Information and referral, emergency assistance, rental and utility assistance	South County
Emergency Assistance		
Salvation Army	Emergency food and clothing; information and referrals	North, Central, South County
St. Vincent DePaul Society	Emergency food and clothing; information and referrals; homeless help desks	All County
Puente Del Costa Sur	Emergency food and clothing; information and referrals;	Coastside
Homeless Outreach		
Homeless Outreach Team (San Mateo County Human Services Agency/Shelter Network)	Intensive street outreach with direct access to housing.	Downtown San Mateo
Mateo Lodge Mobile Support Team	Mobile mental health services for homeless people with mentally illness	All County
Health Services		
Mobile Health Clinic (San Mateo County Health Dept.)	Health screening, immunization, etc. for low income and homeless people	All County
Mental Health Services		
Mental Health Association of San Mateo County	Mental health services for homeless people with mental illness	All County
San Mateo County Behavioral Health and Recover Services, Mental Health Access Team	Information, assessment, consultation and referral	All County
Alcohol and Drug Services		
Asian-American Recovery Services	Outpatient services	All County
Free At Last	Outpatient and residential treatment	All County
Women's Recovery Association	Outpatient and residential treatment	All County
Palm Avenue Detoxification Program	Drug and alcohol detox	All County
Latino Commission on Alcohol and Drug Abuse Services	Residential treatment	All County
Project 90	Residential treatment	All County
Youth and Family Services		
Youth and Family Enrichment Services	Services for homeless youth	All County
Family Resource Centers (San Mateo County Human Services Agency)	Prevention and early intervention services at school sites throughout San Mateo County	All County
Domestic Violence Services		

CORA	DV-Domestic Violence hotline, legal assistance, counseling, prevention services	All County
Employment and Training		
Department of Rehabilitation	Employment and training services for people with disabilities	All County
Peninsula Works (San Mateo County Human Services Agency)	One-stop careers centers	All County
Legal Services		
Legal Aid Society of San Mateo County	Free civil legal services for low income and homeless people	All County

Source: SB2 Policy and Technical Paper prepared for 21 Elements, Kate Bristol Consulting, <http://www.21elements.com/Emergency-Transitional-and-Supportive-Housing/View-category.html>

~~Two of the largest supportive housing programs in the county are the San Mateo County Housing Authority’s Shelter Plus Care and Supportive Housing programs. These are tenant-based voucher programs, in which participants receive a rent subsidy to rent units in the private rental market and have a choice as to where they will live. Tenants are therefore scattered throughout the county and the distribution of units by jurisdiction fluctuates as participants enter and exit the program.~~

~~State law specifically allows jurisdictions to regulate the number of beds in an emergency shelter. At the same time, it says limits on the numbers of beds must “facilitate,” “promote,” and “encourage” new emergency housing. Shelters in San Mateo County range from six beds to 87 beds, with the median number being 22. In addition, the standards may not require more parking for emergency shelters than for other residential or commercial uses within the same zone. Parking is needed for employees, volunteers/visitors and residents. Most homeless families will have a car while most homeless individuals will not. The rule of thumb that Shelter Network uses is one car per family or .35 cars per individual bed, plus one parking spot per staff member on duty when residents are there (but less if on a major transit route). This standard was confirmed with several other organizations and agencies. But this varies significantly between jurisdictions and client populations. Homeless shelters that serve the chronically homeless or the mentally ill will have lower parking needs. As a comparison, available parking spaces for various emergency shelters are summarized below:~~

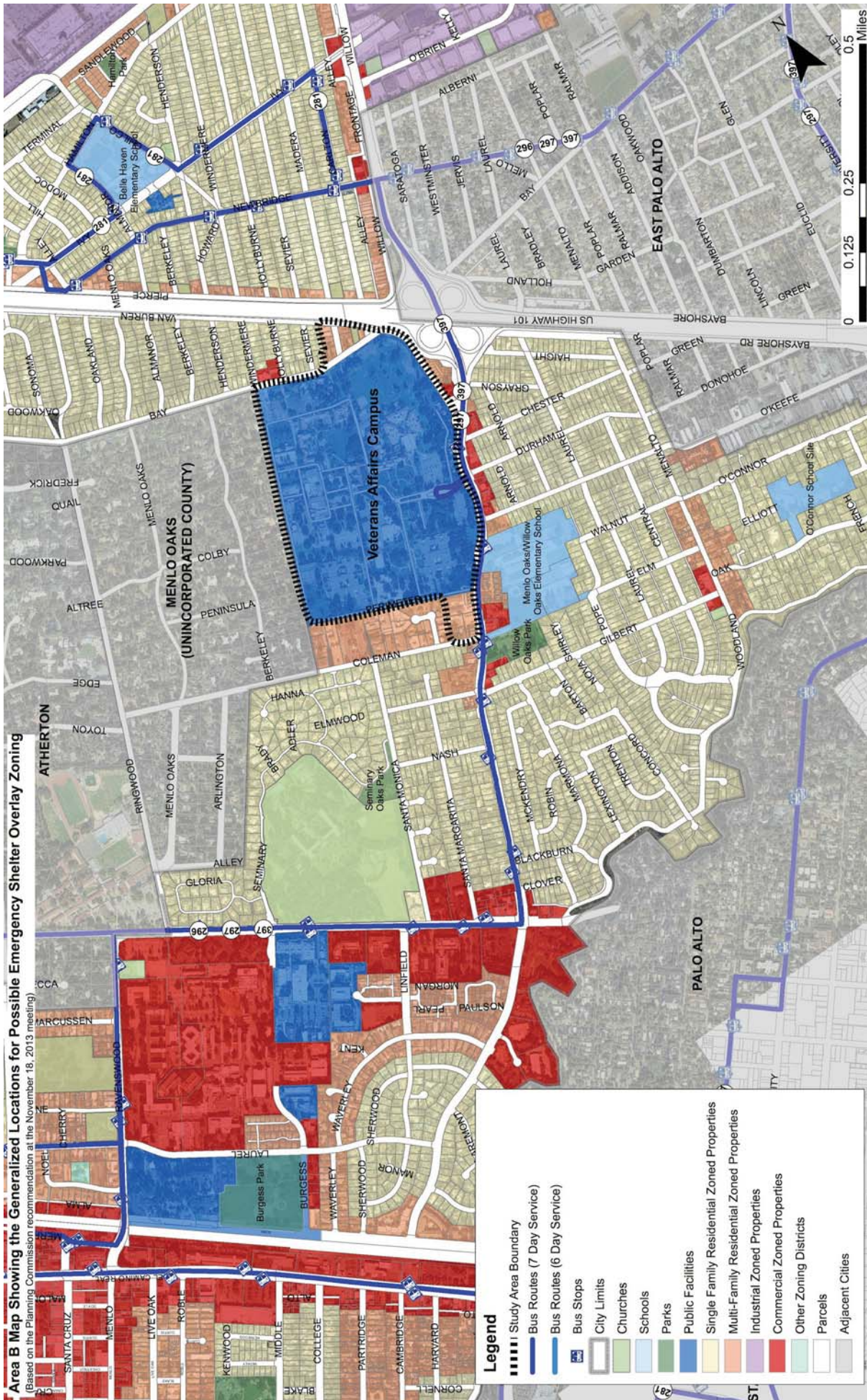
- ~~➤ Crossroads (Oakland), 0.55 acres, 125 residents, 47 employees, 17 parking spaces~~
- ~~➤ Family Emergency Center, (San Rafael), 0.25 acres, 52 beds, 16 spaces~~

- ~~Mill Street Shelter (San Rafael) 0.33 acres, 40 beds, 10 spaces~~
- ~~Safe Harbor (South San Francisco), 86 beds, 24 spaces (parking lot is full at night)~~

Menlo Park is unique in having a facility operated by the U.S. Department of Veterans Affairs that already provides for the needs of homeless veterans through the Veterans Affairs Domiciliary Program and the Veterans Affairs Compensated Work Therapy Program. In addition, the Clara-Mateo Alliance homeless shelter, operated by InnVision, the largest non-profit provider of housing and services to homeless and at-risk families and individuals in Silicon Valley, was located on the VA property from 2004 to 2011. However, in 2011 the facility was forced to close due to earthquake safety and other issues. The Clara-Mateo Alliance homeless shelter had 70 beds and about two-thirds of the shelter's residents were veterans.

Since there are homeless facility uses and services already located at the VA and seven-day bus service is available along Willow Road, the City is considering the VA campus and additional areas immediately adjacent for the new Homeless Facility Overlay zone designation. The proposed zoning designation covers almost 100 acres of land and is shown on the map below and provides the adequate capacity and opportunity for a homeless facility to be developed to address the City's unsheltered homeless need for at least a 16 bed facility.

The VA medical center property comprises 95 acres and is zoned PF, public facility, and the remaining properties comprise 4.5 acres and are zoned R3, multiple family residential. Within the 4.5 acre area there are two parcels with 12 and 30 units each (0.4 and 1.0 acre in size), twelve parcels have from 2 to 4 units (parcels ranging from 0.1 to 0.2 acres in size), nine parcels with 1 unit (parcels up to 0.1 acre in size) and two parcels that have other uses (a church and a commercial use). Since all but four of the parcels within the 4.5 acres contain four units or less, this makes the conversion process from multi-family dwelling to a homeless shelter for 16 beds more feasible. The smaller parcels also make them potentially more financially feasible.



D Assisted Rental Housing “At Risk” of Conversion



Government Code Section 65583 requires each city and county to conduct an analysis and identify programs for preserving assisted housing developments. The analysis is required to identify any low-income units that are at risk of losing subsidies over the next 10 years (~~2009–2019~~2014–2024). The termination of Federal mortgage and or rent subsidies to housing developments built by the

private sector is a potential threat to affordable housing throughout the country. Communities with low-income housing supported by federally subsidized housing are required to address the needs of residents who may become displaced. Approximately 287 affordable rental units that received subsidies have been developed in the City of Menlo Park. At this time, there are no units at-risk of conversion to market rate. The following table shows assisted projects located in Menlo Park. The table ~~on the next~~ [page below](#) shows assisted affordable housing developments in Menlo Park.

Affordable Housing Developments in Menlo Park (2013)

Name of Development	Address	Year Built	Tenure	Sponsor	Number of Units	Target Group(s)	Waiting List	Expiration
Crane Place	1331 Crane Street	1979	Rental	Peninsula Volunteers	93	Low and Moderate Income Seniors and Disabled	1-3 years (List is closed)	Affordability through 100% non-profit ownership
Gateway Apartments	1200-1300 Willow Road	1988	Rental	MidPen Housing	130	Very Low Income Families	5 years (List is closed)	2034
Partridge Kennedy Apartments	817 Partridge Avenue	1961	Rental	Peninsula Volunteers	30	Seniors	9 years (List is closed)	Affordability through 100% non-profit ownership
Willow Court	1105 and 1141 Willow Road	1992	Rental	MidPen Housing	6	Very Low and Low Income Families	2 years (List is closed)	2047
Willow Terrace	1115, 1121, 1123, 1125 and 1139 Willow Road	1995	Rental	MidPen Housing	26	Very Low Income Families	1 year (List is closed)	2050
1143 Willow Road (managed as part of Willow Terrace)	1143 Willow Road	2000	Rental	MidPen Housing	5	Very Low Income Families	1 year (List is closed)	2050
Haven Family House	260 Van Buren Road	2000	Transitional Housing	Shelter Network of San Mateo County	23	Transitional Housing for Homeless Families	60 people (15 families)	NA

Source: City of Menlo Park, Mid-Pen Housing and Peninsula Volunteers, Inc., 2012

Section VII

Future Housing Needs and Opportunities

A Regional Housing Needs Allocation (RHNA)



Within each Housing Element, the State mandates that local governments plan for their share of the region's housing need for all income categories. In the case of the San Francisco Bay Area, the Association of Bay Area Governments (ABAG) and the State Housing and Community Development Department (HCD) determine the number of housing units that should be produced in the region. ~~This determination of need is primarily based on estimated job growth.~~ ABAG then allocates that need for each jurisdiction.

State law regarding Housing Elements was changed in 2004 to allow cities within a county to join together to form a “sub-region,” which would administer the State mandated RHNA process at the local level. This law allows the sub-region to receive the sub-regional collective housing allocation from ABAG and then decide on and implement its own methodology to apportion the allocation among the member cities and county. In turn, the sub-regional RHNA process was used to establish the housing need numbers for each jurisdiction’s Housing Element update for the 2007-2014 planning period.

For the ~~current 2014-2022~~ Housing Element update, the County of San Mateo, in partnership with all twenty cities in the County including Menlo Park, formed a sub-region responsible for completing its own RHNA process for the ~~2007-2014~~2014-2022 Housing Element planning period. ~~The jurisdictions in San Mateo County have agreed to continue the sub-region process for the 2014-2022 Housing Element planning period.~~ Based on the allocation methodology approved ~~in March 2007~~by the jurisdictions, the San Mateo sub-region apportioned the County’s overall housing need to the individual jurisdictions. The adopted sub-regional methodology, similar to ABAG’s methodology for the current and previous RHNA processes, used weighted factors to develop mathematical equations. ~~Weighted factors include household growth, employment growth, household and employment growth near transit and regional income allocations. These factors are derived using demographic information, projections, regulations,~~

~~objectives and policies.~~ The sub-regional allocations were then distributed using these weighted factors for the individual cities. In addition to determining each jurisdiction's overall housing allocation of housing need, the units are also required to be distributed based on income level need (for very low, low, moderate and above moderate income households), as shown below for the ~~2007-2014~~2014-2022 Housing Element planning period.

Regional Housing Needs Allocation 2014 - 2022

	Extremely Low Income up to \$31,650	Very Low Income \$31,651 - 52,750	Low Income \$52,751 - \$84,400	Moderate Income \$84,401 - \$123,600	Above Moderate Income \$123,601+	Total
Atherton	17	18	26	29	3	93
Belmont	58	58	63	67	222	468
Brisbane	12	13	13	15	30	83
Burlingame	138	138	144	155	288	863
Colma	10	10	8	9	22	59
Daly City	200	200	188	221	541	1,350
East Palo Alto	32	32	54	83	266	467
Foster City	74	74	87	76	119	430
Half Moon Bay	26	26	31	36	121	240
Hillsborough	16	16	17	21	21	91
Menlo Park	116	117	129	143	150	655
Millbrae	96	97	101	112	257	663
Pacifica	60	61	68	70	154	413
Portola Valley	10	11	15	15	13	64
Redwood City	353	353	429	502	1,152	2,789
San Bruno	179	179	161	205	431	1,155
San Carlos	97	98	107	111	183	596
San Mateo City	429	430	469	530	1,242	3,100
South San Francisco	282	283	281	313	705	1,864
Woodside	11	12	13	15	11	62
Unincorporated San Mateo County	76	77	103	102	555	913
Total	2,292	2,303	2,507	2,830	6,486	16,418

Source: Association of Bay Area Governments, Final 2014-2022 Regional Housing Need Allocation by County. Yearly Income is based on a family of four.

~~The State~~California income limits for the low, very low and moderate income categories are derived from the income limits updated annually by the U.S. Department of Housing and Urban Development (HUD) and the California Department of Housing and Community Development (HCD). The income limits are based on the median income for ~~the San Mateo~~ County and are adjusted for household size. Very low income is defined as a household earning less than 50% of the median income. Low income is defined as a household earning 50-80% of the median income. Moderate income is a household earning 80-120% of the median income. The "Median Income" schedule shown below is

based on the 2012-2013 median family income of \$103,000 for a four-person household, with adjustments for smaller and larger household sizes. San Mateo County is considered a high cost county, so HUD makes some adjustments when calculating the income limits, which results in the very low income and low-income limits actually being higher than 50% and 80% of the median income, respectively.

San Mateo County 2013 Household Income Schedule

Family Size	Lower Income			Moderate Income		Above Moderate Income
	Extremely Low	Very Low	Lower	Median	Moderate	
	30%	50%	80%	100%	120%	
1	\$23,750	\$39,600	\$63,350	\$72,100	\$86,500	>\$86,500
2	\$27,150	\$45,250	\$72,400	\$82,400	\$98,900	>\$98,900
3	\$30,550	\$50,900	\$81,450	\$92,700	\$111,250	>\$111,250
4	\$33,950	\$56,550	\$90,500	\$103,000	\$123,600	>\$123,600
5	\$36,650	\$61,050	\$97,700	\$111,250	\$133,500	>\$133,500
6	\$39,400	\$65,600	\$104,950	\$119,500	\$143,400	>\$143,400

Source: California Department of Housing and Community Development (HCD)

~~Since the City has not adopted a Housing Element since 1992, its RHNA must cover the City's RHNA for the current Housing Element planning period (2007-2014) and the City's RHNA for the previous Housing Element planning period (1999-2006). The table below shows the City's RHNA for 1999-2006, and 2007-2014 and .It also shows the City's RHNA for the 2014-2022 planning period.~~

City of Menlo Park Regional Housing Needs Allocation for the 1999-2006, 2007-2014 and 2014-2022 Housing Element Planning Periods

Income Level	1999-2006		2007-2014		2014-2022	
	Units	Percent	Units	Percent	Units	Percent
Very Low	184	19%	226	23%	233	36%
Low	90	9%	163	16%	129	20%
Moderate	245	25%	192	19%	143	22%
Above Moderate	463	47%	412	41%	150	23%
Total	982	100%	993	100%	655	100%

Source: Association of Bay Area Governments and City/County Association of Governments of San Mateo County

~~The City's starting point for providing the capacity to address its RNHA for the last two Housing Element planning periods is 1,975 units. The table below shows the City's "adjusted" 2014-2022 RHNA that accounts for units that can be credited to the City based~~

on ~~past-2013~~ construction activity, current zoning and the expectations from implementation of the programs contained in the ~~2014-2022~~ Housing Element.

City of Menlo Park's Ability to Address Its Regional Housing Needs Allocation (RHNA) for the 2014-2022 Planning Period

Category	Units Built/Approved (in the Pipeline) and Units Provided Through Housing Element Programs or Existing Zoning					Total
	Very Low Income	Low Income	Lower Income SUBTOTAL*	Moderate Income	Above Moderate Income	
2014-2022 RHNA	233	129	362	143	150	655
Units in the Pipeline as of December 1, 2013**						
3639 Haven Avenue (Anton Menlo)	0	53	53	100	240	393
605 Willow Road (Willow Housing - VA/CORE)	59	0	59	0	1	60
Scattered Site Units Pre-2012 Zoning	0	0	0	0	11	11
New Second Units	3	3	6	1	0	7
Subtotal	62	56	118	101	252	471
Residual 2014-2022 RHNA (subtracting units in the pipeline)	171	73	244	42	-102	184
New Units Potential Under the 2014-2022 Housing Element						
El Camino Real/Downtown Specific Plan Zoning	n/a	n/a	200	230	250	680
New Housing on Infill Sites Around Downtown	0	0	0	50	20	70
New Second Units	15	15	30	10	0	40
Conversions to Second Units	10	15	25	10	0	35
High Density Opportunity Sites***	n/a	n/a	433	0	0	433
Scattered Site Units Pre-2012 Zoning	0	0	0	73	121	194
Subtotal	25	30	688	373	391	1,452
Remaining Adjusted RHNA			-444	-331	-493	-1,268

*The "Lower Income SUBTOTAL" adds together the very low and low income units required under RHNA

**"Units in the Pipeline" include units built or approved (permits issued or entitlements completed) with estimated project affordability

***Includes the following sites: both of MidPen's Gateway Apartments sites, Hamilton Avenue and Haven Avenue R-4-S sites

****Moderate income units can be considered affordable for Above Moderate Income households

*****Lower income units can be considered affordable for Moderate Income households

The conclusions of the Housing Element are that there are sufficient sites and adequate capacity for housing in Menlo Park to accommodate the City's 2014-2022 RHNA at the very low, low, moderate and above moderate-income affordability levels. Development opportunities shown in the table set forth realistic expectations for the 2014-2022 Housing Element planning period as to site capacity based on current development standards and other City regulations and requirements. The constraints analysis of the City's regulations and requirements provided in Section VII.C confirms this conclusion, which is further supported by the number of project applications already reviewed (see above) as well as a number of development applications anticipated to be reviewed over the next 6 to 12 months for 500 El Camino Real (170 units) and 1300 El Camino Real/Derry Lane (216 units) within the El Camino Real/Downtown Specific Plan area and for 721-851 Hamilton Ave (195 units), 3645 Haven Avenue (146 units), and 1221-1275 Willow Road (90 units of which 42 would be net new).

Extremely Low Income (ELI) Household Need

~~In addition, it~~ is estimated that 50% of the City's Very Low Income housing need for the ~~2007-2014~~2014-2022 planning period will be for households earning less than 30% of median income (considered "Extremely Low Income" per the definitions). ~~This translates into a need for about 116 units affordable to ELI households during the 2014-2022 planning period.~~ The 2013 area median income for Menlo Park is \$103,000. For ELI households, this results in an income of \$30,900 or less for a four-person household. ~~ELI Households-households~~ have a variety of housing ~~situations-and~~ needs. For example, most families and individuals receiving public assistance, such as social security insurance (SSI) or disability insurance are considered ELI households. The information below is from 2000 CHAS data for Menlo Park.

Housing Needs for Extremely Low income (ELI) Households in Menlo Park

Household Category	Renter Households	Owner Households	Total Households
Total Number of Households in Menlo Park	5,245	7,360	12,605
Total Number of ELI Households in Menlo Park*	640	495	1,135
Percent of ELI Households with Housing Problems	79.7%	74.7%	77.5%
Percent of ELI with Cost Burden (Paying 30% or More of Income)	79.7%	74.7%	77.5%
Percent of ELI with Cost Burden (Paying 50% or More of Income)	66.4%	66.7%	66.5%

* "Extremely Low Income" (ELI) households are defined as households earning less than 30% of the County median income

Source: HUD Comprehensive Housing Affordability Strategy (2006-2010); made available November 2013

In 2000, approximately 1,129 ELI households resided in the City, representing approximately 10 percent of the total households. Nearly two thirds of ELI households are renters and most experience housing problems (defined as cost burden greater than 30 percent of income and/or overcrowding without complete kitchen or plumbing facilities). For example, 83.3 percent of ELI renter households were in overpayment situations. Even further, 61.9 percent of all ELI households paid more than 50 percent of their income toward housing costs, compared to 10.9 percent for all households.

~~To calculate the projected housing needs, it is assumed 50 percent of the City's 226-unit RHNA for very low income households are ELI households. As a result, the City has a projected need of 113 units for ELI households.~~ Many ELI households will be seeking rental housing and most likely facing overpayment, overcrowding or substandard housing conditions. Some ELI households could include persons with disabilities as well. Housing types available and suitable for ELI households include affordable rentals, secondary dwelling units, emergency shelters, supportive housing and transitional housing. Based on this range of need, the City will include ELI households as it ~~develops~~

~~programs related to implements the affordable housing overlay zoning-zone (Program H4.C) and through development of housing in housing opportunity sites areas. (Programs H4.H and H4.O).~~

B Summary of Available Land for Housing

The Housing Element recognizes there are limitations to the amount of available land resources in Menlo Park and the intent of the Housing Element is to use remaining available land resources as efficiently as possible in addressing local housing needs and the City's ~~fair~~ share of regional housing needs. Further, City housing policies and programs recognize that affordable and special needs housing (housing for seniors, affordable workforce housing, housing for persons with disabilities, single person households, shelter for the homeless and affordable family housing opportunities) are the greatest housing needs in the community. The intent is to avoid the inefficient use of the community's fixed land resources on lower density, less affordable housing, other than additional units already allowed under current zoning.

In addition, the focus of this Housing Element is to provide a multi-pronged City policy and program approach to meeting a variety of housing needs in Menlo Park that: (1) distributes affordable housing opportunities throughout the community; (2) locates new housing near to transit and services when possible; (3) assures that new housing fits with the desired design character of Menlo Park; and (4) supports the provision of high quality services, well-planned infrastructure and the efficient use and protection of environmental resources. The City's multi-pronged approach to address housing needs focuses on the following policies and programs:

- ❖ Create ~~More~~ Opportunities for New Secondary Dwelling Units
- ~~❖ Undertake an Amnesty Program to Legalize Existing Illegal Secondary Dwelling Units~~
- ❖ Provide Opportunities for a Mix of Housing and Commercial Uses to be Combined in Selected Locations
- ❖ Continue to Implement Existing Zoning for Market Rate Housing
- ❖ Implement the Recently Adopted El Camino Real/Downtown Specific Plan
- ~~❖ Provide Infill Housing Opportunities Around Downtown~~
- ~~❖ Rezone Sites for Multi-Family Housing at Higher Densities~~
- ~~❖ Provide new housing in higher density housing opportunity sites~~
- ❖ Create Incentives and Opportunities for Affordable Housing

~~Higher density housing sites located outside of the El Camino Real/Downtown Specific Plan and surrounding infill areas have the potential for a total 886 units on almost 30 acres of land. These sites include:~~

- ~~(1) — **Veterans Affairs Clinic** located in the 700 block of Willow Road (2.01 acres; 60 units at 32 units/acre; single owner).~~
- ~~(2) — **MidPen’s Gateway Apartments** located in the 1200 block of Willow Road (2.27 acres; net increase of 42 units at up to 40 units/acre; single owner).~~
- ~~(3) — **MidPen’s Gateway Apartments** located in the 1300 block of Willow Road (2.97 acres; net increase of 36 units at up to 40 units/acre; single owner).~~
- ~~(4) — **Hamilton Avenue** located in the 700-800 blocks of Hamilton Avenue (7.20 acres; net increase of 208 units at 30 units/acre; four owners).~~
- ~~(5) — **Haven Avenue** located in the 3600 block of Haven Avenue (15.50 acres; 540 units at 35 units/acre; three owners).~~

~~Although the City has been studying and accounting for the potential impacts of a 60-unit development that is currently proposed on the Veterans Affairs land, the City does not need to take any action to rezone the site due to a Federal pre-emption of the City’s land use authority. Nevertheless, the City is able to account for the new units as meeting the City’s obligations under the Housing Element requirements. Some of the reasons for the sites above being selected for rezoning include:~~

- ~~(1) — Community input.~~
- ~~(2) — Strong property owner interest.~~
- ~~(3) — Sites would be available within the City by the end of 2014 (i.e., the current planning period) without need for annexation.~~
- ~~(4) — Distribution of sites to balance the elementary school impacts of the 680 potential units through the El Camino Real-Downtown Specific Plan and the 118 potential units through Infill Around Downtown zoning changes.~~
- ~~(5) — Proximity to projected job growth in Menlo Park (e.g., Facebook, Menlo Gateway, 151 Commonwealth, etc.) to enable commute options through walking and bicycling.~~
- ~~(6) — Proximity to freeways (Highway 101) for easy access to regional transportation without impacting local streets.~~

Potential Environmental and Infrastructure Capacity Factors

The discussion that follows examines overall environmental factors examined in the Environmental Assessment (EA) related to the feasibility of housing development during the 2007-2014 planning period under the policies and programs contained in the City’s **2007-2014** Housing Element. In addition to development under the El Camino

Real/Downtown Specific Plan, the EA studied impacts of up to 900 new higher density housing units (for sites being rezoned ~~at that time~~), up to 118 infill dwelling units (for sites surrounding the downtown), and up to 300 secondary dwelling units for a total of 1,318 units through the year 2035.

In general, ~~the proposals in development under the 2014-2022~~ Housing Element would not create any unusual environmental impacts. Where potential environmental impacts may occur, proposed General Plan policies ~~as part of the General Plan Consistency Update~~ would generally ~~self~~ mitigate the impact(s) to a less than significant level. ~~Preliminary s~~Studies indicate ~~that~~ there would be significant impacts related to Traffic and Transportation, Air Quality and Greenhouse Gas Emissions, which are also topic areas that were identified as significant, unavoidable impacts in the El Camino Real/Downtown Specific Plan environmental impact report. For these three topic areas, the impacts are citywide. Given the thresholds for these topics, a reduction in the number of dwelling units to obtain a less than significant impact would likely result in a project that would not meet the objective of achieving the City's RHNA. These impacts ~~will be studied further when the City undertakes a more comprehensive update of its General Plan beginning later in 2013, but~~ do not pose a constraint to the development projections under the Housing Element during the ~~2007-2014~~2014-2022 planning period.

~~Redevelopment of the Haven Avenue site would change this industrial designated land to residential uses. Through proper design, the future development could provide a sense of identity and community for this area. Implementation of the rezoning for~~Development of the ~~five sites identified above~~ (Veterans Affairs Clinic, MidPen's two Gateway Apartments sites, Hamilton Avenue ~~East~~ and Haven Avenue ~~sites~~), infill housing, second units and development within the El Camino Real/Downtown Specific Plan area will allow future development ~~on~~ in locations that are either developed and/or underutilized, and/or in close proximity to existing residential development and other services, where future development would potentially have lesser impacts on natural resources.

~~In addition, t~~Topics such as flooding, geologic and seismic safety, water quality and hydrology can be addressed through the application of standard development regulations. The ~~EA~~Environmental Assessment prepared on the 2007-2014 Housing Element ~~analysis identifies~~ identified the following topic areas that warrant additional review and/or mitigation. However, none of the factors described below are expected to be a constraint to the development projections under the Housing Element during the ~~2007-2014~~2014-2022 planning period.

Biological Resources. Biological resources tend to be site-specific and the degree to which significant vegetation and wildlife resources must be protected on a particular site. This includes preservation of well-developed native vegetation (native grasslands, oak woodlands, riparian woodland, etc.), populations of special-status plant or animal species and wetland features (including freshwater seeps and tributary drainages). City policies protect biological resources but not to the point where it will reduce the development potential estimated in the Housing Element, including higher density sites located within the El Camino Real/Downtown Specific Plan and surrounding infill areas, and higher density sites rezoned concurrently as part of the Housing Element. The Veterans Affairs Clinic is located in an area with a man-made, park-like setting with non-native lawn and oak trees, while Hamilton Avenue East is a former industrial site with a grassy vegetation covering, but no trees. On these sites, impacts would probably be limited to trees (if removal is proposed).

Cultural Resources. For built environment historical resources, protections provided under the City's Zoning Ordinance are anticipated to mitigate or avoid most impacts to such resources that would occur from development ~~and land use changes~~ allowed by ~~under the City's General Plan and~~ the Housing Element. Development also has the potential to adversely affect archaeological resources, paleontological resources and human remains through their destruction or disturbance. While the Veterans Affairs Clinic contains several historic resources, the proposed area for housing development is not visually connected with these historic sections. There are no other site-specific cultural issues that will constrain the development anticipated under the Housing Element.

Hazardous Soils. The Hamilton Avenue East and Haven Avenue sites are former industrial sites, which would require soils remediation prior to development for residential uses. While soils management plans would be required, the property owners are aware of this need and are working towards addressing this issue. Approval from the applicable oversight agency would be required prior to any development. Existing structures on these two sites will be evaluated for the presence of hazardous building materials prior to their renovation or demolition. The removal of hazardous materials (if present) by contractors licensed to remove and handle these materials in accordance with City regulations and existing federal, State, and local regulations would insure that risks associated with the transport, storage, use and disposal of such materials has no effect on development assumptions contained in the Housing Element.

Noise. All of the sites would be exposed to local roadway noise. Midpen's Gateway Apartments sites and Haven Avenue would be exposed to traffic noise from Highway 101 and Bayfront Expressway. In addition, Midpen's Gateway Apartments sites and

Hamilton Avenue East would be exposed to railway activity on the Dumbarton line. While these noise sources exist, future development would be required to comply with applicable exterior and interior noise standards, which could incorporate appropriate site design techniques and/or the use of mechanical ventilation and rated windows to effectively reduce noise levels.

Public Services. Potential impacts to school districts are addressed through the payment of School Impact Fees and therefore, impacts are considered less than significant. The Ravenswood School District and the Redwood City School District have additional capacity at this time. ~~The Veterans Affairs Clinic~~, Midpen's Gateway Apartments sites and Hamilton Avenue ~~East~~ are located in the Ravenswood School District while the Haven Avenue site is located in the Redwood City School District.

Water Supplies and Wastewater Infrastructure. The City's water supply planning efforts have developed adequate water supplies so that water supplies are not an anticipated constraint to planned development. Because cumulative water demands would not require an additional water supply, the construction or expansion of water treatment facilities, over and above what is currently planned would be unnecessary. Overall, when considered along with the future development under the Housing Element, water demands would neither exceed planned levels of supply nor require building new water treatment facilities or expanding existing facilities. Adequate wastewater treatment capacity exists for the potential development under the Housing Element.

~~Opportunities to Create New Housing Without Land Use Change~~

~~The opportunities below require modifications to existing standards and procedures to enable construction of new units, but do not require a major change in land use.~~

~~**Create More Opportunities for Secondary Dwelling Units.** Program H4.E identifies incentives for new secondary dwelling units to be built. Proposed modifications to the City's existing regulations for secondary dwelling units include reduction in minimum parcel size, allowances for larger secondary dwelling units, flexibility in height limits, reduced fees (possible reduction in both Planning/Building fees and impact fees as a result of the small size of the units), flexibility in how parking is provided on site and a greater City role in publicizing and providing guidance for the approval of secondary dwelling units. Specifics would be developed as part of program implementation. Based on studies conducted in San Mateo County and elsewhere in the Bay Area, it is anticipated that two-thirds to three-quarters of secondary dwelling units built are affordable to lower income households due to their small size and use as housing for family members at very low to no rent. With the modifications proposed in the Housing~~

~~Element, it is anticipated that 10 additional secondary dwelling units could be built by 2014.~~

~~**Undertake an Amnesty Program to Legalize Existing Illegal Secondary Dwelling Units.** Program H4.F is an amnesty program to legalize existing illegal secondary dwelling units. Additional study and refinement of specific incentives, standards, timing, penalties and requirements for legalizing a unit would be developed as part of program implementation. Coordination with Program H4.E would also occur. Similar to new secondary dwelling units and based on program implementation, it is anticipated that 35 secondary dwelling units not counted in the 2010 U.S. Census could be legalized by 2014.~~

~~**Implement the Recently Adopted El Camino Real/Downtown Specific Plan.** The recently adopted El Camino Real/Downtown Specific Plan contains opportunities for 680 units to be built. Based on current zoning, densities of over 30 units per acre are permitted on the majority of the sites. While the sites could theoretically accommodate a maximum of 699 units at those densities, the EIR prepared for the plan examined 680 units as the maximum number. Appendix A, Table 2 lists the Assessor Parcel Numbers of opportunity sites. There is also the opportunity for a significant number of affordable units to be built. The Affordable Housing Overlay Zone (Housing Element Program H4.C) would be applicable to the entire Specific Plan area and would be a tool to achieve the public benefit densities for affordable housing.~~

~~**Provide Infill Housing Opportunities Around Downtown.** Program H4.A focuses on lots 10,000 square feet or greater around the El Camino Real/Downtown Specific Plan area. The program also calls for possible expansion to smaller lots at a later date. Based on program implementation, it is anticipated that 50 moderate income units and 20 above moderate income units could be built by 2014. The affordability of the units would be due to their generally smaller size.~~

Composite of Housing Element Approach to Housing Sites

The sites analysis must cover potential zoning, environmental, infrastructure and other potential development constraints to determine whether there are barriers to development. The Housing Element must also establish a realistic development potential ~~for rezoned sites under current zoning.~~ Higher density sites covered under the El Camino Real/Downtown Specific Plan have appropriate zoning, ~~as described on the previous page.~~ ~~I,~~ as do higher density sites located outside of the downtown area that are now zoned R-4-S and R-4-S (AHO). Infill opportunities around the Downtown ~~will~~ also have zoning to enable development of ~~housing at 30 units per acre~~ higher density housing.

The El Camino Real/Downtown Specific Plan sites and sites located in the infill area around the downtown are listed in Appendix A of the Housing Element. These areas provide the opportunity for up to 750 units of higher density housing to be built. The Specific Plan area is limited to a 680-unit cap on additional development, but bonuses would apply to individual sites as they are proposed. However, the overall development potential of 680 additional housing units under the Specific Plan cannot be exceeded ~~without additional environmental review.~~

~~The areas identified for higher density zoning located outside of the downtown have a realistic potential under base R-4-S zoning to accommodate 756 “net new” dwelling units. However, it is desirable under Housing Element goals and policies that these sites accommodate 886 “net new” dwelling units. The breakdown of “net new” multiple family dwelling units at 30 or more units per acre desired to be located east and west of Highway 101 would be as follows: North of Highway 101 — 826 units; (2) South of Highway 101 — 810 units. This calculation does not consider the location of new second units, however.~~

The sites rezoned to R-4-S are all relatively flat and have minimal development constraints. There has also been a significant degree of property owner and developer interest in the ~~rezoning and~~ development of **multiple family housing** on these sites. ~~for multiple family housing.~~ Further, ~~w~~With developer interest and both rents and sales ~~pricing prices~~ now increasing ~~significantly~~, the development of these sites with the ~~significant~~ number of incentives provided by the City appears feasible and realistic. ~~Also,~~From a planning standpoint, the base density ~~shown in the table below~~ should be considered the realistic development potential for these sites since it requires no discretionary review.

Rezoned Housing Sites — Base Density, Realistic Potential, Desired Potential and Bonus Density Potential Under State Density Bonus Law and Affordable Housing Overlay Zone

Site	Site Size (Acres)	Base Density Under R-4-S Zoning (Units/Acre)*	Realistic Potential "Net New" Dwelling Units Under Base R-4-S Zoning	Desired "Net New" Dwelling Units Potential Under the Housing Element (Dwelling Units/Acre)	Additional Potential "Net New" Dwelling Units Above Realistic Potential with Maximum 35% Bonus (45 units/acre) Under STATE DENSITY BONUS LAW****	Additional Potential "Net New" Dwelling Units Above Realistic Potential with Maximum 60% Bonus (48 units/acre) under AFFORDABLE HOUSING OVERLAY ZONE
Haven Avenue Sites	15.50 ac	30 units/ac	465	540 units (35 units/ac)	+226	+279
Hamilton Avenue Sites**	7.20 ac	30 units/ac	208	208 units (30 units/ac)	+113	*
MidPen's Gateway Apartments (1200 block of Willow Avenue)	2.27 ac	30 units/ac	20	42 units (40 units/ac)	+33	+41
MidPen's Gateway Apartments (1300 block of Willow Avenue)	2.97 ac	30 units/ac	7	36 units (40 units/ac)	+43	+54
Veteran's Affairs (VA) Site***	2.01 ac	30 units/ac	56	60 units (32 units/ac)	**	**
Total	29.95 ac	30 units/ac	756	886	+415	+374

Source: City of Menlo Park, 2013

* The minimum density on these sites is 20 units/acre and the maximum base density is 30 units/acre

** Hamilton Avenue not rezoned to the Affordable Housing Overlay Zone (currently 8 units on these sites)

*** Veteran's Affairs site does not require rezoning since it is located on Federally-owned land

**** The City offers a 10% bonus for structured parking that could bring the effective bonus to 49% under State Density Bonus Law, although this would be more of a theoretical maximum since it would probably only be feasible with larger projects, such as the Haven Avenue and Hamilton Avenue sites.

In addition to the base density and realistic development potential established based on 30 units per acre, the City ~~is has established~~~~establishing~~ an Affordable Housing Overlay ~~Zone~~~~zone~~ for some of the higher density housing sites to provide incentives to achieve more affordable units as part of new development. State Density Bonus Law could also apply to these sites. The ~~tables~~~~table~~ below ~~illustrate~~~~illustrates~~ the base density under the R-4-S zoning (realistic development potential), desired development potential under the Housing Element, and potential density bonuses under State Density Bonus Law and the Affordable Housing Overlay Zone.

The minimum density in the R-4-S zone is 20 units/acre. The Haven Avenue sites, Hamilton Avenue sites and the two MidPen Gateway Apartments sites comprise a total of 27.94 acres and would result in a minimum of 559 units. By including the VA site (60 units), the minimum total number of units is 619 units, which still enables the City to provide adequate sites for lower income housing consistent with the City's Regional Housing Needs Allocation.

Overall market trends, such as significant recent increases in rents and local job growth, have created a high demand for housing on these sites. There is also developer interest to construct housing. The Haven Avenue sites include current uses such as outside storage, warehousing, mulching, etc. that would not impede redevelopment of the site to residential use. The Hamilton Avenue sites are in much the same condition, with sites either being vacant or having light industrial uses. There is one parcel included with the Hamilton Avenue sites that contains 8 residential units (Mt. Olive). Lot consolidation is preferred by the City to achieve more coordinated site planning. The Hamilton Avenue sites are also located near to the Facebook campus. Table 1 in Appendix A lists all the separate properties for the VA site, MidPen sites, Haven Avenue sites and Hamilton Avenue sites by Assessor's Parcel Number (APN) and provides information on current uses, zoning, development potential, etc. Below is a more detailed listing of the properties included in the Haven Avenue sites and Hamilton Avenue sites and their development potential under the base zoning and development under State Density Bonus Law and, for the Haven Avenue sites, under the new Affordable Housing Overlay Zone.

The MidPen and VA sites are different from Haven Avenue and Hamilton Avenue due to ownership and site conditions. Even though the MidPen sites are developed with multi-family residential uses, the owner (MidPen) is seeking funding to redevelop the site at a higher density. All of the units proposed would be affordable to lower income households. For the VA/Core site, the VA has selected Core Affordable Housing, which is pursuing a development for very low income veterans.

The map on the next page shows a composite of the City's approach to providing adequate sites for a variety of housing types and needs. Specifically, these include sites rezoned for higher density housing, lots around the downtown area that have additional development potential, second units and the El Camino Real/Downtown Specific Plan area. At least 50% of the City's lower income need must be accommodated on sites designated for residential use with only ancillary commercial or other uses to support the development and reduce trips. Following the composite map are pages showing higher

~~density housing sites located outside of the El Camino Real/Downtown Specific Plan and the surrounding infill areas.~~

C Potential Governmental Constraints to Housing

Conclusions of the Potential Governmental Constraints Analysis and Summary of Recent Actions Taken By the City to Remove Potential Governmental Constraints to Housing

As part of the Housing Element update, cities must look at potential governmental and nongovernmental constraints to see how they impact the development or rehabilitation of housing for all income levels. There is an important connection in the Housing Element between the available land inventory and the analysis of potential governmental constraints so the City can most effectively meet its housing goals. The connection recognizes (a) there are limitations to the amount of available land resources in Menlo Park and (b) the intent of the Housing Element is to use remaining available land resources as efficiently as possible in addressing local housing needs and to meet the City's share of its Regional Housing Needs Allocation (RHNA).

In 2013, the City undertook a number of actions to remove potential governmental constraints to housing. By linking the available land supply with environmental review and the examination of City regulations and processes in a comprehensive manner, the City was able to identify actions to facilitate the development of needed housing in a way that effectively blends new housing into the Menlo Park community. By merging the discussion of housing and land use, the City has also been able to provide a multi-pronged approach to provide a variety of housing types, choices and affordability levels. Specific strategies include: (a) second units; (b) infill housing around the downtown; (c) implementation of the El Camino Real/Downtown Specific Plan; (d) inclusionary housing requirements for market rate developments; (e) assistance and incentives for affordable housing development; and (f) development of new housing at higher densities, with incentives provided through higher density and Affordable Housing Overlay zoning. Programs to address development standards and processes for these strategies and to remove any impediments to successful implementation were included in the 2007-2014 Housing Element.

In addition to modifications to development standards and processes, the City prepared an Environmental Assessment (EA) to address the overall impacts of 2007-2014 Housing Element and to establish a Mitigation Monitoring and Reporting Program (MMRP) for future development. Use of the EA has helped to streamline development review. The discussion below describes in more detail the actions the City has

undertaken to remove potential governmental constraints within the context of its comprehensive set of housing strategies.

Actions Taken By the City in the 2007-2014 Housing Element to Remove Potential Governmental Constraints

- (1) **R-4-S (High Density Residential, Special).** The R-4-S zoning was adopted in June 2013 and is intended to encourage higher density housing at 30 units per acre in appropriate locations in the City. It also implements Housing Element programs H4.I and H4.O. The R-4-S zoning district has been applied to four housing opportunity sites in the City (also in June 2013). The R-4-S regulations establish parking based on bedroom count per unit rather than a standard two spaces per unit, which is the typical residential parking ratio in residential zoning districts outside of the Specific Plan area. The R-4-S zoning district is unique to other zoning districts in the City in that, in addition to development regulations and “by right” zoning for multiple family housing, the district contains helpful design standards and design guidelines covering:
 - a. *Maximum Façade Height and Building Profile* to provide variation and articulation to buildings, and are applied when a property line is contiguous to a public right-of-way or single-family zoned property.
 - b. *Accessory Structures/Buildings* to encourage accessory structures and buildings to be located on the rear half of the lot since many of the R-4-S parcels are deep.
 - c. *Electric Vehicle Parking*, with the parking counted towards the required parking.
 - d. *Process for Modifications to Regulations and Standards* that would allow modifications to the development regulations through approval of a use permit and allow modifications to the design standards through approval of architectural control, both of which are discretionary processes.
 - e. *Compliance Review Procedure* so that if a development complies with the defined development regulations and the design standards, approval of the project is ministerial and discretionary review is not required. Conforming projects are considered “by right” development. To ensure conformance with the development regulations and design standards, the draft ordinance includes a procedure for compliance review. The process entails noticing of property owners and occupants within a 300-foot radius of the exterior boundary of the project site and a study session before the Planning Commission. The Commission’s

review is limited to review of the architectural design of the proposal relative to the Design Standards and Design Guidelines and is advisory only. The Community Development Director makes the final determination of compliance.

- f. *Design Standards and Guidelines* to provide quality living for the project's residents and to minimize impacts to adjacent uses with application of the development regulations and design standards. All development in this zoning district would need to meet both the development regulations and the design standards. The design guidelines serve to encourage good design, but are more qualitative in nature and are not mandatory. Many of the design standards and guidelines were borrowed from the Land Use and Building Character chapter of the El Camino Real/Downtown Specific Plan. The intent is to provide clarity and more exactness as to the City's expectations for the developer.
 - g. *Mitigation Monitoring and Reporting Program* compliance with the Mitigation Monitoring and Reporting Program (MMRP) established through the 2007-2014 Housing Element Environmental Assessment. For example, all future development would need to comply with measures identified by the Bay Area Air Quality Management District (BAAQMD) for reducing construction emissions. Implementation of measures to address potential environmental concerns would be reviewed on a case-by case basis.
- (2) **Rezoning of Housing Opportunity Sites.** Five sites for higher density housing were selected as part of the 2007-2014 Housing Element process for rezoning. The sites were selected based on (a) community input, (b) strong property owner interest, (c) availability of the site within the City by the end of 2014 without need for annexation, (d) distribution of sites to balance the elementary school impacts of the potential new units through the El Camino Real Downtown Specific Plan and the units through infill around downtown, (e) proximity to projected job growth in Menlo Park (e.g., Facebook, Menlo Gateway, 151 Commonwealth, etc.) so that commute options through walking and bicycling would be possible, and (f) proximity to freeways (Highway 101) for easy access to regional transportation without impacting local streets.

Four of the five sites were rezoned to the R-4-S district. They are located along the (1) 1200 and (2) 1300 blocks of Willow Road, (3) 600, 700 and 800 block of Hamilton Avenue and (4) the 3600 block of Haven Avenue. The Veterans Affairs campus was identified as the fifth site, but due to a Federal preemption of the

City's land use authority, the site did not need to be rezoned in order for the pending 60-unit affordable housing development to be built.

- (3) **Implementation of State Density Bonus Law.** Government Code Section 65915, the State Density Bonus law, requires local governments to provide density bonuses and other incentives to developers of senior housing as well as affordable housing who commit to providing a certain percentage of dwelling units to households whose incomes do not exceed specific thresholds. Under State law, a jurisdiction must provide a density bonus, and concessions and incentives based on certain criteria and must adopt an ordinance to implement the State law. The State Density Bonus law is used to supplement the City's local Below Market Rate ordinance. Adoption of the zoning changes implemented Program H4.D of the 2007-2014 Housing Element, which is to amend the Zoning Ordinance to be consistent with State Density Bonus law requirements.

- (4) **Creation of an Affordable Housing Overlay Zone.** Consistent with program H.4.C of the 2007-2014 Housing Element, the City adopted an Affordable Housing Overlay (AHO) as part of the Zoning Ordinance. The AHO provides incentives above and beyond what is allowed under the State Density Bonus Law for providing low, very low and extremely low-income housing. One of the key incentives is the ability to increase the maximum density and floor area ratio (FAR) for a site. Unlike the City's Below Market Rate Housing Program (inclusionary requirements), the AHO is not a provision for inclusionary zoning. Use of the AHO is voluntary, and can only be used where the AHO is zoned and when certain minimum standards have been met. The AHO has been applied to three select housing opportunity sites (the 1200 and 1300 blocks of Willow Road and the 3600 block of Haven Avenue) as well as throughout the El Camino Real/Downtown Specific Plan area boundary. Use of the AHO in the Specific Plan area is similar to receiving public benefit levels established in the plan. The Plan recognizes that affordable housing, particularly for lower affordability levels, in areas nearest to the station area/downtown and senior housing are elements where a public benefit bonus can be considered. Whereas the public benefit is determined through a structured negotiation process in the Specific Plan, application of the AHO is automatic if specific triggers are met.

- (5) **Amendment to the R-3 (Apartment) District.** Consistent with Housing Element Program H4.A, the City modified the R-3 (Apartment) zoning district to provide greater opportunities for infill housing in designated areas around the El Camino Real/Downtown Specific Plan area by increasing the maximum density to 30 dwelling units per acre on lots 10,000 square feet or greater. To accommodate

the increase in density on lots 10,000 square feet or greater, development regulations, such as floor area ratio, building coverage, height and parking were modified as well. The floor area ratio was increased on an even gradient from 35 percent for a 13.1 du/ac project to 75 percent for a 30.0 du/ac project, and additional height will be permitted when a minimum of 20 du/ac is provided.

- (6) **Secondary Dwelling Units.** Consistent with Housing Element Program H4.E, the City is modified the Secondary Dwelling Unit requirements pertaining to single-family residential lots 6,000 square feet or greater in size throughout the City. The intent of the ordinance change was to bring the ordinance into compliance with State law and to encourage the creation of more second units, which are ancillary to the main dwelling.
- (7) **Implementation of Special Needs Housing Changes.** The Housing Element contains programs to remove governmental constraints for special needs housing, including program H3.A Zone for Emergency Shelter for the Homeless, program H3.B Zone for Transitional and Supportive Housing and program H3.C Adopt Procedures for Reasonable Accommodation. Adoption of amendments to the Zoning Ordinance to implement these programs is anticipated to occur concurrently with adoption of the 2014-2022 Housing Element. The City is also working on program H1.L, which is to Adopt Priority Procedures for Providing Water and Sewer Service to Affordable Housing Developments. The intent is to adopt all of these changes early in 2014.

Summary of the Assessment of Potential Governmental Constraints and Recommended Program Actions

The Housing Element provides an opportunity to comprehensively assess potential governmental constraints to housing and to identify implementing programs to address those constraints. Based on the assessment in the 2014-2002, the following programs are included in the 2014-2022 Housing Element to address potential governmental constraints (those programs noted with an asterisk — * — will also be reviewed as part of the City's comprehensive update of its General Plan):

- H1.B Review the Housing Element Annually
- H1.I Work with Non-Profits on Housing
- H3.G Develop Incentives for Special Needs Housing*
- H4.A Modify R-2 Zoning to Maximize Unit Potential*
- H4.C Modify BMR Guidelines
- H4.E Modify Secondary Dwelling Unit Development Standards and Permit Process

- H4.F Establish a Process and Standards to Allow the Conversion of Accessory Buildings and Structures to a Secondary Dwelling Unit
- H4.H Work with Non-Profits and Property Owners on Housing Opportunity Sites
- H4.I Create Multi-Family and Residential Mixed Use Design Guidelines*
- H4.K Work with the Fire District
- H4.L Coordinate with School Districts to Link Housing with School District Planning Activities*
- H4.M Review the Subdivision Ordinance*
- H4.N Create Opportunities for Mixed Use Development*
- H4.O Review Transportation Impact Analysis Guidelines*
- H4.P Update Parking Stall and Driveway Design Guidelines
- H4.R Modify Overnight Parking Requirements to Include the R-4-S Zoning District

The conclusion of the potential governmental constraints analysis is that the City has either already undertaken actions to remove constraints or it has identified program actions as part of the Housing Element to remove constraints during the first half of the 2014-2022 Housing Element planning period.

Land Use Controls

Menlo Park uses development controls that are typical for other cities in the county and region. The following table summarizes what permits are needed for development.

Land Use Controls

Specific Land Uses	R-E	R-1	R-2	R-3	R-4	R-4-S
Single-Family Dwellings	P	P	P	P	P	<u>NP</u>
Duplexes	NP	NP	P	P	P	<u>NP</u>
Triplexes	NP	NP	P	C	C	<u>NP</u>
Multiple-Family Dwellings	NP	NP	P	C	C	<u>P</u>
Group Care Facilities	NP	NP	C	C	C	<u>C</u>
Boardinghouses	NP	NP	C	C	C	<u>C</u>
<u>Residential Care Facilities*</u>	NP	NP	C	C	C	<u>C</u>
<u>Emergency Homeless Shelters*</u>	NP	NP	NP	NP	NP	<u>NP</u>
Second Units	P	P	NP	NP	NP	<u>NP</u>

P is a Permitted Use

C is a Conditional Use

NP is Not a Permitted Use

Based on standard size lots

* To be consistent with State law, Housing Element programs H3.A and H3.B (currently being developed) will establish allowances for emergency homeless shelters, transitional and supportive housing

The Land Use Control Table identifies a Conditional Use Permit (CUP) requirement for multi-family housing in the R-3 and R-4 zones, however multi-family housing is now a permitted use (a use allowed “by-right”) in the R-4-S zone. Zoning controls for homeless shelters, transitional and supportive housing to be consistent with State law are currently being developed through implementation of Housing Element programs H3.A and H3.B. ~~, this will be modified as will allowances for residential care facilities and group facilities in certain zones that permit single family homes. The El Camino Real/Downtown Specific Plan and Housing Element Programs H4.A (Modify Development Standards to Encourage Additional Infill Housing) and H3.B (Zone for Transitional and Supportive Housing) are intended to address these identified potential constraints.~~ In addition, the City allows the siting and processing of mobile homes/manufactured homes in the same manner as a conventional or stick-build dwelling. Zoning standards, including building site requirements (lot area, coverage, FAR, landscaping, etc.), setbacks and height limits under Menlo Park zoning are summarized on the next page. ~~The table includes recently adopted modifications covering the R-3 zone for 10,000 square foot lots or larger located near the SP-ECR/D (El Camino Real/Downtown Specific Plan zoning) zone and standards applicable in the new R-4-S and R-4-S (AHO) zones.~~

Summary of City of Menlo Park Zoning Requirements

Zoning District	Building Site					Required Setbacks				Building Height	Minimum Off-Street Parking Requirements	
	Minimum Lot Area	Minimum Lot Width	Minimum Lot Depth	Maximum Floor Coverage	Floor Area Limit (FAL) / Floor Area Landscaping Ratio (FAR)	Front	Rear	Interior (Side)	Corner (Side)			
R-E	20,000 sf	110'	130'	Building coverage can vary depending on whether the development is single-story, or two or more stories. For single-story development, it can also vary depending on the lot size.		Min 10' on one side; 30' total	Min 15' on one side; 30' total	Min 15' on one side; 25' total		28'-30'	Two spaces per dwelling unit, one of which must be covered. Required spaces cannot be located in required front or side yard setbacks or in tandem.	
R-E-S	15,000 sf	100'										
R-1-S and R-1-S (FG)	10,000 sf	80'		None		20'	20'	10'	12'			
R-1-U	7,000 sf	65'				15% of lot width; min 20' front, 15' rear. Distance between buildings: 1/2 sum of the height of the buildings, 20' min	10'	10'	15'	35'		
R-2	7,000 sf with 3,500 sf/du	65'	100'	40%; 2nd floor 15%		25'	15'	10'	15'	13.1 du/ac (35'); 20 du/ac or greater (40')	2 or more bedrooms (2 spaces); up to 1 bedroom/du (1.5 spaces) with 1 space covered	
R-3 (general)	7,000 sf with varying lot area/du	70'-80' depending on lot size		30%	45%	15'	10'	25% of building height; min 5'	10'	No limit; more setback if over 35'	Two spaces per dwelling unit, one of which must be covered	
R-3 (10,000 sf lot area and near SP-EGR/D)	7,000 sf with varying lot area/du	80'		40%	35%-75% varying by density	20'	15'	10'	15'			
R-3-A	10,000 sf with varying lot area/du	80'		30%	45%	15'	10'	25% of building height; min 5'	10'	No limit; more setback if over 35'	Two spaces per dwelling unit, one of which must be covered	
R-3-C	As specified in R-3 (for residential uses) and C-1-A (for commercial uses) districts											
R-4	20,000 sf min; 1 acre max	100'	100'	40%	100%	20'	15'	10'	15'	40'	2 spaces for units w/ 2 or more bedrooms; 1.5 spaces for 1 bedroom unit; each unit must have at least one covered pkg. space. Spaces cannot be located in required front or side yard setbacks or in tandem. 1 guest space per 3 units	
R-4-S and R-4-S (AHO)	20,000 sf min; 20 du/ac min - 30 du/ac max	100'	100'	40%	60%-90% varying by density	20'	15'	10'	15'	40'	2 spaces for units w/ 2 or more bedrooms; 1.5 spaces for 1 bedroom unit; 1 space for studio, electric vehicle and bicycle parking required	
R-L-U	20,000	100'	100'	35%	150%	25'	20'	30' total; 10' min.	na	35'	1 space per 3 units	
R-L-U-X	40	flex	flex	flex	150%	flex	flex	flex	na	flex	flex	

There are several standards that should be examined to see if they are a constraint to new housing. The most accurate way to do this is to see if a development would be economically viable and likely to reach the number of homes theoretically allowed by the zoning rules. During the housing element 2007-2014 Housing Element update, Menlo Park's basic multi-family zoning standards contained in the R-3 and R-4 zoning districts were compared to the nearby and neighboring cities of Palo Alto, Mountain View, Sunnyvale, and City of San Mateo. Comparative standards for multi-family zoning allowing roughly 15-30 units per acre are shown below.

Comparison of Menlo Park Multi-Family Zoning Standards with Nearby Cities

Also see R-3 (10,000 sf lot area near SP-ECR/D), R-4-S and R-4-S (AHO) on Zoning Summary Table

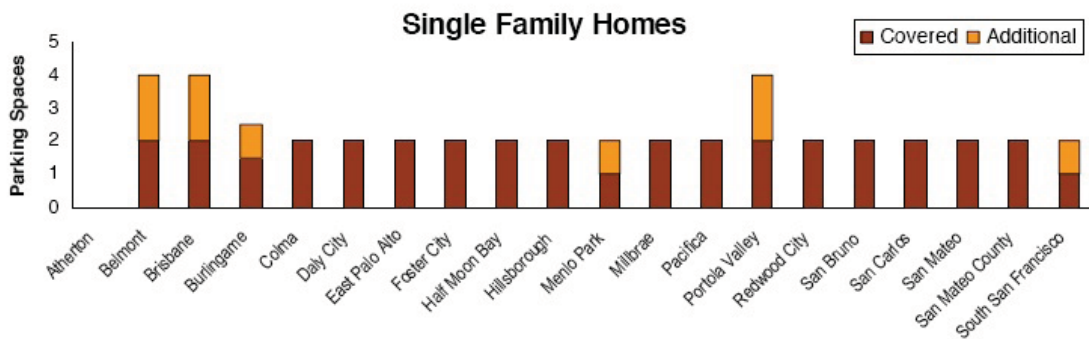
City	Zone	Units/Acre (1 acre lot)	FAR	Lot Coverage	Minimum Open Space	Lot Size Total	Building Height
Menlo Park	R-3	16	0.45	30%	50%	7,000	35'
	R-4	40	1.00	40%	30%	20,000	40'
Palo Alto	RM 15	15	0.50		35%	8,500	30'
	RM-30	30	0.60	--	40%	8,500	35'
	RM-40	40	1.00		45%	8,500	40'
Mountain View	R3-2	19	1.05	35%	55%	12,000	45'
	R3-1	33	1.05	35%	55%	12,000	45'
	R3-d	45	1.05	40%	35%	12,000	45'
Sunnyvale	R-3	24	None	40%	--	8,000	3'0-35'
	R-4	36	None	40%			55'
San Mateo	R-3	20-30	.85 by right, 1.0 by Use Permit	--	No set percent	--	--

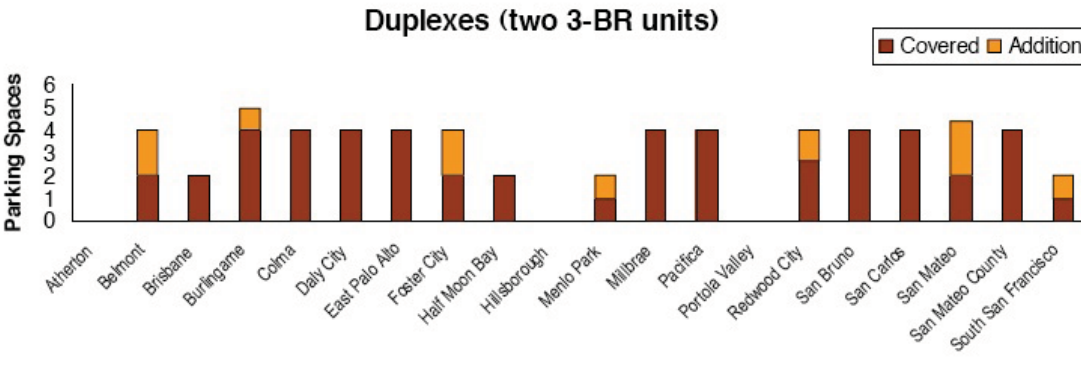
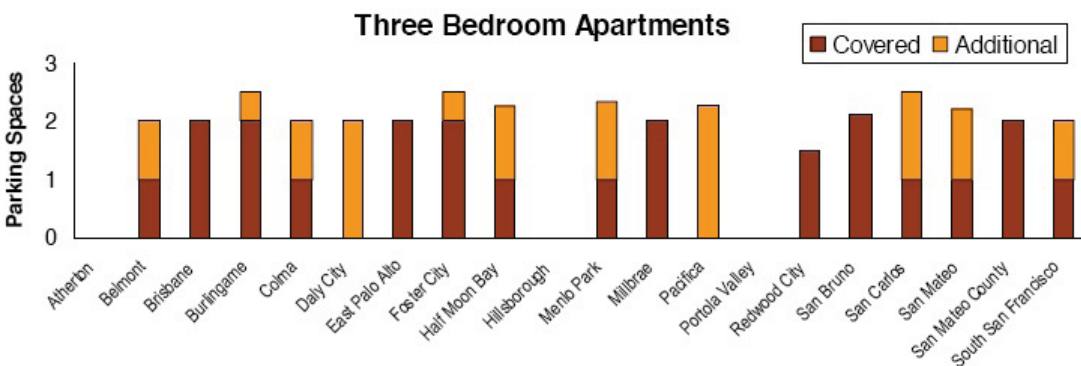
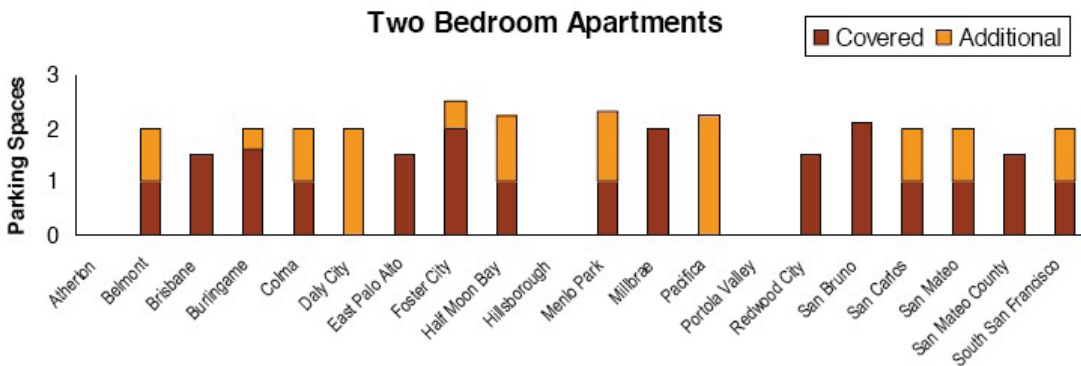
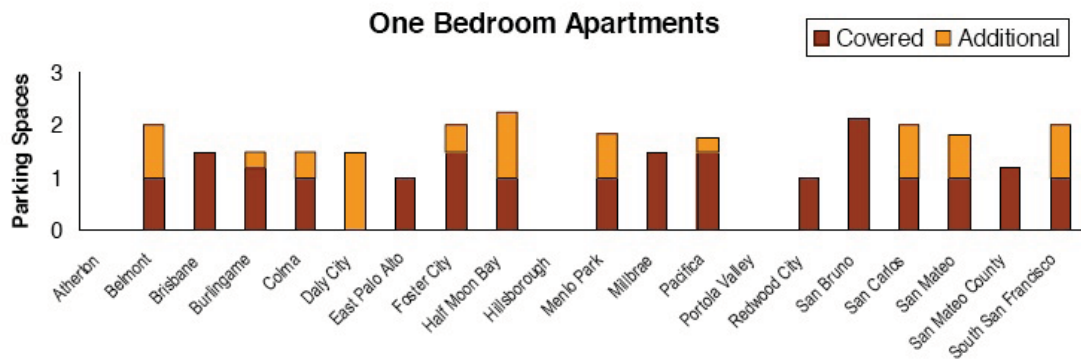
As shown above, Menlo Park's FAR for multi-family development is lower than neighboring cities for multi-family development in the R-3 zone (which is more suitable for moderate income housing) but comparable in the R-4 zone (which is suitable for lower income housing). However, based on this comparison and other factors, the City adopted more flexible standards that have been applied to lots of 10,000 square feet or great in the R-3 zone near the SP-ECR/D zone and the standards in the new R-4-S and R-4-S (AHO) zones to encourage greater opportunities for affordable housing. Additional standards that are lower than comparable cities include the 30 percent lot coverage in the R-3 zone and a maximum lot size in the R-4 zone of 1 acre in size. In addition, most comparable cities do not require conditional use permits for multi-family housing in a multi-family zone. Despite these restrictions, development is occurring and has continued to occur in the City's residential zones. Modifications of these requirements may be

appropriate for affordable housing developments, including incentives to be considered in the new “Affordable Housing Overlay” zoning designation.

Implementation of the El Camino Real/Downtown Specific Plan and Housing Element Programs H4.A (Modify Development Standards to Encourage Additional Infill Housing), H4.B (Modify R-2 Zoning to Maximize Unit Potential) and H4.C (Adopt Standards for an “Affordable Housing Overlay Zone”) are intended to address these identified potential constraints. Rezoning of sites for higher density housing will also eliminate the conditional use permit requirement for the specific sites rezoned as part of this Housing Element update. In addition, Program H4.E addresses potential constraints and compliance with State law for secondary dwelling units, which can potential provide a significant source of affordable housing in Menlo Park in the long term.

Below are Menlo Park’s parking requirements compared to other cities in San Mateo County. As can be seen in the comparison, Menlo Park’s parking requirements are comparable to other cities in the county. In addition, the R-4-S regulations establish parking based on bedroom count per unit rather than a standard two spaces per unit, which is the typical residential parking ratio in residential zoning districts outside of the Specific Plan area. The Retirement Living Units (R-L-U) zone and programs to encourage senior housing also provide incentives for reduced parking requirements.





The “Affordable Housing Overlay” zone program action will evaluate the City’s parking

~~requirements to determine whether, how and when to modify parking requirements to allow higher densities and reduced housing costs in areas appropriate for reduced parking requirements and affordable housing opportunities. The Retirement Living Units (R-L-U) zone and programs to encourage senior housing also provide incentives for reduced parking requirements. In addition, Housing Element programs will evaluate other incentives, such as fee waivers/reductions, density bonus and priority fast track processing.~~

As with other cities, Menlo Park's development standards and requirements are intended to protect the long-term health, safety and welfare of the community. The Housing Element includes programs, as identified at the beginning of this section, to reevaluate existing development standards to determine whether they should be revised so that they provide less of a barrier to the provision of affordable housing but still protect the long-term health, safety and welfare of the community.

Fees and Exactions

Processing fees are required for all property improvement and development applications, pursuant to City Council policy to recover processing costs of development review. Local fees add to the cost of development, however, all cities are concerned with the need to recover processing costs. High planning and site development fees can impact property owners' ability to make improvements or repairs, especially for lower-income households. However, line item fees related to processing, inspections and installation services are limited by California law to the cost to the agencies of performing these services. ~~The Housing Element contains several programs offering City zoning, through State Density Bonus Law and the Affordable Housing Overlay zoning provide various incentives for affordable housing as a way to reduce project costs and address potential constraints that fees and exactions may pose. Specific Housing Element Programs intended to address potential constraints and to offer incentives for affordable housing include Program H4.C (Adopt Standards for an "Affordable Housing Overlay Zone") and Program H4.D (Implement Inclusionary Housing Regulations and Adopt State Density Bonus Law).~~

The fees for Menlo Park are summarized below for two developments: (1) a single-family unit (3-bedrooms, 2,000 square feet on a 10,000 square foot lot at a density of 4 units per acre and building permit value of \$800,000); and, (2) a ten-unit condominium project on 0.5 acres (each unit being 2-bedrooms and 1,200 square feet in size and a building permit value of \$500,000 for each unit). The fees below are shown for the entire 10-unit condominium project, not on a per unit basis.

City of Menlo Park Fees (2013)

Fee	Single-Family	Multi-Family	Comments
Use Permit	\$1,500 (deposit)	\$1,500 (deposit)	If applicable, not all single-family projects require use permits; deposit with additional time above deposit charged on an hourly staff rate
Architectural Control	NA	\$2,000 (deposit); \$5,000-\$10,000 (total final cost)	Deposit with additional time above deposit charged on an hourly staff rate
Environmental Review	Exempt	\$5,000 (deposit); \$10,000-\$50,000 (total final cost)	Deposit plus consultant costs; \$4,000 fee for Circulation System Assessment
Building Permit	\$2,261	\$4,988	
Plan Check	\$2,893	\$15,686	Includes Title 24 Energy Fee; planning plan check; plumbing, electrical and mechanical permits
Geology Review	\$875	\$1,275	
Site Review Fee	\$240	\$615	Plan review and inspection for site access
State Strong Motion Fee	\$80	\$500	
State CA Building Fee	\$32	\$200	
Imaging Fee	\$75	\$130	Estimate (based on number of plan sheets)
Construction Debris Deposit	\$1,000	\$1,200	Deposit returned on documentation of minimum amount of debris recycled
Construction Debris Administration Fee	\$150	\$150	
Engineering Plan Check	\$1,000	\$6,700	Single-family project is based on an assumed improvements valuation of \$10,000; multiple-family project is based on assumed improvements valuation of \$200,000
Engineering Site Inspection	\$800	\$6,500	Single-family project is based on an assumed improvements valuation of \$10,000; multiple-family project is based on assumed improvements valuation of \$200,000
Storm Water	NA	\$1,800	Assumes storm water treatment is required; \$300 for O&M Agreements and \$1,500 connection fee

City of Menlo Park Fees (2013)

Fee	Single-Family	Multi-Family	Comments
Water/City of Menlo Park	\$8,956	\$51,804	Single-family project includes \$2,706 capital facilities charge and \$6,250 construction cost; multiple-family project includes \$14,348 capital facilities charge, \$12,500 construction cost, \$8,956 for irrigation meter, and \$16,000 for fire service with sprinklers
Water Efficient Landscape Ordinance	\$300	\$300	Assume landscaping of 2,500 square feet
Mapping	NA	\$1,575	Review of condominium map
Sewer	\$7,436	\$73,462	West Bay Sanitary District (independent district); fee includes \$100 permit fee and a one-time sewer connection fee of \$7,336 for individual units; multiple-family project assumes use of a single lateral to the main (\$100 permit fee + \$73,362 connection fee).
Fire	\$739	\$1,780	Menlo Park Fire Protection District (independent district); fee includes plan review and inspection
Impact Fees			
Affordable Housing In-Lieu Fee	NA	NA	Construction of BMR units rather than a fee is required (for projects of less than 20 units, 10% of the units would need to be at affordable levels; in-lieu fee may be paid for in fractions of units based on unit sales price
Roads	\$4,640	\$29,000	Construction Impact Fee
Traffic	NA	\$320,000	Transportation Impact Fee (TIF)
Parks	NA	\$17,043	Recreation-in-lieu fee
School	\$5,940	\$35,640	Paid to school districts

The City's Master Fee Schedule reflects fees charged by all City departments. It is usually amended annually so that fees reflect current costs to provide services or, in some cases, to add new fees for new City services and/or to eliminate fees for services that are no longer offered.

Development Processing Time

The City recognizes that the time required to process a development proposal could be a barrier to housing production if it is lengthy. The City has streamlined its development review process over the years to make it more efficient, while still providing adequate opportunity for public review and input. Typical procedures are summarized below.

Steps in Application Review

Single Family (Ministerial Review)

1. Step One: Submittal of building permit application, architectural, structural, MEP, civil plans, structural calculations, Energy Code calculations and compliance forms, geotechnical investigation, and arborist report and FEMA elevation certification if required.
 2. Step Two: Pay building plan review fees, geologist review fees, and improvement plan check fees (Engineering Division fee)
 3. Step Three: Project is assigned to a City planner, Building Division plan checker (plan checker), and Engineering Division engineer for review and approval or comment. Note: The plan checker does not begin their review until the City planner has reviewed the project and has determined the project is in compliance with the City's Zoning Ordinance or has very few comments that will then be included in the plan check letter issued by the plan checker.
 4. Step Four: Plan check comments are sent within four (4) to six (6) weeks to the architect of record, Civil Engineer, and property owner after reviews are completed. Note: Engineering Division sends plan check comments directly to civil engineer of record who prepared plans independent of the Building and Planning Division's comments.
 5. Step Five: Upon re-submittal of revised plans and supporting calculations based on plan check comments, plans and calculations are routed to City planner, plan checker, and Engineering Division engineer for review and approval or comment.
 6. Step Six: After plan approval but prior to issuance of permit, the applicant is notified of remaining outstanding City fees associated with the issuance of the Building permit and activities to be completed prior to issuance such as, Fire District approval, documentation of payment of school fees, contractor information and current City Business License or completion of Owner Builder forms as mandated by the state.
 7. Issuance of permit after verification of completion of step 6.
-

Single Family Requiring Use Permit Review by Planning Commission

1. Step One: Meeting with Planner to review preliminary design concepts; planner coordination with Building, Engineering, Transportation and/or other internal and external divisions and agencies as may be necessary, potentially through Development Review Team (DRT) meetings; applicants provided with applicable written handouts, application forms and application submittal guidelines (also available on City website).
 2. Step Two: Submittal of a formal application and fees at a scheduled appointment with a planner; preliminary review of submittal conducted with applicant to determine if submittal is complete and whether there are any immediately observable issues that will need to be addressed.
 3. Step Three: Plans are reviewed by staff planners to identify any key issues and assigned to a project planner within seven (7) days of submittal.
 4. Step Four: Within seven (7) days of application submittal, a notice of application including the name of the applicant, address and brief description of the project, copies of the site plan and elevations, and contact information for the project planner are posted on the City's website. A notice is mailed to all occupants and property owners within 300 feet of the project site advising them of the new application and the information available on the web.
 5. Step Five: Within 30 days of application submittal, project planner completes review and sends notice of whether application is complete or incomplete. If incomplete, needed information is identified. Once submittal is determined complete, project is scheduled for Planning Commission at next available meeting, typically within 30 days.
 6. Step Six: At least 18 days prior to the Planning Commission meeting, a public hearing notice is placed with a local newspaper for publishing at least 12 days before the hearing, posted on the
-

-
- City's website, and mailed to all residents and property owners within 300 feet of the project site.
-
7. Step Seven: Project planner coordinates with other internal and external divisions and agencies to prepare staff report; staff report is mailed to Planning Commissioners and project sponsors and placed on the City's website a minimum of four (4) days prior to the hearing date.
-
8. Step Eight: Public hearing is held and decision rendered.
-
9. Step Nine: Letter of action is prepared and sent to applicant within 5 (five) days.
-
10. Step Ten: Appeal period runs for 15 days after which the Commission action becomes final. If appealed to the City Council, Steps Six through Ten are repeated with regards to noticing, report preparation and distribution. The Zoning Ordinance states that appeals shall be scheduled insofar as practicable within 45 days of receipt of the appeal, but if not acted upon within 75 days, the Commission's action is deemed affirmed.
-

El Camino Real/Downtown Specific Plan Residential Development

1. Step One: Meeting(s) with Planner to review preliminary project concept and applicability of the Specific Plan; applicants provided with applicable written handouts and guidelines (also available on City website). Optional meeting with Development Review Team (DRT) for interdepartmental review/feedback.
-
2. Step Two: Submittal of a formal application and fees at a scheduled appointment with a planner; preliminary review of submittal conducted with applicant to determine if submittal is complete and whether there are any immediately observable issues that will need to be addressed.
-
3. Step Three: Preliminary review conducted to determine project consistency with Specific Plan.
-
4. Step Four: Preliminary environmental review conducted to determine if the project is consistent with the Specific Plan EIR or whether additional environmental review would be required. If additional review is required, determine and implement the appropriate type of review.
-
5. Step Five: When project is designated complete, send public meeting/hearing notice for Planning Commission (typically 3 weeks in advance) for architectural and site plan approval.
-
6. Step Six: Planning Commission action, subject to appeal to the City Council.
-

The processing times identified above for the El Camino Real/Downtown Specific Plan are the same as for other multi-family developments. The typical multi-family process includes meetings with staff, submittal, preliminary review, preliminary environmental review under CEQA, project completeness and then action before the Planning Commission. Processing times are summarized below for various types of approvals. All timeframes assume a Negative Declaration under CEQA. As shown on the next page, if an EIR is required it would add between 9 months to 1 year to the approval process.

Typical Processing Times

Permit/Procedure	Menlo Park Typical Processing Time in Weeks	Comments	Countywide Average for Straight- Forward Application	Countywide Average for Complicated Applications
Ministerial Review	8 weeks	Building permit internal review; does not include time spent by project applicant to respond to comments	2 weeks	5 weeks
Conditional Use Permit	8 to 20 weeks	Timeframe dependent on accuracy/completeness of initial submittal and applicant responsiveness	8 weeks	20 weeks
Rezone	16 to 24 weeks		17 weeks	36 weeks
General Plan/Zoning Ordinance Amendment	20 to 32 weeks		17 weeks	43 weeks
Architectural Control review and El Camino Real/Downtown Specific Plan	8 to 20 weeks		6 weeks	12 weeks
Tract maps	10 weeks	Includes time to take maps to Council (4 weeks)	16 weeks	30 weeks
Parcel maps	6 weeks		NA	NA
Initial Study	4 to 12 weeks		12 weeks	27 weeks
EIRs	36 to 52 weeks		34 weeks	58 weeks

Source: City of Menlo Park (2013) and 21 Elements research conducted for the 2007-2014 Planning Period

Generally, as shown below, processing time in Menlo Park is similar to other cities, but there are a few categories where the process is slower — design review and the time needed to process an Environmental Impact Report as part of project review. Establishing conditions for site development of higher density housing sites ~~and~~, establishing multi-family as a permitted use in the new R-4-S zoning and using the materials prepared for the Environmental Assessment of the ~~updated-2007-2014~~ Housing Element ~~should~~ will reduce the time required for future development.

Except for the El Camino Real/Downtown Specific Plan ~~and the design standards and guidelines contained in the R-4-S zoning district~~, the City ~~currently~~ has no formal design guidelines to assist in project review, although findings related to project compatibility are required for project approval under Section 16.68.020 (Architectural control) in the Zoning Ordinance. Architectural Control review by the Planning Commission is generally required for any exterior modifications to an existing building or for new construction, except for single-family, duplex and accessory buildings. In the M-2 zoning district, the Community Development Director can approve modifications to the buildings that do not increase gross floor area. The Planning Commission or Community Development Director (depending on the permit) must make the following findings: (1) that the general appearance of the structures is in keeping with character of the neighborhood; (2) that the development will not be detrimental to the harmonious and orderly growth of the city; (3) that the development will not impair the desirability of investment or occupation in the neighborhood; (4) that the development provides adequate parking as required in all applicable city ordinances and has made adequate provisions for access to such parking; and, (5) that the development is consistent with any applicable specific plan.

Program H4.I (Create Multi-Family and Residential Mixed Use Design Guidelines) is included in the Housing Element to provide more specific direction and guidance in the design of multi-family and mixed-use housing development. The intent is to provide more clarity as to City standards related to compatibility with the setting and adjacent uses and clarity as to City expectations. ~~Rezoning for the higher density housing sites (Program H4.O) will also include development of more specific design criteria and policy for housing opportunity sites.~~

While added design criteria and scrutiny may require slightly more processing time and impose some additional requirements, it is not considered a constraint because it is important that new projects blend with the community, becoming a natural and integral part of the existing neighborhood fabric, both visually and structurally. Design review requirements generally provide an opportunity for design issues to be raised early in the review process, thus helping to assure community acceptance of a project proposal, which can reduce delay due to project appeals and other forms of community objections.

Codes and Enforcement, On/off Site Improvement Standards

While building codes are important to protect health and safety, they may also constitute a constraint to new developments. In particular, local amendments to the ~~International California Building Standards~~ Code should be carefully analyzed. The Council adopted the ~~2010-2013~~ California Building Standards Code in ~~2010-2013~~ with an effective date of January 1, ~~2011~~2014. Associated with this action, the Council adopted local

amendments to the Code as recommended by staff, ~~including: covering eight (8) types of work exempt from building permits to be consistent with previously adopted local amendments. Associated with this action, the Council adopted local amendments to the Code establishing the following: (1) local administrative authority applicable to all structures, not just one- and two-family residences and townhomes; (2) standards for grading and excavation applicable to all structures, not just one-and two-family residences and townhomes; and (3) modifications to the types of work exempt from building permits related to accessory structures, fences, retaining walls, water tanks, exterior flat work, interior finish work, playground equipment and awnings. None of these amendments pose a constraint to the development of housing.~~

~~Amendments to eight (8) types of work exempt from building permits to be consistent with previously adopted local amendments;~~

~~Elimination of the option for a water curtain for protection of building openings from fire spread since reliance on water availability does not provide the same level of protection as passive fire resistive assemblies;~~

~~Amendment to the Residential Code to require a minimum stair riser height of four (4) inches consistent with the Building Code.~~

~~Amendments to structural requirements to enhance seismic safety as recommended by the Bay Area Chapter of the International Code Council and for regional consistency in the application of the Codes.~~

~~On August 23, 2011, the City Council adopted additional local amendments related to green building.~~

~~All newly constructed residential and non-residential structures currently subject to the 2010 California Green Building Standards Code (Cal Green) to exceed the minimum energy efficiency standards established in the 2010 California Energy code by 15 percent. This requirement was adopted as recommended by staff.~~

Constraints for People with Disabilities

Family

Menlo Park uses the following definition of family, which is consistent with state law, “A group of individuals living together in a dwelling unit as a single housekeeping unit under a common housekeeping management plan based on an internally structured relationship providing organization and stability.”

Reasonable Accommodation Procedures

Menlo Park’s zoning code does not currently have a reasonable accommodation procedure, however, it is the city’s policy to defer to state and federal law when the zoning code is out of compliance. ~~The~~ Housing Element program H3.C, which is

currently being implemented, will include ~~a program to adopt a~~ reasonable accommodation procedures for persons with disabilities. ~~to mitigate this constraint.~~

Group Homes

Menlo Park's zoning code does not address group homes, and the closest category is foster homes. ~~This Housing Element programs H3.A and H3.B, covering zoning for homeless shelters, transitional and supportive housing, are currently being implemented to be consistent with State law. has a program to amend the Zoning Ordinance to treat small group homes consistent with state law.~~ The City will also amend the zoning code to allow ~~group homes~~ homeless shelters, transitional and supportive housing in appropriate zoning districts.

Parking

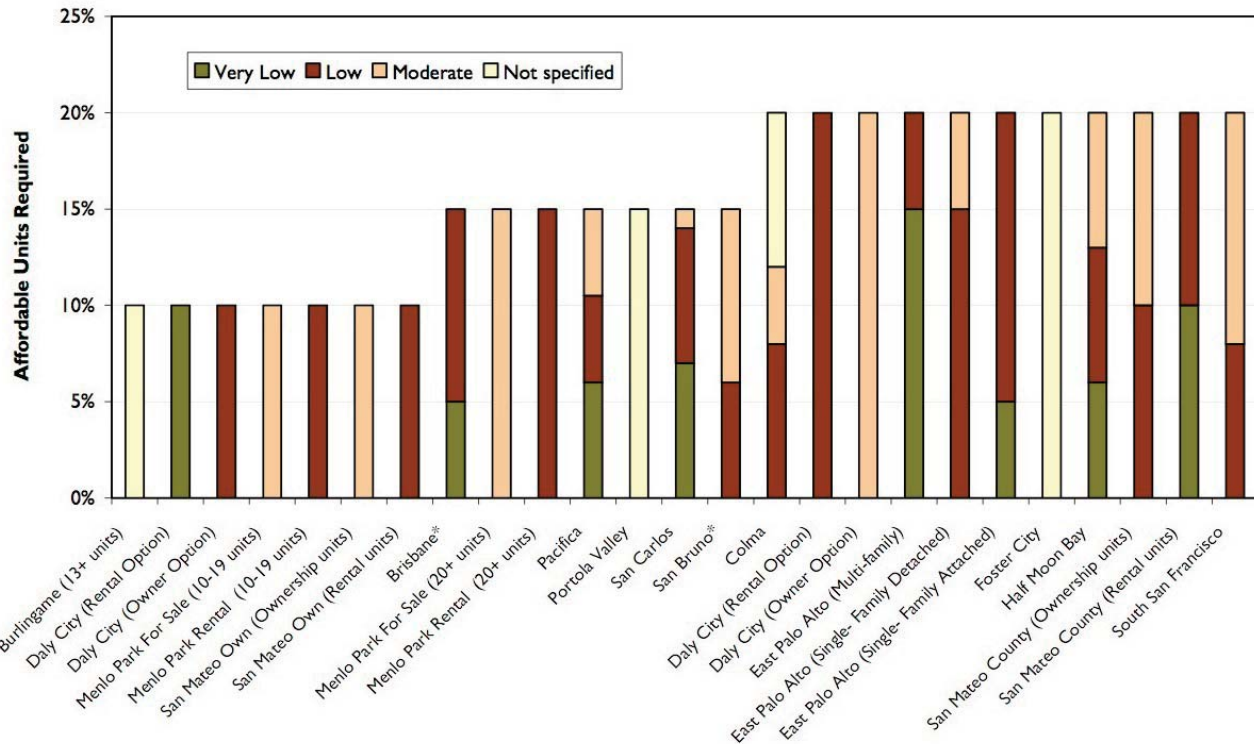
The zoning code does not have separate parking standards for people with disabilities. ~~This will be covered~~ A person living with a disability would be able to apply for an exception to these standards under the new reasonable accommodation procedures.

Emergency Shelters, Transitional Housing and Supportive Housing

Menlo Park's Zoning Ordinance does not currently address these types of housing. Housing Element policies and implementing programs will address these constraints.

Inclusionary Zoning as a Potential Constraint to Housing

Seven cities in the county have an inclusionary requirement of 15 percent, while in unincorporated areas of San Mateo County and five other San Mateo County cities the requirement is 20 percent. A number of cities in San Mateo County collect fees for small projects under the threshold to provide affordable units onsite. Most impose the fee on projects that consist of four or more units, although San Carlos collects the fee on 2 or more units. A comparison of Menlo Park's inclusionary requirements with those of other jurisdictions in San Mateo County shows the City's requirements fall in the middle. This is shown in the table below.



The City's BMR Guidelines apply to both residential for-sale projects and to commercial projects in the form of an in-lieu or impact fee. All residential for-sale projects of 5 or more units are subject to the City's inclusionary requirements. The City's BMR Guidelines require the BMR units to be for moderate-income first time homebuyers at 110% of median income. For projects of 5-9 units the requirement is generally 1 unit; for projects of 10-19 units there is a 10% requirement; and for projects of 20 or more units the requirement is 15% of the units being BMR units. An in-lieu fee is required for fractional units.

The City offers one bonus unit for each BMR unit up to a maximum of a 15% bonus above the allowable density. The City also offers increased FAR. In addition, there are requirements that the BMR units be comparable to the market rate units in a development, but they need not be of luxury quality and can contain standard, but not luxury, appliances. If lower income units are proposed, they may be a smaller size, duet-style and/or attached but with architecturally consistent exterior. The City requires construction of the units on-site, although construction of units off-site or payment of in-lieu fee is allowed, but at the City's discretion.

The City's BMR requirements have not been a constraint to housing development as projects have been proposed and built under these requirements. However, BMR Guidelines are targeted to a distinct affordability level and housing tenure (moderate

income for-sale housing) and other development incentives and density bonus allowances are proposed under programs contained in the Housing Element (State Density Bonus law and Affordable Housing Overlay ~~Zoning zoning~~). The El Camino Real/Downtown Specific Plan also contains density bonus provisions for projects providing a “public benefit.” The Housing Element contains program language to define the “public benefit” as it would relate to projects with affordable housing units.

In 1994, the California Coalition for Rural Housing (CCRH) conducted the first statewide survey on inclusionary housing and found that 12% of statewide jurisdictions had an inclusionary program. In 2003, CCRH and Non-Profit Housing Association of Northern California (NPH) collaboratively conducted a follow-up survey, which revealed that the number of jurisdictions with inclusionary housing had jumped to 20%. The 2003 survey generated interest in obtaining more precise production data on the types of housing built and the income levels served. In 2006, a new study was launched to determine the growth in inclusionary programs statewide, and provide a detailed snapshot of the housing that is being produced by these programs. Affordable Housing by Choice — Trends in California Inclusionary Programs (NPH, 2007) ~~is the most recent survey of inclusionary ordinances statewide. The study~~ looked at housing produced through inclusionary programs from January 1999 through June 2006 and found that:

- (1) Nearly one-third of California jurisdictions now have Inclusionary Programs.
- (2) More than 80,000 Californians have housing through Inclusionary Programs.
- (3) Most Inclusionary housing is integrated within market-rate developments.
- (4) Inclusionary housing provides shelter for those most in need — nearly three-quarters of the housing produced through Inclusionary Programs is affordable to people with some of the lowest incomes. These findings shed new light on the popular perception that inclusionary policies create ownership units mostly for moderate-income families.
- (5) Lower-Income Households are best served through partnerships — When market-rate developers work with affordable housing developers to meet their inclusionary requirement, the units are more likely to serve lower-income households. Joint ventures play a particularly important role in developing units for households most in need. One-third of all the housing built through Inclusionary Programs resulted from such partnerships.

D Potential Non-Governmental Constraints to Housing



State law requires that the Housing Element include a discussion of the factors that present barriers to the production of housing, including government actions and market forces (non-governmental constraints). Identification of these constraints helps the City to implement measures that address these concerns and reduce their impacts on the production of housing.

Availability and Cost of Financing

Until mid 2008, home mortgage financing was readily available at attractive rates throughout San Mateo County and California. Rates vary, but ranged around 6.25 percent to seven percent from 2006-2008 for a 30 year fixed rate loan (HSH Associates Financial Publishers). However, rates have been as high as ten or 12 percent in the last decade.

Starting in late 2008, it became harder to get a home purchase loan, but the average interest rate has fallen to around five percent. In particular, people with short credit history, lower incomes or self-employment incomes, or those with other unusual circumstances, have had trouble qualifying for a loan or were charged higher rates.

Small changes in the interest rate for home purchases dramatically affect affordability. A 30-year home loan for \$400,000 at five percent interest has monthly payments of roughly \$2,150. A similar home loan at seven percent interest has payments of roughly 20 percent more, or \$2,660.

Construction loans for new housing are difficult to secure in the current market. In past years, lenders would provide up to 80 percent of the cost of new construction (loan to value ratio). In recent years, due to market conditions and government regulations, banks require larger investments by the builder.

Affordable housing developments face additional constraints in financing. Though public funding is available, it is allocated on a highly competitive basis and developments must meet multiple qualifying criteria, often including the requirement to pay prevailing wages. Smaller developments with higher per unit costs are among the hardest to make financially feasible. This is because the higher costs result in a sale price that is above

the affordability levels set for many programs. Additionally, smaller projects often require significant time by developers, but because the overall budget is smaller and fees are based on a percentage of total costs, the projects are sometimes not feasible.



Land and Construction Costs

San Mateo County is a desirable place for housing and available land is in short supply, which contribute to high land costs. These costs vary both between and within jurisdictions based on factors like the desirability of the location and the permitted density.

Generally, multi-family and mixed-use land costs more. Based on a typical

multi-family construction in San Mateo County, land costs add \$40,000-\$60,000 per unit, but can run upwards of \$75,000 per unit in some locations. In Menlo Park, land costs range from roughly \$2 million to \$5 million an acre, with the permitted density driving much of the difference.

For San Mateo County, land costs average around 20-25 percent of construction costs for multi-family and 40 percent of construction costs for single family.

Construction costs include both hard costs, such as labor and materials, and soft costs, such as architectural and engineering services, development fees and insurance. For multi-family homes in San Mateo County, hard costs account of 60-65 percent of the building cost and soft costs average around 15-20 percent (the remaining 15-20 percent is land costs). For single family homes, hard costs often are roughly 40 percent of the total cost, soft costs are 20 percent and land is the remainder.

Working with Non-Profit Housing Developers

The key to the success of non-profit developers lies in three areas: (1) their ability to draw upon a diversity of funding sources and mechanisms to make their developments work financially; (2) their commitment to working cooperatively and constructively with the local community; and, (3) their long-term commitment to ensuring excellence in design, construction and management of their developments, creating assets that are valued by the people who live in the developments as well as their neighbors and others. The City can work with non-profit developers where there are opportunities, either through public ownership of property or key larger sites (over 1 acre in size) where

special opportunities exist with minimal constraints, carrying costs, or costs of processing or construction. Since multiple funding sources are usually used on an affordable project, there are additional burdens placed on non-profit developers to track the information required and report on a timely basis.

In 2013, the City issued a Notice of Funding Availability (NOFA) for availability for approximately \$3.2 million in Below Market Rate housing funds to support the acquisition, rehabilitation or new construction of housing that will provide long-term affordability. The funding is intended to fill the financing gap between the projected total development costs and other available funding sources.



There are a wide variety of resources provided through federal, state and local programs to support affordable housing development and related programs and services. Specific programs and sources of funding are summarized earlier in the

Housing Element. Local government resources, which have historically played a less important role in supporting housing development, now play a fairly significant role by making local developments more competitive for federal and state financing. There is considerable competition for the program funds that are available, and any one development will need to draw upon multiple resources to be financially feasible. When developments are able to demonstrate a financial commitment and contribution from local sources — especially if coupled with regulatory support through policies such as fast-track processing, fee waivers, and/or density bonuses — they are better able to leverage funding from other ‘outside’ sources.

-E Energy



Housing Elements are required to identify opportunities for energy conservation. Energy costs have increased significantly over the past several decades, and climate change concerns have increased the need and desire for further energy conservation and related “green building” programs. Buildings use significant energy in their design, construction and operation. The

use of “green building” techniques and materials can reduce the resources that go into new construction and can make buildings operate much more efficiently. One common definition of “green building” is “design and construction practices that significantly reduce or eliminate the negative impacts of buildings on the environment through energy efficiency and renewable energy, conservation of materials and resources, water efficiency, site planning and indoor environmental quality.”

Part 6 of Title 24 of the California **Administrative Code of Regulations** sets forth mandatory energy standards for new development, and requires adoption of an “energy budget.” In turn, the home building industry must comply with these standards while localities are responsible for enforcing the energy conservation regulations.

Pacific Gas & Electric (PG&E) provides a variety of energy conservation services for residents and PG&E also participates in several other energy assistance programs for lower income households, which help qualified homeowners and renters, conserve energy and control electricity costs. These include the California Alternate Rates for Energy (CARE) Program and the Relief for Energy Assistance through Community Help (REACH) Program. The **California Alternate Rates for Energy Program (CARE)** provides a 15 percent monthly discount on gas and electric rates to income qualified households, certain non-profits, facilities housing agricultural employees, homeless shelters, hospices and other qualified non-profit group living facilities.

The REACH Program provides one-time energy assistance to customers who have no other way to pay their energy bill. The intent of REACH is to assist low-income customers, particularly the elderly, disabled, sick, working poor, and the unemployed, who experience severe hardships and are unable to pay for their necessary energy needs.



Menlo Park has been very successful in implementing Energy Upgrade California, which provides rebates and incentives for improvements to items such as insulation, air ducts, windows, furnace and air-conditioning. The City has an excellent outreach and marketing approach for the program. San Mateo County is also implementing an outreach campaign. PG&E homeowners in San Mateo County are eligible to apply for a maximum of \$50,000 in loans at a starting rate of 6.5%. As of September 30, 2012 there have been 239 jobs completed in San Mateo County with an average energy savings of 31%. San Mateo County has the fifth highest number of jobs completed amongst all counties in the state, and its numbers are in line with jobs completed by counties with much larger populations. Menlo Park has had about 25-30 homes participate over a 1.5-year period, and it is expected that over the next 2 years another 25 homes will be upgraded.

City of Menlo Park Preliminary Draft Housing Element

Appendix A

Available Land Inventory



Appendix A includes a map and six tables, all of which relate to the *City of Menlo Park's Ability to Address its Regional Housing Needs Allocation (RHNA) for ~~1999-2006 and 2007-2014~~the 2014-2022 Planning Period*) table on page 99113. The new unit potential identified in tables 1, 2, 3 and ~~6-4~~ is based on the realistic development potential of these sites considering current site conditions, existing uses and development potential under existing zoning and development standards. The map shows a composite of the City's approach to providing adequate sites for a variety of housing types and needs. Specifically, these include sites zoned for higher density housing, lots around the downtown area that have additional development potential, second units and the El Camino Real/Downtown Specific Plan area.

Table 1: High Density Housing Opportunity Sites – This table relates to the “Sites to be Rezoned at 30+ Units/AcreHigh Density Opportunity Sites” row of the table on page 99113. The 898-433 units in Table 1 reflect the gross number of units at 30 dwelling units per acre. ~~The 886 units in the table on page 99 reflect the desired potential~~ net new units factoring in density bonuses available through the Affordable Housing Overlay consistent with the ~~Rezoned Housing Sites~~ table on page 107.

Table 2: Potential Housing Sites within ECR/D Specific Plan – This table demonstrates that there are opportunity sites with base zoning of 30 dwelling units per acre to substantiate the development potential for 680 units listed in the “El Camino Real/Downtown Specific Plan Zoning” row of the table on page 99113.

Table 3: Infill Around Downtown—~~Existing Zoning and Proposed Changes~~ – This table demonstrates that there are opportunity sites in the areas adjacent to the boundary of the Specific Plan with base zoning of 30 dwelling units per acre to substantiate the development potential for 70 units listed in the “New Housing on Infill Sites Around Downtown” row of the table on page 99113. In addition, Table 3 shows the existing development potential under existing zoning for smaller lots in this geographic area of 92 73 units ~~in 2006 and 2012, which relates to the Moderate Income column of the~~ “Scattered Site Units Under Pre-2012 Zoning” row of the table on page 113.

Table ~~64~~: ~~Existing Zoning~~Scattered Sites – This table covers properties that are not reflected in Tables 1, 2 or 3 and relates to the “Available Sites Under Existing Zoning (1999-2006)” and “Available Sites Under Existing Zoning (2007-2014)” Above Moderate Income column of the “Scattered Site Units Under Pre-2012 Zoning” rows of the table on page 99113. Two hundred and eighty three units were available in 2006 and 127One-hundred twenty-one units wereare available in 20123.

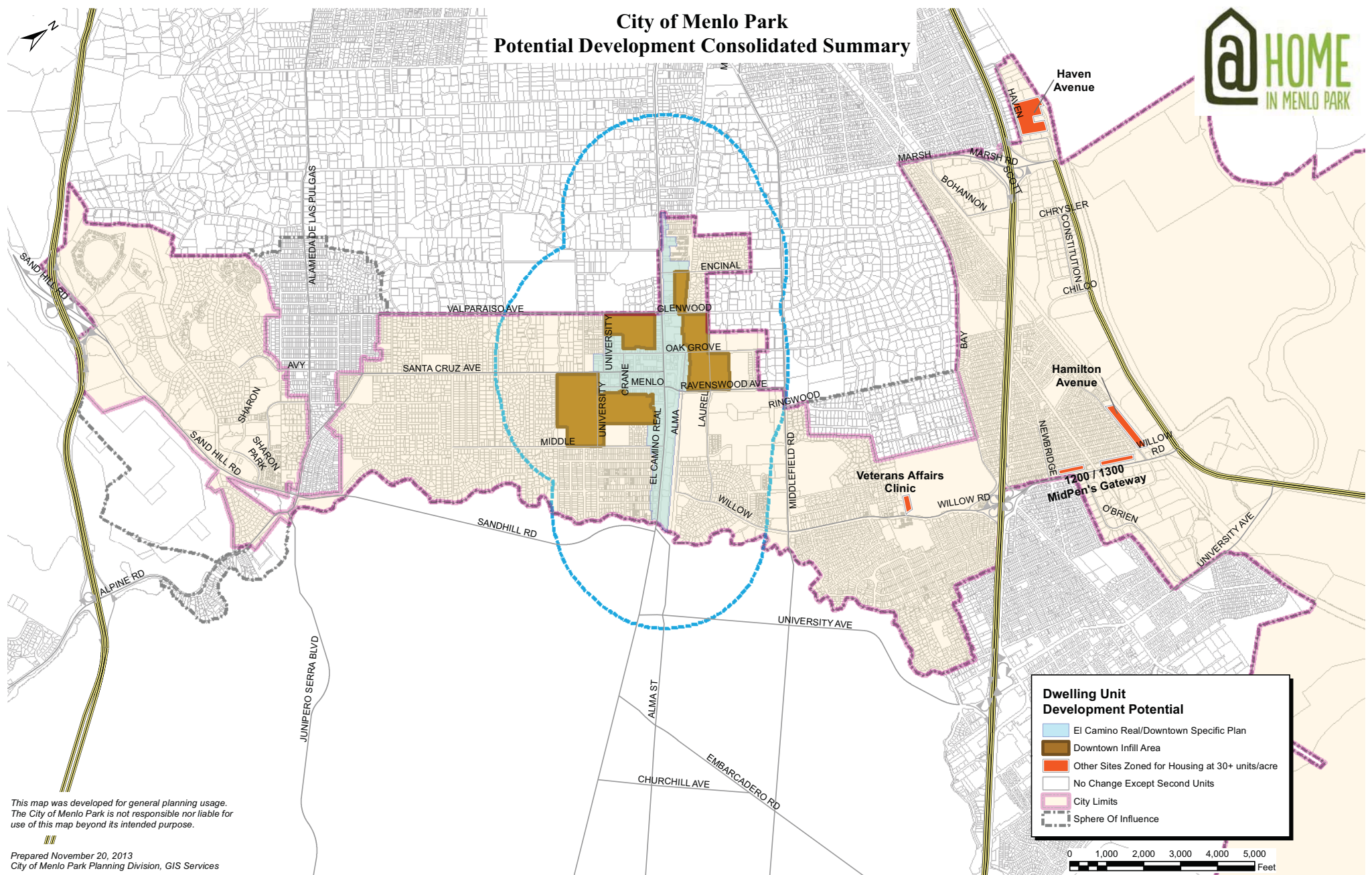
Table ~~45~~: Built and Approved Units – This table relates to the “Scattered Site Units Under Pre-2012 Zoning” “Units Built (1999-2006)” and “Units Built or Approved (2007-2012)” rows of the table on page 99113. Ninety three units were built between 1999 and

~~2006 and 202~~ Two-hundred two units were built or approved between 2007 and 2012 and eleven units were built or approved between July 2012 and November 2013.

Table 56: Built and Pending Second Units – This table relates to the ~~“Second Units Built (1999-2006” and “Second Units Built or Approved (2007-2012)”~~ “New Second Units” rows of the table on page ~~99~~ 113. ~~Two second units were built between 1999 and 2006 and six~~ Six second units were built or approved between 2007 and 2012 and seven units have been approved or are pending in 2013.

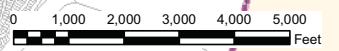
~~**Table 6: Existing Zoning** – This table covers properties that are not reflected in Tables 1, 2 or 3 and relates to the “Available Sites Under Existing Zoning (1999-2006)” and “Available Sites Under Existing Zoning (2007-2014)” rows of the table on page 99. Two hundred and eighty three units were available in 2006 and 127 units were available in 2012.~~

City of Menlo Park Potential Development Consolidated Summary



Dwelling Unit Development Potential

- El Camino Real/Downtown Specific Plan
- Downtown Infill Area
- Other Sites Zoned for Housing at 30+ units/acre
- No Change Except Second Units
- City Limits
- Sphere Of Influence



This map was developed for general planning usage. The City of Menlo Park is not responsible nor liable for use of this map beyond its intended purpose.

Prepared November 20, 2013
City of Menlo Park Planning Division, GIS Services

Table 1: High Density Housing Opportunity Sites

Site Name	APN	Address	Property Owner (Developer)	Existing Use	Existing Zoning	Proposed Zoning	Existing General Plan Designation	Lot Area (Sq. Ft.)	Lot Area (Acres)	Dwelling Units per Acre	Total Allowable Dwelling Units	Status
Veterans Affairs Clinic	062470050	700 Bay Road & 795 Willow Road	United States of America (Core)	Vacant portion of VA Campus	PF	PF	Public Facility	87,599	2.01	30	60	Pipeline
MidPen's Gateway Apts	062103610	1221-1275 Willow Road	Menlo Gateway Inc. (MidPen)	Multifamily Residential (48)	R3	R-4-S (AHO)	High Density Residential	98,686	2.27	30	68	
MidPen's Gateway Apts	055383560	1317-1385 Willow Road	Menlo Gateway Inc. (MidPen)	Multifamily Residential (82)	R3	R-4-S (AHO)	High Density Residential	129,427	2.97	30	89	
Hamilton Avenue	055374120	631 Hamilton Avenue	Mt. Olive Apostolic Original	Multifamily Residential (8)	R3	R-4-S	High Density Residential	29,164	0.67	30	20	
Hamilton Avenue	055396070	721 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Light Manufacturing	M1	R-4-S	High Density Residential	39,803	0.91	30	27	
Hamilton Avenue	055396030	700 block Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Vacant	M1	R-4-S	High Density Residential	11,232	0.26	30	8	
Hamilton Avenue	055396060	700 block Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Vacant	M1	R-4-S	High Density Residential	17,335	0.40	30	12	
Hamilton Avenue	055397010	755 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Light Manufacturing	M1	R-4-S	High Density Residential	28,562	0.66	30	20	
Hamilton Avenue	055397020	759 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Warehouse	M1	R-4-S	High Density Residential	11,229	0.26	30	8	
Hamilton Avenue	055397030	763 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Warehouse	M1	R-4-S	High Density Residential	11,228	0.26	30	8	
Hamilton Avenue	055397040	767 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Office	M1	R-4-S	High Density Residential	11,227	0.26	30	8	
Hamilton Avenue	055397050	700 block Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Vacant	M1	R-4-S	High Density Residential	6,103	0.14	30	4	
Hamilton Avenue	055398240	700 block Hamilton Avenue	Calhoun Jim & Carol Ann TRS (Greenheart)	Vacant	M1	R-4-S	High Density Residential	7,757	0.18	30	5	
Hamilton Avenue	055398010	771 Hamilton Avenue	Calhoun Jim & Carol Ann TRS (Greenheart)	Light Manufacturing	M1	R-4-S	High Density Residential	9,159	0.21	30	6	
Hamilton Avenue	055398026	777 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Vacant	M1	R-4-S	High Density Residential	22,450	0.52	30	15	
Hamilton Avenue	055398030	735 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Vacant	M1	R-4-S	High Density Residential	11,225	0.26	30	8	
Hamilton Avenue	055398040	787 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Vacant	M1	R-4-S	High Density Residential	11,225	0.26	30	8	
Hamilton Avenue	055398050	791 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Vacant	M1	R-4-S	High Density Residential	12,200	0.28	30	8	
Hamilton Avenue	055398060	801 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Vacant	M1	R-4-S	High Density Residential	12,201	0.28	30	8	
Hamilton Avenue	055398070	811 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Vacant	M1	R-4-S	High Density Residential	12,199	0.28	30	8	
Hamilton Avenue	055398080	821 Hamilton Avenue	Bayfront Investments LLC (Greenheart)	Vacant	M1	R-4-S	High Density Residential	12,200	0.28	30	8	
Hamilton Avenue	055398090	831 Hamilton Avenue	Angelo Paul TR (Greenheart)	Light Manufacturing	M1	R-4-S	High Density Residential	12,201	0.28	30	8	
Hamilton Avenue	055398100	841 Hamilton Avenue	Angelo Paul TR (Greenheart)	Warehouse	M1	R-4-S	High Density Residential	12,200	0.28	30	8	
Hamilton Avenue	055398110	851 Hamilton Avenue	Angelo Paul TR (Greenheart)	Light Manufacturing	M1	R-4-S	High Density Residential	12,200	0.28	30	8	
Haven Avenue	055170190	3605, 3607, 3609 & 3611 Haven Avenue	Black Mountain Holdings LLC (St. Anton)	Light Manufacturing	M2	R-4-S (AHO)	High Density Residential	77,528	1.78	30	53	Pipeline
Haven Avenue	055170200	3615 Haven Avenue	Black Mountain Holdings LLC (St. Anton)	Office	M2	R-4-S (AHO)	High Density Residential	50,690	1.16	30	35	Pipeline
Haven Avenue	055170260	3600 block Haven Avenue	Black Mountain Holdings LLC (St. Anton)	Vacant	M2	R-4-S (AHO)	High Density Residential	14,455	0.33	30	10	Pipeline
Haven Avenue	055170270	3600 block Haven Avenue	Black Mountain Haven LLC (St. Anton)	Vacant	M2	R-4-S (AHO)	High Density Residential	5,478	0.13	30	4	Pipeline
Haven Avenue	055170180	3633, 3635, 3637 & 3655 Haven Avenue	Black Mountain Haven LLC (St. Anton)	Vacant	M2	R-4-S (AHO)	High Density Residential	208,870	4.80	30	144	Pipeline
Haven Avenue	055170320	3639 Haven Avenue	Anton Menlo LLC (St. Anton)	Light Manufacturing	M2	R-4-S (AHO)	High Density Residential	65,296	1.50	30	45	Pipeline
Haven Avenue	055170330	3641 Haven Avenue	Scarlett Henry A & P M TRS	Light Manufacturing	M2	R-4-S (AHO)	High Density Residential	39,914	0.92	30	27	
Haven Avenue	055170060	3645 & 3651 Haven Avenue	Butler Realty LLC (Greystar)	Outside Storage	M2	R-4-S (AHO)	High Density Residential	16,510	0.38	30	11	
Haven Avenue	055170070	3665 Haven Avenue	Butler Realty LLC (Greystar)	Warehouse	M2	R-4-S (AHO)	High Density Residential	51,208	1.18	30	35	
Haven Avenue	055170080	3645 Haven Avenue	Butler Realty LLC (Greystar)	Outside Storage	M2	R-4-S (AHO)	High Density Residential	39,285	0.90	30	27	
Haven Avenue	055170210	3645 Haven Avenue	Butler Realty LLC (Greystar)	Warehouse	M2	R-4-S (AHO)	High Density Residential	76,675	1.76	30	53	
Haven Avenue	055170220	3645 Haven Avenue	Butler Realty LLC (Greystar)	Vacant	M2	R-4-S (AHO)	High Density Residential	29,284	0.67	30	20	
TOTAL									29.94		898	
Pipeline												465

Remainder

433

Table 2: Potential Housing Sites within ECR/D Specific Plan

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Dwelling Units per Acre	Total Allowable Dwelling Units	Density Qualifies for Very Low or Low	Density Qualifies for Moderate
061430450	1300 El Camino Real	ECR NE-R	El Camino Real Downtown Specific Plan	Vacant (Former Auto Sales)	146,728	3.37	32	107	107	
061430200	Derry Lane	ECR NE-R	El Camino Real Downtown Specific Plan	Commercial and Vacant	150,339	3.45	32	110	110	
060341140	1850 El Camino Real	ECR NE-L	El Camino Real Downtown Specific Plan	Restaurant	9,743	0.22	20	4		4
060341130	1850 El Camino Real	ECR NE-L	El Camino Real Downtown Specific Plan	Restaurant	13,253	0.30	20	6		6
060341280	1850 El Camino Real	ECR NE-L	El Camino Real Downtown Specific Plan	Restaurant	6,249	0.14	20	2		2
060344240	1610-1620 El Camino Real	ECR NE-L	El Camino Real Downtown Specific Plan	1-story commercial	7,977	0.18	20	3		3
060344250	1610-1620 El Camino Real	ECR NE-L	El Camino Real Downtown Specific Plan	1-story commercial	9,203	0.21	20	4		4
061422100	1451 San Antonio St	ECR NE	El Camino Real Downtown Specific Plan	Single-Family Residential	7,489	0.17	25	4		4
061422240	1450 El Camino Real	ECR NE	El Camino Real Downtown Specific Plan	1-story office	7,500	0.17	25	4		4
061422230	1438 El Camino Real	ECR NE	El Camino Real Downtown Specific Plan	Restaurant	7,501	0.17	25	4		4
061422350	1436 El Camino Real	ECR NE	El Camino Real Downtown Specific Plan	Carwash	29,975	0.69	25	17		17
071103030	1295 El Camino Real	ECR NW	El Camino Real Downtown Specific Plan	1-story commercial	18,245	0.42	25	10		10
071103040	1283-1285 El Camino Real	ECR NW	El Camino Real Downtown Specific Plan	1-story commercial	9,132	0.21	25	5		5
071103050	1281 El Camino Real	ECR NW	El Camino Real Downtown Specific Plan	Auto repair	9,132	0.21	25	5		5
071103060	1279 El Camino Real	ECR NW	El Camino Real Downtown Specific Plan	Auto repair	9,130	0.21	25	5		5
071103080	1265-1267 El Camino Real	ECR NW	El Camino Real Downtown Specific Plan	2-story commercial	8,828	0.20	25	5		5
071103090	1259-1263 El Camino Real	ECR NW	El Camino Real Downtown Specific Plan	2-story commercial	8,828	0.20	25	5		5
071103100	1251-1257 El Camino Real	ECR NW	El Camino Real Downtown Specific Plan	1-story commercial	11,464	0.26	25	6		6
061441140	1100 El Camino Real	SA E	El Camino Real Downtown Specific Plan	Restaurant	16,309	0.37	50	18	18	
061441050	556-558 Santa Cruz Ave	SA E	El Camino Real Downtown Specific Plan	2-story mixed use	10,349	0.24	50	11	11	
061441040	506-540 Santa Cruz Ave	SA E	El Camino Real Downtown Specific Plan	1-story commercial	13,632	0.31	50	15	15	
061441030	1125 Merrill St	SA E	El Camino Real Downtown Specific Plan	Veterinary hospital	6,166	0.14	50	7	7	
061412430	1100 block Alma St	SA E	El Camino Real Downtown Specific Plan	Parking lot	13,498	0.31	50	15	15	
061412440	1100 Alma St	SA E	El Camino Real Downtown Specific Plan	2-story office	32,467	0.75	50	37	37	
061412450	1010-1026 Alma St	SA E	El Camino Real Downtown Specific Plan	1-story commercial	28,752	0.66	50	33	33	
061412160	550 Ravenswood Ave	SA E	El Camino Real Downtown Specific Plan	1-story commercial	18,340	0.42	50	21	21	
071333200	700 El Camino Real	ECR SE	El Camino Real Downtown Specific Plan	1-story retail	128,643	2.95	40	118	118	
071440040	550 El Camino Real	ECR SE	El Camino Real Downtown Specific Plan	Unoccupied (Former Auto Sales)	71,054	1.63	40	65	65	
071413200	201-211 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	1-story commercial	7,345	0.17	25	4		4

Table 2: Potential Housing Sites within ECR/D Specific Plan

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Dwelling Units per Acre	Total Allowable Dwelling Units	Density Qualifies for Very Low or Low	Density Qualifies for Moderate
071413370	600 block Cambridge Ave	ECR SW	El Camino Real Downtown Specific Plan	Parking lot	7,823	0.18	25	4		4
071411460	405-409 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	1-story commercial	7,895	0.18	25	4		4
071411210	417 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	1-story commercial	2,755	0.06	25	1		1
071411200	425 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	1-story commercial	2,817	0.06	25	1		1
071411190	433-441 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	1-story commercial	5,819	0.13	25	3		3
071411180	495 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	Gas station	6,065	0.14	25	3		3
071411170	495 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	Gas station	3,126	0.07	25	1		1
071411450	495 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	Gas station	7,965	0.18	25	4		4
071288550	650 Live Oak Ave	ECR SW	El Camino Real Downtown Specific Plan	1-story commercial	22,426	0.51	25	12		12
071288580	905-925 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	1-story commercial	14,396	0.33	25	8		8
071288230	935 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	1-story commercial	3,796	0.09	25	2		2
071288590	989-999 El Camino Real	ECR SW	El Camino Real Downtown Specific Plan	1-story commercial	15,653	0.36	25	8		8
071288190	607-611 Menlo Ave	ECR SW	El Camino Real Downtown Specific Plan	commercial	9,484	0.22	25	5		5
071288180	615-617 Menlo Ave	ECR SW	El Camino Real Downtown Specific Plan	commercial	6,983	0.16	25	4		4
071287080	1001-1005 El Camino Real	SA W	El Camino Real Downtown Specific Plan	2-story mixed use	2,884	0.07	50	3	3	
071287070	1011-1031 El Camino Real	SA W	El Camino Real Downtown Specific Plan	1-story commercial	8,344	0.19	50	9	9	
071287060	1035-1039 El Camino Real	SA W	El Camino Real Downtown Specific Plan	Restaurant	4,605	0.11	50	5	5	
071287090	1047 El Camino Real	SA W	El Camino Real Downtown Specific Plan	2-story mixed use	6,293	0.14	50	7	7	
071287030	1075-1079 El Camino Real	SA W	El Camino Real Downtown Specific Plan	Restaurant	2,682	0.06	50	3	3	
071287020	1081-1083 El Camino Real	SA W	El Camino Real Downtown Specific Plan	Restaurant	2,194	0.05	50	2	2	
071287010	603-609 Santa Cruz Ave	SA W	El Camino Real Downtown Specific Plan	1-story commercial	3,901	0.09	50	4	4	
071286080	611-633 Santa Cruz Ave	SA W	El Camino Real Downtown Specific Plan	2-story commercial	19,549	0.45	50	22	22	
071286040	1000 block Doyle St	SA W	El Camino Real Downtown Specific Plan	Parking lot	5,749	0.13	50	6	6	
071286060	1010 Doyle St	SA W	El Camino Real Downtown Specific Plan	2-story commercial	6,912	0.16	50	7	7	
071286050	600 block Menlo Ave	SA W	El Camino Real Downtown Specific Plan	Parking lot	6,682	0.15	50	7	7	
071102140	600-618 Santa Cruz Ave	SA W	El Camino Real Downtown Specific Plan	1-story commercial	14,117	0.32	50	16	16	
071102130	1133-1159 El Camino Real	SA W	El Camino Real Downtown Specific Plan	1-story commercial	23,685	0.54	50	27	27	
071102390	1161-1169 El Camino Real	SA W	El Camino Real Downtown Specific Plan	1-story commercial	5,756	0.13	50	6	6	
071102370	1177-1185 El Camino Real	SA W	El Camino Real Downtown Specific Plan	1-story commercial	7,513	0.17	50	8	8	

Table 2: Potential Housing Sites within ECR/D Specific Plan

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Dwelling Units per Acre	Total Allowable Dwelling Units	Density Qualifies for Very Low or Low	Density Qualifies for Moderate
071102350	1189 El Camino Real	SA W	El Camino Real Downtown Specific Plan	1-story commercial	5,345	0.12	50	6	6	
071102100	625 Oak Grove Ave	SA W	El Camino Real Downtown Specific Plan	1-story commercial	3,891	0.09	50	4	4	
TOTAL								852	699	153
Percentage of Total Allowable Dwelling Units at Density that Qualifies for Particular Income Category								100%	82%	18%
Distribution of 680-Unit Cap by Percentage Above								680	558	122

Note: Any proposal for development of residential units in excess of the 680 units allowed under the Specific Plan would require an amendment to the Specific Plan and concurrent environmental review.

Table 3: Infill Around Downtown – Existing Zoning and Proposed Changes

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Total Allowable Dwelling Units	Existing Dwelling Units	Net Potential Dwelling Units
071288560	934 CRANE ST	R3	Medium Density Residential	Residential: Five or More Units	27,511	0.63	18	9	9
071292070	1003 ROBLE AVE	R3	Medium Density Residential	Residential: Five or More Units	22,122	0.51	15	7	8
071091060	823 VALPARAISO AVE	R3	Medium Density Residential	Residential: Single-Family	17,772	0.41	12	1	11
071312030	887 ROBLE AVE	R3	Medium Density Residential	Residential: Fourplex	15,799	0.36	10	4	6
061401010	417 GLENWOOD AVE	R3	Medium Density Residential	Residential: More Than 1 Detached Living Units	15,588	0.36	10	3	7
071302120	934 ALICE LN	R3	Medium Density Residential	Residential: Combination of Unit Types	15,302	0.35	10	4	6
071292010	971 OAK LN	R3	Medium Density Residential	Residential: Two Duplexes	15,066	0.35	10	4	6
071101160	1249 HOOVER ST	R3	Medium Density Residential	Residential: Fourplex	13,686	0.31	9	4	5
061401100	1257 LAUREL ST	R3	Medium Density Residential	Residential: Single-Family	13,388	0.31	9	2	7
061401270	1300 MILLS ST	R3	Medium Density Residential	Residential: Combination of Unit Types	12,665	0.29	8	4	4
071302110	904 ALICE LN	R3	Medium Density Residential	Residential: Two Duplexes	12,403	0.28	8	4	4
071291240	800 ARBOR RD	R3	Medium Density Residential	Residential: Five or More Units	12,284	0.28	8	8	0
071293150	1025 MALLET CT	R3	Medium Density Residential	Residential: Fourplex	12,260	0.28	8	4	4
071292190	810 FREMONT ST	R3	Medium Density Residential	Residential: Fourplex	11,740	0.27	8	4	4
071302230	587 ALICE LN	R3	Medium Density Residential	Residential: Combination of Unit Types	11,226	0.26	7	2	5
071103420	1220 HOOVER ST	R3	Medium Density Residential	Residential: More Than 1 Detached Living Units	10,893	0.25	7	2	5
071292170	750 FREMONT ST	R3	Medium Density Residential	Residential: SFR & Duplex or Triplex	10,785	0.25	7	3	4
071272080	985 SANTA CRUZ AVE	R3	Medium Density Residential	Residential: Combination of Unit Types	10,623	0.24	7	4	3
071282090	800 LIVE OAK AVE	R3	Medium Density Residential	Residential: Single-Family	10,373	0.24	7	1	6
071301280	765 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	10,362	0.24	7	1	6
071103320	1340 HOOVER ST	R3	Medium Density Residential	Residential: Single-Family	9,035	0.21	2	1	1
071093070	1340 CRANE ST	R3	Medium Density Residential	Residential: Single-Family	9,027	0.21	2	1	1
071272420	969 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	8,918	0.20	2	1	1

Table 3: Infill Around Downtown - Existing Zoning and Proposed Changes

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Total Allowable Dwelling Units	Existing Dwelling Units	Net Potential Dwelling Units
061401090	1261 LAUREL ST	R3	Medium Density Residential	Residential: Single-Family	8,805	0.20	2	1	1
071093180	1230 CRANE ST	R3	Medium Density Residential	Residential: Single-Family	8,450	0.19	2	1	1
071291160	649 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	8,447	0.19	2	1	1
061401280	1320 MILLS ST	R3	Medium Density Residential	Residential: Single-Family	8,323	0.19	2	1	1
061401150	424 OAK GROVE AVE	R3	Medium Density Residential	Residential: Single-Family	8,249	0.19	2	1	1
071093170	1232 CRANE ST	R3	Medium Density Residential	Residential: Single-Family	8,170	0.19	2	1	1
061401030	1333 LAUREL ST	R3	Medium Density Residential	Residential: Single-Family	8,130	0.19	2	1	1
071301310	916 FLORENCE LN	R3	Medium Density Residential	Residential: Single-Family	8,046	0.18	2	1	1
071093040	735 VALPARAISO AVE	R3	Medium Density Residential	Residential: Single-Family	8,023	0.18	2	1	1
071091400	1308 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	7,860	0.18	2	1	1
071091410	1310 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	7,852	0.18	2	1	1
061382260	1066 PINE ST	R3	Medium Density Residential	Residential: Single-Family	7,760	0.18	2	1	1
071272190	966 MENLO AVE	R3	Medium Density Residential	Residential: Single-Family	7,626	0.18	2	1	1
071311200	820 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	7,562	0.17	2	1	1
061382270	1070 PINE ST	R3	Medium Density Residential	Residential: SFR Converted to 2 Units	7,547	0.17	2	1	1
061401350	425 GLENWOOD AVE	R3	Medium Density Residential	Residential: Single-Family	7,501	0.17	2	1	1
071301140	936 ROBLE AVE	R3	Medium Density Residential	Residential: Single-Family	7,500	0.17	2	1	1
071301270	775 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	7,500	0.17	2	1	1
071311060	801 LIVE OAK AVE	R3	Medium Density Residential	Residential: Single-Family	7,422	0.17	2	1	1
071311070	797 LIVE OAK AVE	R3	Medium Density Residential	Residential: Single-Family	7,415	0.17	2	1	1
071301130	922 ROBLE AVE	R3	Medium Density Residential	Residential: Single-Family	7,358	0.17	2	1	1
071301210	973 ROBLE AVE	R3	Medium Density Residential	Residential: Single-Family	7,332	0.17	2	1	1
071301030	957 OAK LN	R3	Medium Density Residential	Residential: Single-Family	7,331	0.17	2	1	1

Table 3: Infill Around Downtown – Existing Zoning and Proposed Changes

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Total Allowable Dwelling Units	Existing Dwelling Units	Net Potential Dwelling Units
071093290	1360 CRANE ST	R3	Medium Density Residential	Residential: Single-Family	7,273	0.17	2	1	1
071293080	1010 MALLET CT	R3	Medium Density Residential	Residential: Single-Family	7,242	0.17	2	1	1
071293100	1030 MALLET CT	R3	Medium Density Residential	Residential: Single-Family	7,186	0.16	2	1	1
071301300	721 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	7,078	0.16	2	1	1
071288360	714 LIVE OAK AVE	R3	Medium Density Residential	Residential: More Than 1 Detached Living Units	7,055	0.16	2	1	1
061401240	1264 MILLS ST	R3	Medium Density Residential	Residential: Single-Family	7,052	0.16	2	1	1
071101110	1305 HOOVER ST	R3	Medium Density Residential	Residential: Single-Family	7,000	0.16	2	1	1
071101210	1243 HOOVER ST	R3	Medium Density Residential	Residential: Single-Family	7,000	0.16	2	1	1
071293250	620 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	6,720	0.15	2	1	1
071274080	836 LIVE OAK AVE	R3	Medium Density Residential	Residential: Single-Family	6,552	0.15	2	1	1
071293060	640 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	6,551	0.15	2	1	1
071093160	1234 CRANE ST	R3	Medium Density Residential	Residential: Single-Family	6,456	0.15	2	1	1
071271080	949 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	6,449	0.15	2	1	1
071288410	764 LIVE OAK AVE	R3	Medium Density Residential	Residential: Single-Family	6,397	0.15	2	1	1
071093140	1238 CRANE ST	R3	Medium Density Residential	Residential: Single-Family	6,393	0.15	2	1	1
071093150	1236 CRANE ST	R3	Medium Density Residential	Residential: Single-Family	6,392	0.15	2	1	1
061402140	1225 MILLS ST	R3	Medium Density Residential	Residential: Single-Family	6,215	0.14	2	1	1
071271110	909 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	6,193	0.14	2	1	1
071302260	519 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	6,156	0.14	2	1	1
071103330	1346 HOOVER ST	R3	Medium Density Residential	Residential: Single-Family	5,952	0.14	2	1	1
071321030	737 LIVE OAK AVE	R3	Medium Density Residential	Residential: Single-Family	5,913	0.14	2	1	1
071321020	751 LIVE OAK AVE	R3	Medium Density Residential	Residential: Single-Family	5,851	0.13	2	1	1
071288310	676 LIVE OAK AVE	R3	Medium Density Residential	Residential: Single-Family	5,751	0.13	2	1	1

Table 3: Infill Around Downtown – Existing Zoning and Proposed Changes

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Total Allowable Dwelling Units	Existing Dwelling Units	Net Potential Dwelling Units
071272070	993 SANTA CRUZ AVE	R3	Medium Density Residential	Residential: Single-Family	5,691	0.13	2	1	1
071331140	688 ROBLE AVE	R3	Medium Density Residential	Residential: Single-Family	5,640	0.13	2	1	1
071321070	705 LIVE OAK AVE	R3	Medium Density Residential	Residential: Single-Family	5,632	0.13	2	1	1
071331030	671 LIVE OAK AVE	R3	Medium Density Residential	Residential: Single-Family	5,632	0.13	2	1	1
071271070	955 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	5,626	0.13	2	1	1
071271060	1003 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	5,626	0.13	2	1	1
071291070	816 ARBOR RD	R3	Medium Density Residential	Residential: Single-Family	5,625	0.13	2	1	1
071271140	928 ARBOR RD	R3	Medium Density Residential	Residential: Single-Family	5,625	0.13	2	1	1
071312020	893 ROBLE AVE	R3	Medium Density Residential	Residential: Single-Family	5,494	0.13	2	1	1
071321130	752 ROBLE AVE	R3	Medium Density Residential	Residential: Single-Family	5,440	0.12	2	1	1
071282140	932 EVELYN ST	R3	Medium Density Residential	Residential: Single-Family	5,399	0.12	2	1	1
071311170	890 ROBLE AVE	R3	Medium Density Residential	Residential: Single-Family	5,331	0.12	2	1	1
071272140	1001 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	5,297	0.12	2	1	1
071293180	570 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	5,280	0.12	2	1	1
071293190	564 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	5,280	0.12	2	1	1
071293200	542 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	5,278	0.12	2	1	1
071293210	520 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	5,276	0.12	2	1	1
071272120	1047 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	5,243	0.12	2	1	1
071272130	1039 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	5,243	0.12	2	1	1
071302070	689 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	5,107	0.12	2	1	1
071093020	1354 CRANE ST	R3	Medium Density Residential	Residential: Single-Family	5,072	0.12	2	1	1
071311190	810 UNIVERSITY DR	R3	Medium Density Residential	Residential: Single-Family	5,060	0.12	2	1	1
071293240	624 FREMONT ST	R3	Medium Density Residential	Residential: Single-Family	5,040	0.12	2	1	1

Table 3: Infill Around Downtown - Existing Zoning and Proposed Changes

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Total Allowable Dwelling Units	Existing Dwelling Units	Net Potential Dwelling Units
071282160	946 EVELYN ST	R3	Medium Density Residential	Residential: Single-Family	5,000	0.11	2	1	1
Subtotal	Lots 10,000 sf or greater (30 du/ac)								110
Subtotal	Lots less than 10,000 sf (<30 du/ac)								73
TOTAL									183

Table 64: Existing Zoning Scattered Sites

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Total Allowable Dwelling Units	Existing Dwelling Units	Net Potential Dwelling Units	Dwelling Units per Acre (Allowable)
055351080	200 block IVY DR	R1U	Low Density Residential	Vacant	7,994	0.18	1	0	1	5.4
061321110	400 block FELTON DR	R1S (FG)	Low Density Residential	Vacant	7,522	0.17	1	0	1	5.8
061382170	215 OAK GROVE AVE	R2	Medium Density Residential	Vacant (portion)	67,082	1.54	19	0	19	12.3
062013230	300 block PIERCE RD	R3	Medium Density Residential	Vacant	10,510	0.24	3	0	3	12.4
062021040	130 NEWBRIDGE ST	R3	Medium Density Residential	Single-Family Residential	5,433	0.12	2	1	1	16.0
062021050	1131 MENLO OAKS DR	R3	Medium Density Residential	Single-Family Residential	8,415	0.19	2	1	1	10.4
062021060	1121 MENLO OAKS DR	R3	Medium Density Residential	Single-Family Residential	6,979	0.16	2	1	1	12.5
062064110	1005 MADERA AVE	R3	Medium Density Residential	Single-Family Residential	6,111	0.14	2	1	1	7.1
062073300	1105 HOLLYBURNE AVE	R1U	Low Density Residential	Vacant	4,106	0.09	1	0	1	10.6
062074020	1100 block HOLLYBURNE AVE	R1U	Low Density Residential	Vacant	11,612	0.27	1	0	1	3.8
062074330	741 PIERCE RD	R3	Medium Density Residential	Vacant	2,648	0.06	0	0	0	0.0
062074340	700 block PIERCE RD	R3	Medium Density Residential	Vacant	2,677	0.06	1	0	1	16.3
062074350	731 PIERCE RD	R3	Medium Density Residential	Vacant	5,376	0.12	2	0	2	16.2
062216060	300 block HAIGHT ST	R1U	Low Density Residential	Vacant	3,028	0.07	1	0	1	14.4
062272760	200 block WILLOW RD	R1U	Low Density Residential	Vacant	7,665	0.18	1	0	1	5.7
062303160	600 block WOODLAND AVE	R1U	Low Density Residential	Vacant	6,529	0.15	1	0	1	6.7
062383130	1975 MENALTO AVE	R2	Medium Density Residential	Single-Family Residential	7,269	0.17	2	1	1	6.0
062383140	1971 MENALTO AVE	R2	Medium Density Residential	Single-Family Residential	7,283	0.17	2	1	1	6.0
062460060	320 MIDDLEFIELD RD	R1S	Low Density Residential	Vacant (portion)	217,800	5.00	21	0	21	4.2
063142120	2100 block MENALTO AVE	R1U	Low Density Residential	Vacant	3,483	0.08	1	0	1	12.5
063425070	1916 MENALTO AVE	R2	Medium Density Residential	Single-Family Residential	10,044	0.23	2	1	1	4.3
063452390	1300 block WOODLAND AVE	R1U	Low Density Residential	Vacant	9,295	0.21	1	0	1	4.7
063453080	400 block FRENCH CT	R1U	Low Density Residential	Vacant	6,310	0.14	1	0	1	6.9
063472010	1495 WOODLAND AVE	R3	Medium Density Residential	Single-Family Residential	12,358	0.28	3	1	2	3.6
063472020	1917 EUCLID AVE	R3	Medium Density Residential	Single-Family Residential	6,959	0.16	2	1	1	6.3

Table 64: Existing Zoning Scattered Sites

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Total Allowable Dwelling Units	Existing Dwelling Units	Net Potential Dwelling Units	Dwelling Units per Acre (Allowable)
063472030	1925 EUCLID AVE	R3	Medium Density Residential	Single-Family Residential	5,730	0.13	2	1	1	7.6
063472050	1947 EUCLID AVE	R3	Medium Density Residential	Vacant	6,000	0.14	2	0	2	7.3
071022220	1300 block N LEMON ST	R1S	Low Density Residential	Vacant	9,931	0.23	1	0	1	4.4
071022240	1300 block N LEMON ST	R1S	Low Density Residential	Vacant	22,985	0.53	2	0	2	3.8
071072270	1300 block ARBOR RD	RE	Very Low Density Residential	Vacant	12,162	0.28	1	0	1	3.6
071192070	1700 block BAY LAUREL AVE	R1S	Low Density Residential	Vacant	17,847	0.41	1	0	1	2.4
071192280	1600 block BAY LAUREL AVE	R1S	Low Density Residential	Vacant	14,017	0.32	1	0	1	3.1
071350030	100 block SAN MATEO DR	R1S	Low Density Residential	Vacant	17,941	0.41	1	0	1	2.4
071404200	850 PARTRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	9,283	0.21	2	1	1	9.4
071404210	856 PARTRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	9,276	0.21	2	1	1	9.4
071404220	860 PARTRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	9,268	0.21	2	1	1	9.4
071405020	875 PARTRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	6,972	0.16	2	1	1	12.5
071405130	824 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	7,440	0.17	2	1	1	11.7
071405140	830 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	7,456	0.17	2	1	1	11.7
071405150	848 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	7,471	0.17	2	1	1	11.7
071405170	854 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	7,499	0.17	2	1	1	11.6
071412290	646 PARTRIDGE AVE	R3	Medium Density Residential	Single-Family Residential	7,500	0.17	2	1	1	11.6
071412300	658 PARTRIDGE AVE	R3	Medium Density Residential	Single-Family Residential	5,692	0.13	2	1	1	15.3
071413010	785 PARTRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	8,041	0.18	2	1	1	10.8
071413150	617 PARTRIDGE AVE	R3	Medium Density Residential	Single-Family Residential	9,592	0.22	2	1	1	9.1
071413240	636 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	7,268	0.17	2	1	1	12.0
071413280	724 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	7,325	0.17	2	1	1	11.9
071413300	750 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	7,354	0.17	2	1	1	11.8
071413310	760 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	7,369	0.17	2	1	1	11.8
071413320	776 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	9,529	0.22	2	1	1	9.1

Table 64: Existing Zoning Scattered Sites

APN	Address	Existing Zoning	Existing General Plan Designation	Existing Use	Lot Area (Sq. Ft.)	Lot Area (Acres)	Total Allowable Dwelling Units	Existing Dwelling Units	Net Potential Dwelling Units	Dwelling Units per Acre (Allowable)
071424020	875 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	7,090	0.16	2	1	1	12.3
071431040	825 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	8,111	0.19	2	1	1	10.7
071431050	815 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	8,107	0.19	2	1	1	10.7
071431060	145 CORNELL RD	R2	Medium Density Residential	Single-Family Residential	8,086	0.19	2	1	1	10.8
071433040	739 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	7,787	0.18	2	1	1	11.2
071433050	725 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	8,084	0.19	2	1	1	10.8
071433070	705 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	8,078	0.19	2	1	1	10.8
071433080	665 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	8,075	0.19	2	1	1	10.8
071433090	649 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	8,071	0.19	2	1	1	10.8
071433110	627 CAMBRIDGE AVE	R2	Medium Density Residential	Single-Family Residential	8,064	0.19	2	1	1	10.8
071433220	712 HARVARD AVE	R2	Medium Density Residential	Single-Family Residential	7,731	0.18	2	1	1	11.3
071433250	752 HARVARD AVE	R2	Medium Density Residential	Single-Family Residential	7,012	0.16	2	1	1	12.4
071433260	760 HARVARD AVE	R2	Medium Density Residential	Single-Family Residential	7,007	0.16	2	1	1	12.4
071434060	709 HARVARD AVE	R2	Medium Density Residential	Single-Family Residential	10,035	0.23	2	1	1	8.7
071434090	649 HARVARD AVE	R2	Medium Density Residential	Single-Family Residential	10,774	0.25	3	1	2	12.1
071434100	600 block HARVARD AVE	R2	Medium Density Residential	Vacant	11,054	0.25	3	0	3	11.8
071434110	629 HARVARD AVE	R2	Medium Density Residential	Single-Family Residential	9,425	0.22	2	1	1	9.2
071434190	624 CREEK DR	R2	Medium Density Residential	Single-Family Residential	6,959	0.16	2	1	1	12.5
071434210	634 CREEK DR	R2	Medium Density Residential	Single-Family Residential	6,854	0.16	2	1	1	12.7
071434300	730 CREEK DR	R2	Medium Density Residential	Single-Family Residential	11,222	0.26	3	1	2	11.6
074311600	RURAL LN	R1S	Low Density Residential	Vacant	40,343	0.93	4	0	4	4.3
TOTAL									121	

Table 45: Built and Approved Units

APN	Address	Date Building Permit Issued	Approval Date (if permit not issued)	Net New Dwelling Unit	Below Market Rate Dwelling Unit
055341240	1423 ROSEMARY ST	01/19/07		1	
055480010	1413 ROSEMARY ST	01/19/07		1	1
055480020	1415 ROSEMARY ST	01/19/07		1	
055480030	1417 ROSEMARY ST	01/19/07		1	1
055480040	1419 ROSEMARY ST	01/19/07		1	
055480050	1421 ROSEMARY ST	01/19/07		1	
055480070	1425 ROSEMARY ST	01/19/07		1	1
055480080	1490 ROSEMARY ST	01/19/07		1	1
055480090	1470 ROSEMARY ST	01/19/07		1	
055480100	1450 ROSEMARY ST	01/19/07		1	
055480110	1430 ROSEMARY ST	01/19/07		1	
055480120	1410 ROSEMARY ST	01/19/07		1	1
055480130	1400 ROSEMARY ST	01/19/07		1	
055480210	537 SANDLEWOOD ST	01/19/07		1	1
071162240	1618 STANFORD AVE	03/09/07		1	
062421060	152 LINFIELD DR	04/12/07		1	
062421060	154 LINFIELD DR	04/12/07		1	
062421060	156 LINFIELD DR	04/12/07		1	
071404150	812 PARTRIDGE AVE	04/17/07		1	
071412420	800 PARTRIDGE AVE	04/23/07		1	
055480140	1401 SAGE ST	06/12/07		1	
055480150	1403 SAGE ST	06/12/07		1	1
055480160	1405 SAGE ST	06/12/07		1	
055480200	539 SANDLEWOOD ST	06/12/07		1	
055480420	520 SANDLEWOOD ST	06/12/07		1	1
055480460	559 HAMILTON AVE	06/12/07		1	1
055480470	1401 GINGER ST	06/12/07		1	1
055480170	1407 SAGE ST	06/13/07		1	1
055480180	1409 SAGE ST	06/13/07		1	
055480190	1411 SAGE ST	06/13/07		1	
055480410	510 SANDLEWOOD ST	06/26/07		1	
062550010	1 HERITAGE PL	06/29/07		1	1
062550020	2 HERITAGE PL	06/29/07		1	
062550030	3 HERITAGE PL	06/29/07		1	
062550050	5 HERITAGE PL	07/02/07		1	
062550080	8 HERITAGE PL	07/02/07		1	
062550090	9 HERITAGE PL	07/02/07		1	
062550040	4 HERITAGE PL	07/05/07		1	
062550060	6 HERITAGE PL	07/05/07		1	
062550110	11 HERITAGE PL	07/05/07		1	
062550120	12 HERITAGE PL	07/05/07		1	
055480400	1405 GINGER ST	07/10/07		1	
055480450	555 HAMILTON AVE	07/10/07		1	1
062422110	157 LINFIELD DR	07/10/07		1	1
062422110	159 LINFIELD DR	07/10/07		1	

Table 45: Built and Approved Units

APN	Address	Date Building Permit Issued	Approval Date (if permit not issued)	Net New Dwelling Unit	Below Market Rate Dwelling Unit
062422110	161 LINFIELD DR	07/10/07		1	
062422110	163 LINFIELD DR	07/10/07		1	
062422110	165 LINFIELD DR	07/10/07		1	
062422110	167 LINFIELD DR	07/10/07		1	
062422110	169 LINFIELD DR	07/10/07		1	1
062422110	171 LINFIELD DR	07/10/07		1	
062422110	218 MORGAN LANE	07/31/07		1	
062422110	214 MORGAN LANE	07/31/07		1	
062422110	210 MORGAN LANE	07/31/07		1	
062422110	208 MORGAN LANE	07/31/07		1	
062422110	216 MORGAN LANE	08/16/07		1	
062422110	212 MORGAN LANE	08/16/07		1	
062422110	202 MORGAN LANE	08/22/07		1	1
062422110	204 MORGAN LANE	08/22/07		1	
062422110	203 BALLARD LANE	08/22/07		1	
062422110	201 BALLARD LANE	08/22/07		1	
062422110	201 PEARL LANE	08/22/07		1	
062422110	203 PEARL LANE	08/22/07		1	
062422110	205 PEARL LANE	08/22/07		1	
062422110	207 PEARL LANE	08/22/07		1	
062550070	7 HERITAGE PL	08/29/07		1	
062422110	230 MORGAN LANE	09/25/07		1	
062422110	228 MORGAN LANE	09/25/07		1	1
062422110	226 MORGAN LANE	09/25/07		1	
062422110	224 MORGAN LANE	09/25/07		1	
062422110	222 MORGAN LANE	09/25/07		1	
062422110	209 PEARL LANE	09/25/07		1	
062422110	211 PEARL LANE	09/25/07		1	
062422130	807 PAULSON CIRCLE	10/03/07		1	
062422130	805 PAULSON CIRCLE	10/03/07		1	
071272060	1001 SANTA CRUZ AVE	10/09/07		2	
071302280	928 MIDDLE AVE FRONT	10/19/07		1	
062422130	841 PAULSON CIRCLE	11/02/07		1	
062422110	202 BALLARD LANE	11/08/07		1	1
062422110	204 BALLARD LANE	11/08/07		1	
062422110	236 MORGAN LANE	11/08/07		1	
062422110	234 MORGAN LANE	11/08/07		1	
062422110	232 MORGAN LANE	11/08/07		1	
062214100	10 HERITAGE PL	11/15/07		1	1
062422130	839 PAULSON CIRCLE	12/28/07		1	
062422130	843 PAULSON CIRCLE	12/28/07		1	
062422130	835 PAULSON CIRCLE	03/05/08		1	
062422130	833 PAULSON CIRCLE	03/05/08		1	1
062422130	837 PAULSON CIRCLE	03/05/08		1	
062422130	831 PAULSON CIRCLE	03/05/08		1	

Table 45: Built and Approved Units

APN	Address	Date Building Permit Issued	Approval Date (if permit not issued)	Net New Dwelling Unit	Below Market Rate Dwelling Unit
074162180	1080 LASSEN DR	03/05/08		1	
074120360	130 ROYAL OAK CT	06/18/08		1	
074120360	135 ROYAL OAK CT	06/18/08		1	
074120360	110 ROYAL OAK CT	06/18/08		1	
074120360	125 ROYAL OAK CT	06/18/08		1	
074120360	120 ROYAL OAK CT	06/18/08		1	
074120360	150 ROYAL OAK CT	06/19/08		1	
062422130	834 PAULSON CIRCLE	06/23/08		1	
062422130	836 PAULSON CIRCLE	06/23/08		1	
062422130	822 PAULSON CIRCLE	06/23/08		1	
062422130	832 PAULSON CIRCLE	06/23/08		1	
062421060	156 MORANDI LN	07/16/08		1	
062421060	154 MORANDI LN	07/16/08		1	
062421060	152 MORANDI LN	07/16/08		1	
062421060	151 MORANDI LN	07/16/08		1	1
062421060	153 MORANDI LN	07/16/08		1	
062421060	155 MORANDI LN	07/16/08		1	
062422130	827 PAULSON CIRCLE	07/29/08		1	
062422130	829 PAULSON CIRCLE	07/29/08		1	
062422130	825 PAULSON CIRCLE	07/29/08		1	
062422130	823 PAULSON CIRCLE	07/31/08		1	
062422130	821 PAULSON CIRCLE	07/31/08		1	
062422130	819 PAULSON CIRCLE	07/31/08		1	
062422130	817 PAULSON CIRCLE	09/11/08		1	
062580250	804 PAULSON CIR	09/23/08		1	
062580300	818 PAULSON CIR	09/23/08		1	
062580310	816 PAULSON CIR	09/23/08		1	
062580040	813 PAULSON CIR	09/25/08		1	1
062580050	815 PAULSON CIR	09/25/08		1	
062580210	801 PAULSON CIR	09/25/08		1	
062580030	811 PAULSON CIR	10/06/08		1	
062580240	812 PAULSON CIR	10/14/08		1	
062580320	814 PAULSON CIR	10/14/08		1	
062580020	809 PAULSON CIR	12/01/08		1	
071433180	644 HARVARD	01/16/09		1	
062580200	845 PAULSON CIR	04/23/09		1	
062580220	803 PAULSON CIR	04/23/09		1	
071271030	1081 SANTA CRUZ AVE	02/10/10		3	
062383120	1981 MENALTO AVE	04/15/10		1	
071301100	849 UNIVERSITY DR	06/09/10		1	
071301100	865 UNIVERSITY DR	06/09/10		1	
071291230	737 FREMONT ST	10/06/10		2	
062570080	153 BURNELL LN	10/20/10		1	
071282090	802 LIVE OAK AVE	11/02/10		1	
071282090	905 CRANE ST	11/02/10		1	

Table 45: Built and Approved Units

APN	Address	Date Building Permit Issued	Approval Date (if permit not issued)	Net New Dwelling Unit	Below Market Rate Dwelling Unit
062570070	151 BURNELL LN	11/03/10		1	
062570160	313 HOMEWOOD PL	11/16/10		1	
062570220	301 HOMEWOOD PL	11/17/10		1	
062570180	309 HOMEWOOD PL	11/18/10		1	
062570190	307 HOMEWOOD PL	11/18/10		1	1
062570200	305 HOMEWOOD PL	11/18/10		1	
062570210	303 HOMEWOOD PL	11/18/10		1	
062570170	311 HOMEWOOD PL	11/29/10		1	
062570090	155 BURNELL LN	12/09/10		1	
071022110	1206 N LEMON AVE	12/21/10		1	
062570020	160 LINFIELD DR	01/03/11		1	
062570030	158 LINFIELD DR	01/03/11		1	1
062570010	162 LINFIELD DR	01/10/11		1	
071302290	960 MIDDLE AVE	03/08/11		1	
061382210	1030 PINE ST	02/17/12		1	
074112640	2199 CLAYTON DR	03/22/12		1	
063430090	1956 MENALTO AVE A	04/17/12		1	
074112100	2199 CLAYTON DR	04/24/12		1	
074120430	140 ROYAL OAK CT	05/08/12		1	
061421330	1444 SAN ANTONIO ST	07/24/12		1	
071301120	821 UNIVERSITY AVE (900 ROBLE AVE)	10/08/12		1	
071288390	742 LIVE OAK AVE	11/19/12		1	
061422390	1460 EL CAMINO REAL	04/26/13		16	1
062370180	531 POPE ST	04/08/13		1	
071412430	389 EL CAMINO REAL	05/13/13		22	3
071103310	1330 HOOVER ST	05/21/13		1	
062272420	163 WILLOW RD	06/25/13		1	
062012050	15 IRIS LN	07/08/13		1	
063430060	1968 MENALTO AVE	07/16/13		1	
062064140	731 BAY ROAD	08/01/13		1	
062064130	735 BAY ROAD	08/01/13		1	
063452380	1357 WOODLAND AVE	pending	07/22/13	1	
061401080	1273 LAUREL ST	pending	05/07/13	2	
061401070	1281 LAUREL ST	pending	05/07/13	2	
063463680	433 O'CONNOR ST	pending	08/05/13	1	
074270200	777 SHARON PARK DR	na	pending	1	
Subtotal	January 2007 to July 2012			159	24
Subtotal	August 2012 to November 2013			54	4
TOTAL				213	28

Table 56: Built and Pending Second Units

APN	Address	Date Building Permit Issued	Attached or Detached Secondary Unit?
062432130	425 Claremont Way	08/02/07	Detached Unit
063430760	344 O'Connor St	10/04/07	Attached Unit
071081140	1177 Johnson St	12/10/07	Detached Unit
055331190	351 Terminal Ave	10/29/08	Detached Unit
063430730	332 O'Connor St	06/14/10	Detached Unit
062384070	622 Laurel Ave	03/28/12	Detached Unit
062454080	60 Willow Rd	02/19/13	Attached Unit
062412220	308 Sherwood Wy	04/12/13	Detached Unit
062061260	1040 Henderson Ave	10/02/13	Attached Unit
063430790	127 Elliott Dr	10/23/13	Detached Unit
063430520	374 O'Connor St	pending	Attached Unit
071341060	1159 Bay Laurel Dr	pending	Attached Unit
062271230	288 San Luis Dr	pending	Attached Unit
Subtotal	January 2007 to July 2012		6
Subtotal	August 2012 to November 2013		7
Total			13

City of Menlo Park Preliminary Draft Housing Element

Appendix B

Review of the 2007-2014 Housing Element



Review of 2007-2014 Housing Element Implementing Programs

2007-2014 Housing Element Program Name/Number	Program Description and Objective	Timeframe and Progress	Implementation Status and Recommendation for the 2014-2022 Housing Element
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Goal 1 Implementation Responsibilities

H1.A	Establish City Staff Work Priorities for Implementing Housing Element Programs	Establish priorities for implementing Housing Element Programs	Annually	Continue program — Make this an annual update as part of the annual Housing Element review (see Program H1.B)
H1.B	Review the Housing Element Annually	Review and monitoring of Housing Element implementation; submit Annual Report to HCD	Annually	Continue program — update and undertake by April of each year using forms provided by HCD
H1.C	Publicize Fair Housing Laws and Respond to Discrimination Complaints	Obtain and distribute materials (see Program 1H.D)	Ongoing	Continue program — Obtain and distribute information (check annually)
H1.D	Provide Information on Housing Programs	Obtain and distribute materials at public locations	Annual	Continue program — Obtain and distribute information (check annually)
H1.E	Undertake Community Outreach When Implementing Housing Element Programs	Conduct public outreach and distribute materials (see Programs H1.C and H1.D)	Consistent with program timelines	Continue program and monitor as part of the Annual Housing Element review (Program H1.B)
H1.F	Work with the San Mateo County Department of Housing	Coordinate with County efforts to maintain and support affordable housing	Ongoing	Continue program and monitor as part of the Annual Housing Element review (Program H1.B)
H1.G	Adopt an Anti-Discrimination Ordinance	Undertake Municipal Code amendment	2014 — undertake during the 2014-2022 planning period	Continue program.
H1.H	Utilize the City's Below Market Rate (BMR) Housing Fund	Accumulate and distribute funds for affordable housing	Ongoing	Continue program and monitor as part of the Annual Housing Element review (Program H1.B)
H1.I.	Work with Non-Profits on Housing	Maintain a working relationship with non-profit housing sponsors	Ongoing	Focus on Mid-Pen's Gateway Apartments and other possible developments as they arise. Continue to undertake outreach to non-profits
H1.J	Update the Housing Element	Maintain consistency with Housing Element law	In progress for the 2014-2022 planning period. Anticipated to be completed by Spring/Summer 2014.	Update for the 2014-2022 planning period and assess as part of the annual Housing Element review (see Program H1.B)
H1.K	Address Rent Conflicts	Resolve rent conflicts as they arise	Ongoing	Continue program and monitor as part of the Annual Housing Element review (Program H1.B)
H1.L	Adopt Priority Procedures for Water and Sewer Service to Affordable Housing Developments	Comply with Government Code Section 65589.7	In progress; targeting completion in 2013	Delete if program completed.
H1.M	Lobby for Changes to State Housing Element Requirements	Work with other San Mateo County jurisdictions and lobby for changes to State Housing Element law (coordinate with Program H1.B)	Ongoing	Continue program, expand to identify and monitor as part of the Annual Housing Element review (Program H1.B)

Goal 2 Existing Housing and Neighborhoods

H2.A	Adopt Ordinance for "At Risk" Units	Protect existing subsidized rental housing (coordinate with Program H1.G)	2016 — undertake during the 2014-2022 planning period	Continue program and monitor as part of the Annual Housing Element review (Program H1.B)
H2.B	Implement Energy Loan Programs and Improvements	Provide loans for 25 homes from 2007-2014	Ongoing — undertake during the 2014-2022 planning period (25 homes)	Continue program and monitor as part of the Annual Housing Element review (Program H1.B)
H2.C	Amend the Zoning Ordinance to Protect Existing Housing	Protect existing rental housing	Consider as part of the City's General Plan Update (2014-2015)	Continue program
H2.D	Assist in Implementing Housing Rehabilitation Programs	Provide loans to rehabilitate very low and low income housing (20 loans from 2007-2014)	Ongoing — undertake during the 2014-2022 planning period (10 homes)	Continue program and monitor as part of the Annual Housing Element review (Program H1.B). Investigate use of rehabilitation loans for secondary dwelling units

Review of 2007-2014 Housing Element Implementing Programs

2007-2014 Housing Element Program Name/Number	Program Description and Objective	Timeframe and Progress	Implementation Status and Recommendation for the 2014-2022 Housing Element	
Goal 3 Specialized Housing Needs				
H3.A	Zone for Emergency Shelter for the Homeless	Amend the Zoning Ordinance	In progress; anticipated to be completed in Spring/Summer 2014	Delete program if ordinance is adopted. Add new program to work with the Veteran's Administration on homeless veterans' needs.
H3.B	Zone for Transitional and Supportive Housing	Amend the Zoning Ordinance	In progress; anticipated to be completed in Spring/Summer 2014	Delete program if ordinance is adopted.
H3.C	Adopt Procedures for Reasonable Accommodation	Amend the Zoning Ordinance and/or modify administrative procedures; create handout	In progress; anticipated to be completed in Spring/Summer 2014	Delete program if ordinance is adopted.
H3.D	Encourage Rental Housing Assistance Programs	Provide rental assistance to 235 extremely low and very low income Menlo Park residents annually	Ongoing assistance to 235 extremely low and very low income households per year	Continue program and monitor as part of the Annual Housing Element review (Program H1.B)
H3.E	Investigate Possible Multi-Jurisdictional Emergency Shelter	Construction of homeless facility (if feasible)	Longer term program as the opportunity arises	Program may not be needed if emergency shelter ordinance is adopted.
H3.F	Assist in Providing Housing for Persons Living with Disabilities	Provision of housing and services for disabled persons	Ongoing	Continue program and monitor as part of the Annual Housing Element review (Program H1.B)
H3.G	Develop Incentives for Special Needs Housing	Amend the Zoning Ordinance to provide opportunities for housing and adequate support services for seniors and people living with disabilities	2014	Continue the program — Review special needs housing incentives, update program and monitor as part of the Annual Housing Element review (Program H1.B)
H3.H	Continue Support for Countywide Homeless Programs	Support housing and services for the homeless and at-risk persons and families	Ongoing	Continue program and monitor as part of the Annual Housing Element review (Program H1.B)
Goal 4 New Housing				
H4.A	Modify Development Standards to Encourage Infill Housing	Amend the Zoning Ordinance to encourage smaller units and infill housing.	Completed June, 2013	Delete.
H4.B	Modify R-2 Zoning to Maximize Unit Potential	Amend the Zoning Ordinance to maximize dwelling unit potential in R-2 zones	Consider as part of General Plan Update	Continue program. Review issues and strategies as part of the General Plan Update.
H4.C	Adopt Standards for an "Affordable Housing Overlay Zone"	Amend the Zoning Ordinance to provide flexibility and incentives for affordable housing	Completed June, 2013	Delete.
H4.D	Implement Inclusionary Housing Regulations and Adopt Standards to Implement State Density Bonus Law	Amend the Zoning Ordinance to require affordable housing in market rate developments and to implement State Density Bonus law incentives	State Density Bonus Law completed June, 2013; Review of inclusionary zoning regulations in progress	Delete adoption of State Density Bonus Law program. Continue to implement the City's inclusionary requirements. Include separate programs to (1) evaluate the City's Below Market Rate program guidelines and (2) update the BMR nexus study.
H4.E	Modify Second Dwelling Unit Development Standards and Permit Process	Amend the Zoning Ordinance to create great incentives for second units (10 new second units — 3 very low, 4 low and 3 moderate income units)	Completed June, 2013	Continue program and consider reducing minimum lot size, clarifications of the existing ordinance such as application of height and setbacks along an alley, and development of other secondary dwelling unit incentives as part of the next Housing Element cycle (2014-2022).
H4.F	Undertake a Second Unit Amnesty Program	Adopt procedures and implement a second unit amnesty program (10 very low, 15 low and 10 moderate income units)	In progress; anticipated to be completed in Spring/Summer 2014	Consider the effectiveness of the program.

Review of 2007-2014 Housing Element Implementing Programs

2007-2014 Housing Element Program Name/Number	Program Description and Objective	Timeframe and Progress	Implementation Status and Recommendation for the 2014-2022 Housing Element
H4.G	Implement First-Time Homebuyer Program	Provide loans for 40 units assisted	BMR funds are no longer available for this program. Delete. The City is referring first time homebuyers to HEART and Union Bank for down payment assistance. Include as part of Programs H1.C and H1.D to obtain and distribute information (check annually on the status of the program).
H4.H	Work with Non-Profits and Property Owners on High Potential Housing Opportunity Sites	Develop incentives and procedures to encourage affordable housing	Ongoing Continue program.
H4.I	Create Multi-Family and Residential Mixed Use Design Guidelines	Establish design guidelines for multi-family and mixed use housing developments	Consider as part of General Plan Update Continue program and consider as part of General Plan Update.
H4.J	Consider Surplus City Land for Housing	Identify opportunities for housing as they arise	Consider as part of General Plan Update Continue program and consider as part of General Plan Update.
H4.K	Work with the Fire District	Undertake local amendments to the State Fire Code	In progress; anticipated to be completed in early 2014 Delete program if ordinance is adopted.
H4.L	Coordinate with School Districts to Link Housing with School District Planning Activities	Coordinate and consider school districts long-range planning, resources and capacity in planning for housing	Ongoing Continue program. Consider as part of and then implementation following the General Plan Update.
H4.M	Review the Subdivision Ordinance	Modify the Subdivision Ordinance as needed	Consider as part of General Plan Update Continue program. Review of directions for Municipal Code Ttitle 15 as part of the General Plan Update. Modify the Subdivision Ordinance following adoption of the updated General Plan.
H4.N	Create Opportunities for Mixed Use Development	Conduct study to determine appropriate locations for housing in commercial zones	Consider as part of General Plan Update Examine current commercial districts that do not currently allow residential uses and review opportunities for mixed use housing as part of the General Plan Update.
H4.O	Implement Actions in Support of High Potential Housing Opportunity Sites	Undertake Zoning Ordinance amendments to enable the construction of affordable housing to achieve the City's RHNA	Completed June, 2013 Delete.
H4.P	Review Transportation Impact Analysis Guidelines	Modify Transportation Impact Analysis (TIA) guidelines	Consider as part the General Plan Update. Continue program.
H4.Q	Update Parking Stall and Driveway Design Guidelines	Modify Parking Stall and Driveway Design Guidelines	In progress; anticipated to be completed in early 2014 Delete program if program has been completed.
H4.R	Achieve Long-Term Viability of Affordable Housing	Coordination with project sponsors in tenant selection, project maintenance and management, and neighborhood outreach	Ongoing as projects are proposed Continue program.
H4.S	Review Overnight Parking Requirements for the 4-S Zoning District	R- Review and modify night parking prohibitions in the R-4-S zone.	In progress; anticipated to be completed in early 2014 Delete program if program has been completed.
H4.T	Explore Creation of a Transportation Management Association	Focus on the Haven Avenue/Bayfront Expressway area to coordinate grants, shuttles and other transportation.	Consider as part the General Plan Update. Continue program.
H4.U	Explore Pedestrian and Bicycle Improvements	Coordinate with Redwood City and explore improvements over Highway 101 between Marsh Road and 5th Avenue.	Consider as part the General Plan Update. Continue program.

City of Menlo Park Preliminary Draft Housing Element

Appendix C

**Fact Sheet on Housing
Element Requirements for
Addressing Homelessness**





Fact Sheet

*Please Tell Me More . . . about
Housing Element Requirements for
Addressing Homelessness. . .*

What does State law require the City of Menlo Park to do to address homelessness?

Effective January 1, 2008, SB2 (Chapter 633, Statutes of 2007) requires every California city and county to engage in a detailed analysis of emergency shelters and transitional and supportive housing in their Housing Element revision and to regulate zoning for these facilities. In addition, the law broadened the scope of the Housing Accountability Act to include emergency shelters as well as supportive and transitional housing. The City of Menlo Park's Housing Element must: (a) Identify and estimate the housing and service needs of homeless persons and families and assess the unmet need for emergency shelter, and transitional and supportive housing; (b) designate in the City's Zoning Ordinance where emergency shelters must be allowed without a conditional use permit or other discretionary action (such as a variance, minor use permit, special use permit or any other discretionary process) —although non-discretionary design review standards may be applied; and (c) develop a program to reduce constraints on the development of transitional and supportive housing.

Government Code Section 65583(a)(4) requires the identification of a zone or zones where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The identified zone or zones shall include sufficient capacity to accommodate the need for emergency shelters identified in paragraph (7) of Government Code Section 65583(a), except that each local government shall identify a zone or zones that can accommodate at least one year-round emergency shelter. Government Code Section 65583(c)(1) requires "As part of the analysis of available sites, a jurisdiction must include an analysis of zoning that encourages and facilitates a variety of housing types...including emergency shelters and transitional housing."

What are the definitions used to define the various types of homeless facilities?

SB 2 requires jurisdictions to explicitly recognize emergency, transitional and supportive housing in their zoning code. Below are sample definitions taken from State law.

■ **Emergency Shelters** (Health and Safety Code Section 50801(e). "Emergency shelter" means housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay.

■ **Transitional Housing** (Health and Safety Code Section 50675.2)(h). "Transitional Housing" and "transitional housing development" means buildings configured as rental housing developments, but

operated under program requirements that call for the termination of assistance and recirculation of the assisted units to another eligible program recipient at some predetermined future point in time, which shall be no less than six months.

■ **Supportive Housing** (Health and Safety Code 50675.14(b)). Housing with no limit on length of stay, that is occupied by the target population as defined in subdivision (d) of Section 53260, and that is linked to on- or off-site services that assist the supportive housing residents in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

■ **Target Population** Definition per HSC 53260(d). (d) “Target population” means adults with low-income having one or more disabilities, including mental illness, HIV or AIDS, substance abuse, or other chronic health conditions, or individuals eligible for services provided under the Lanterman Developmental Disabilities Services Act (Division 4.5 (commencing with Section 4500) of the Welfare and Institutions Code) and may, among other populations, include families with children, elderly persons, young adults aging out of the foster care system, individuals exiting from institutional settings, veterans, or homeless people.

■ **What must Menlo Park do to comply with State law to address homelessness?**

The City of Menlo Park is required to identify a zone or zones where a year-round emergency shelter would be allowed as a permitted use without a conditional use or other discretionary permit. Under the City’s existing Zoning Ordinance, permanent homeless shelters are not allowed. Zoning for a shelter could be done through the following means:

■ **OPTION #1 — Use of Existing Zoning Designations.** The City can identify a zoning designation where emergency shelters would be allowed as a permitted use. The City can also establish other standards within that zone as to the location or appropriate sites where a facility might be located, such as minimum parcel size, proximity to services or within an appropriate walking distance to transit. Cities in San Mateo County have identified a variety of zones in compliance with SB2 requirements. For example, Atherton has designated a specific site owned by the Town near the railroad station, El Camino Real and bus transportation. Others, such as San Bruno, San Mateo, and San Carlos, have designated commercial and transit oriented locations.

■ **OPTION #2 — Use of an Overlay Zone.** Overlay zoning can be applied over one or more Zoning districts and creates a second, mapped zone that is superimposed over the conventional, underlying zoning district. Overlay zones typically provide for a higher level of regulation or specific requirements to address unique issues or circumstances. They also allow more specificity as to where particular uses or requirements must be applied and located. The Cities of Belmont and Burlingame have used the overlay zone approach to comply with SB2 requirements.

Because of SB 2, the areas that jurisdictions can regulate are limited and, according to State Department of Housing and Community Development (HCD), the regulations must be “predictable and objective” and “encourage and facilitate” the development of shelters. The subjects that are permitted to be regulated include: (a) development standards common to the zoning district; (b)

maximum number of beds; (c) off-street parking; (d) size and location of exterior and interior on-site waiting and client intake areas; (e) the provision of on-site management; (f) the proximity to other emergency shelters; (g) the length of stay; (h) lighting; (i) security during hours that the emergency shelter is in operation; (j) non-discretionary design standards; and, (k) voluntary or incentive based standards.

In addition, SB 2 provides that transitional and supportive housing must constitute a residential use, and it requires zoning to treat transitional and supportive housing to be subject only to those restrictions that apply to other residential uses of the same type in the same zone. For example, if the transitional housing is a multifamily use proposed in a multifamily zone, then zoning should treat the transitional housing the same as other multifamily uses proposed in the zone.

What are homeless shelters in San Mateo County like in terms of their size and parking requirements?

State law specifically allows jurisdictions to regulate the number of beds in an emergency shelter. At the same time, it says limits on the numbers of beds must “facilitate,” “promote,” and “encourage” new emergency housing. Shelters in San Mateo county range from six beds to 87 beds, with the median number being 22. In addition, the standards may not require more parking for emergency shelters than for other residential or commercial uses within the same zone. Parking is needed for employees, volunteers/visitors and residents. Most homeless families will have a car while most homeless individuals will not. The rule of thumb that Shelter Network uses is one car per family or .35 cars per individual bed, plus one parking spot per staff member on duty when residents are there (but less if on major a transit route). This standard was confirmed with several other organizations and agencies. But this varies significantly between jurisdictions and client populations. Homeless shelters that serve the chronically homeless or the mentally ill will have lower parking needs. As a comparison, available parking spaces for various emergency shelters are summarized below:

- Crossroads (Oakland), 0.55 acres, 125 residents, 47 employees, 17 parking spaces
- Family Emergency Center, (San Rafael), 0.25 acres, 52 beds, 16 spaces
- Mill Street Shelter (San Rafael) 0.33 acres, 40 beds, 10 spaces
- Safe Harbor (S. San Francisco), 86 beds, 24 spaces (parking lot is full at night)

Square Foot Distribution of Uses (Safe Harbor Shelter)

Use	Size (sf)	Percent
Office	800	10%
Lounge	958	12%
Bathrooms	1,060	13%
Kitchen	800	10%
Storage	600	7%
Mechanical	1,260	15%
86 Beds	2,787	34%
Total	8,265	100%

Source: Safe Harbor Shelter

What is the Countywide approach to providing facilities and services for the homeless?

In 2005-2006, a countywide group of diverse stakeholders undertook an intensive community-based planning process to develop a plan to end homelessness in San Mateo County. The end result — entitled “Housing Our People Effectively (HOPE): Ending Homelessness in San Mateo County” (“the HOPE Plan”) — lays out concrete strategies designed to end homelessness in the county within 10 years. The report incorporates the experiences and expertise of over 200 stakeholders, including members of the business, nonprofit and government sectors. These stakeholders met in working groups over a period of 12 months to develop the recommendations in the plan. Homeless and formerly homeless persons were represented in the working groups, as well as in several focus groups conducted in emergency shelters and transitional housing programs. The result of this year-long community planning process was the finalized HOPE Plan, which was completed in 2006. The plan has been formally adopted by the San Mateo County Board of Supervisors.

One of the key strategies for ending homelessness laid out in the HOPE Plan is to increase the supply of permanent affordable and supportive housing for people who are homeless and develop strategies to help them to move into permanent housing as rapidly as possible (a “housing first” or “rapid re-housing” approach). The HOPE Plan intentionally made no recommendation to expand the supply of emergency or transitional housing. Although the HOPE planners recognized that there is a lack of needed resources throughout the housing continuum, including emergency and transitional housing, the greatest need and the most effective use of new and/or redirected resources is for creating and sustaining quality affordable housing and supportive housing.

What does “Housing First” and “Rapid Re-Housing” mean as an approach to addressing homelessness?

“Housing First” is an approach that centers on providing homeless people with housing quickly and then providing services as needed. What differentiates a “Housing First” approach from other strategies is that there is an immediate and primary focus on helping individuals and families quickly access and sustain permanent housing. This approach has the benefit of being consistent with what most people experiencing homelessness want and seek help to achieve.

A “Housing First” approach rests on the belief that helping people access and sustain permanent, affordable housing should be the central goal of our work with people experiencing homelessness. By providing housing assistance, case management and supportive services responsive to individual or family needs (time-limited or long-term) after an individual or family is housed, communities can significantly reduce the time people experience homelessness and prevent further episodes of homelessness. A central tenet of the “Housing First” approach is that social services to enhance individual and family well-being can be more effective when people are in their own home.

Importantly, the “Housing First” model offers an alternative to emergency shelter or transitional housing for homeless individuals. National studies show that as permanent supportive housing is made available to chronically homeless individuals, the need for emergency shelter beds decreases. In addition, health improvements have been documented along with a significant decrease in tenants’ emergency room visits and hospital inpatient days. “Housing First” moves individuals directly from the streets or shelters into their own homes. Individuals are offered extensive follow-up through case

management services. The model is premised on research that proves that permanent supportive housing is the most effective and cost efficient service model for chronically homeless individuals. Without a stable place to live and a support system to help them address underlying problems, most homeless people shift from one emergency system to the next – from the streets to shelters, to public hospitals, to psychiatric institutions and detox centers, and ultimately, back to the streets – in an endless cycle. The services offered may include housing search assistance, case management, support for finding and keeping a job, transportation assistance, mental health services, and substance abuse treatment.

How many homeless people and facilities are located in the City of Menlo Park?

Every other year San Mateo County and many other stakeholders conduct a homeless count. The most recent count was conducted on January 24, 2013 and found 16 (unsheltered) homeless people living in Menlo Park, as well as 142 homeless residents in shelters, institutions, motel voucher programs and other facilities. For perspective, populations who are at elevated risk for homelessness include lower income households paying more than 50 percent of their income for housing (there are slightly over 1,500 households in this category in Menlo Park), youth aging out of the foster care system, children with special needs in unsupportive households, people fleeing domestic violence, people with untreated mental illness or substance abuse and veterans.

The tables on the next page provide data on the characteristics of San Mateo County’s homeless population and an inventory of emergency shelter beds, transitional housing beds and supportive housing units for homeless people in Menlo Park. The data source is the San Mateo County Center on Homelessness, which updates this inventory on an annual basis.

Two of the largest supportive housing programs in the county are the San Mateo County Housing Authority’s Shelter Plus Care and Supportive Housing programs. These are tenant-based voucher programs in which participants receive a rent subsidy to rent units in the private rental market and have a choice as to where they will live. Tenants are therefore scattered throughout the county and the distribution of units by jurisdiction fluctuates as participants enter and exit the program.

InnVision Shelter Network’s service methodology, “Beyond the Bed” provides a comprehensive network of housing and services to enable homeless families and individuals to return to permanent housing and self-sufficiency. InnVision provides services to homeless and low-income individuals and families with several programs including a 15-bed rotating-church shelter for singles, a church-rotating hot meal service, a 40-unit transitional supportive housing program and a 20-unit permanent supportive housing program. Through these services InnVision Peninsula Programs provide food, showers, clothing, emergency assistance, medical care, and counseling to those in need in our communities in Northern Santa Clara County and Southern San Mateo County.

There are no data presently available on the increased level of demand during particular times of the year. Due to the relatively mild climate, the only time of year when increased demand appears to be a factor is during the winter months (December to February). During extremely cold periods, some shelters set up additional cots to accommodate increased demand for shelter and the County periodically opens special “warming shelters” during extended cold spells. Anecdotal evidence suggests that this additional capacity is sufficient to meet the need during these periods.

Homeless Characteristics in San Mateo County (2011)

Homeless Characteristics	Percent
Age	
18-21 years	2.90%
22-30 years	15%
31-40 years	22%
41-50 years	32%
51-60 years	23%
More than 60 years	5.10%
Race	
White/Caucasian	41%
Black/African American	31%
Hispanic/Latino	17%
Asian	2.80%
Pacific Islander	2.10%
American Indian/Alaskan Native	1.40%
Other/Multi-ethnic	4.30%
Gender	
Male	66%
Female	34%
Transgender	0.20%
Subpopulation	
Veteran of US Armed Forces	73%
Mental Illness	33%
Substance Abuse (alcohol and/or drug abuse)	39%
Both Mental Illness and Substance Abuse	13%
HIV/AIDS	2.10%
Chronic Health Condition	28%
Developmental Disability	12%
Physical Disability	35%
Domestic/Partner Violence or Abuse	7.20%

Source: HOPE 2011 San Mateo County Homeless Census and Survey



<http://www.menlopark.org/athome>

Facilities Serving the Needs of the Homeless in San Mateo County (2012)

Facility/Program Name	Provider Name	Housing Type	Family Beds	Individual Beds	Supportive Housing Units
Emergency Shelter	CORA (Community Overcoming Relationship Abuse)	Emergency	19	3	0
Transitional Housing Program	CORA	Transitional	34	0	0
Transitional Housing Program	Homeless Veterans Program	Transitional	0	42	0
Emergency Shelter	InnVision	Emergency	24	38	0
Transitional Housing Program	InnVision	Transitional	24	26	0
Haven Family House	Shelter Network	Transitional	116	0	0
Menlo Park Totals			217	109	0

Source: San Mateo County Center on Homelessness



PLANNING COMMISSION DRAFT EXCERPT MINUTES

Regular Meeting
November 18, 2013 at 7:00 p.m.
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025

CALL TO ORDER – 7:02 p.m.

ROLL CALL – Bressler, Eiref (Vice Chair), Ferrick, Kadvany (Chair), Onken, Riggs, Strehl

INTRODUCTION OF STAFF – Deanna Chow, Senior Planner; Justin Murphy, Development Services Manager; Kyle Perata, Associate Planner

E. PUBLIC MEETING ITEM

- E1. General Plan Amendment and Zoning Ordinance Amendments/City of Menlo Park: Implementation and Update of the Housing Element of the General Plan:** Review and comment on the implementation of several Housing Element programs, including 1) the creation of an Emergency Shelter for the Homeless overlay zone and identification of potential overlay areas, zoning for transitional and supportive housing, and establishing procedures for reasonable accommodation, and 2) the modification of zoning requirements for secondary dwelling units and accessory structures on single-family properties. In addition, the meeting will focus on review and comment on the Preliminary Draft Housing Element Update. The Planning Commission's comments will be forwarded to the City Council for review and consideration at a meeting in December 2013. The City is scheduled to submit the Draft Housing Element to the State Department of Housing and Community Development (HCD) for review and comment by the end of December 2013. In early 2014, the City will consider the comments from HCD and prepare a Final Draft Housing Element, as well as associated Zoning Ordinance Amendments. The final documents will be reviewed by the Planning Commission and City Council during public hearings on the items. Additional noticing will be conducted for the future public hearings.

Staff Comment: Senior Planner Chow said an email had been received from Eileen Lehmann that had been distributed to the Commission at the dais.

Chair Kadvany welcomed City Attorney Leigh Prince.

Mr. Jeff Baird, Baird + Driskell Community Planning, said the Council had approved a work program in June and appointed a Steering Committee that included

Commissioners Ferrick and Strehl, two Housing Commission members, and two City Council members. He said the Committee met three times and at their last meeting in October had reviewed all the items and their details including implementation of the current Housing Element Programs and the next cycle of 2014 to 2022 Housing Element. He said a public workshop on all of the items had been held in September. He said information was provided to the community through two newsletters and a letter to property owners and residents within 300 feet of the area potentially affected by the proposed emergency shelter for the homeless overlay zone. He said the Housing Commission had reviewed all of these items at their November 6 meeting. He said the City Council would review these items at their December 10 meeting. He said in the spring there would be formal public hearings before the Commission and ultimately adoption of the updated Housing Element and ordinances by the City Council. He said in doing the Housing Element for the cycle 2007-2014 there had not been any previous Housing Element so the City had to carry over the regional housing need allocation (RHNA) numbers. He said for this cycle if the certification for the Housing Element could be obtained sooner than later then the City could go to the eight-year planning cycle for the Housing Element. He said jurisdictions not having Housing Elements or not getting them certified had to move to a four-year cycle. He said implementation of two of the Housing Element programs were critical to achieving certification, which were the programs and ordinances the Commission was being asked to review.

Senior Planner Chow said the first two programs to be implemented were H3.A and H3.B in the Housing Element to address the requirement for emergency shelter and transitional and supportive housing. She said the City was proposing to create an overlay emergency homeless district that would be applied to specific areas and a zoning ordinance related to emergency shelter zoning that would identify locations for homeless shelters and within that, specific standards each facility would need to comply with. She said the Preliminary Zoning Ordinance Amendment was attached as Attachment B. She said the proposal was to allow shelter for up to 16 people without the need for a conditional use permit. She said that could be in one facility or a combination of more than one facility. She said emergency housing for more than 16 persons either in one facility or combination would require a conditional use permit. She said 16 homeless persons was identified as the City's unmet need though a survey conducted earlier in the year. She said the second part was supportive and transitional housing, which she said must be treated as residential uses and was subject only to those restrictions that apply to other residential uses in the same zoning district. She said Attachment C was the Preliminary Zoning Ordinance Amendment for supportive and transitional housing.

Planner Chow said the Housing Element Steering Committee identified five potential areas for the emergency shelter for the homeless overlay zone for community consideration, three of which were identified as having higher priorities. Those sites were:

- Area A (Marsh Road/Haven Avenue) – Higher Priority
- Area B (Veterans Affairs Campus along Willow Road) – Higher Priority
- Area C (St. Patrick’s Seminary Campus along Middlefield Road) – Higher Priority
- Area D (Area generally bordered by El Camino Real, Glenwood Avenue, San Mills Street and Oak Grove Avenue) – Low Priority
- Area E (Area generally bordered by El Camino Real, Menlo Avenue, University Drive, and Roble Avenue – Low Priority

Planner Chow said the Committee thought that Areas D and E should be kept on the list but only if it were not feasible to accomplish the desired emergency shelter outcome through Areas A, B, and C.

Planner Chow said that Program H3.C Adopt Procedures for Reasonable Accommodation would establish procedures for reasonable accommodation for individuals with disabilities to ensure equal access to housing. She said Attachment D included the preliminary draft reasonable accommodation ordinance identifying the process and making the necessary findings to grant the request. She said that given the relationship between the property improvement and an individual’s disability, the Steering Committee discussed whether the improvement should be removed upon the individual vacating the dwelling. She said because the improvements might vary and removal might not be simple there was language to provide flexibility for rescission or expiration on a case-by-case review.

Planner Chow said that Program H4.F Undertake a Secondary Dwelling Unit Amnesty Program in the current Housing Element had been identified as a strategy to increase the City’s legal housing stock while trying to maintain affordable housing. She said the Steering Committee in its discussion realized that a secondary dwelling unit amnesty program was complicated and might not have the desired outcome. She said the recommendation now included making modifications to the existing secondary dwelling unit ordinance to allow for the conversion of legally permitted and constructed accessory buildings/structures (meeting certain criteria) into secondary dwelling units while simultaneously amending the accessory building/structure language to more clearly distinguish how the structure could be used. She said the preliminary proposal included prohibiting living areas without an increased setback and to limit the number and/or type of plumbing fixtures within accessory buildings/structures. She said that would likely make the conversion of an accessory structure into a living unit more difficult, which could then encourage the development of legal secondary dwelling units from the outset. She said there was no intent with the changes in this ordinance amendment to make any existing accessory structure nonconforming.

Planner Chow said it was proposed to change the secondary dwelling unit ordinance to lower the minimum lot area threshold for when a use permit was required from 6,000 to 5,750 square feet. She said this was a result of input from residents primarily in the Belle Haven area.

Mr. Baird provided a presentation on the preliminary update to the Housing Element. He said the Preliminary Draft Housing Element (2014-2022), Attachment F, was able to use much of the same text as the City's current Housing Element. He said changes were shown in underline and ~~strikeout~~ format, and more substantial changes were shown in underline text completely. He said the plan was to submit a draft Housing Element to the state in December so they could count all of the sites recently rezoned. He said there would be a 60-day review period by the state.

Questions of Staff and the Consultant: Commissioner Bressler asked how the City of Palo Alto had gotten their RHNA number lowered. Development Services Manager Murphy said he did not know about Palo Alto and Santa Clara County but the City of Menlo Park by participating in the San Mateo County subregion had the numbers it was initially allocated by ABAG lowered. He said he could research the process for Santa Clara County and report back.

Commissioner Bressler asked why Atherton, Woodside and Portola Valley did not have these issues about being required to add housing. Mr. Baird said those entities were required to do so as well. Commissioner Bressler said that information should be provided to the Commission such as RHNA numbers being lowered in other cities. He said the Commission should get information on the costs of doing these processes versus the costs of fighting it. He asked about the cost of an emergency shelter. He said they needed to know what this shelter would cost and the City's options regarding costs.

Chair Kadvany asked about funding mechanisms and project sponsorship. Planner Chow said this was zoning only and there was no project. She said the City was not required to provide or fund a project.

Commissioner Riggs asked if the definition for accommodating disability affected a home or duplex owner who wanted to rent out their home or part of their home. Ms. Leigh Prince, City Attorney, said to the extent they had a piece of property and were renting to a person with a disability the tenant could ask for accommodation. Commissioner Riggs asked if that put the homeowner in the position of effectively having to make those accommodations. Ms. Prince said she did not think this would require a property owner to accommodate a particular tenant. She said this was not a mandate and it was up to the property owner how they wanted to rent out their property. Commissioner Riggs said he was concerned that a property owner could be forced to accommodate a tenant's disability. Ms. Prince said she would look into it further. Commissioner Riggs asked if the concept of reasonable accommodation was coordinated or based on ADA. Ms. Prince said there were fair housing laws and the Americans with Disabilities Act would have interplay related to what someone might request for an accommodation.

Commissioner Riggs said there was a residential zoning that has a three foot setback rather than five foot setback for accessory buildings. He asked if this proposed zoning amendments would change those setbacks. Development Services Manager Murphy said there was no intention to do that; he said if there was anything written that hinted of that resulting to let staff know.

Commissioner Riggs asked if the decision was intentional to apply the homeless zoning overlay in residential and partially residential areas rather than in commercial areas such as Palo Alto had done with InnVision. Development Services Manager Murphy said there was no intention to have it in either zoning and some areas were more industrial while others were primarily residential with proximity to services. He said one of the driving features was proximity to transit.

Commissioner Ferrick said secondary dwelling unit setbacks were not changed only the square footage of the lot. She said most of the Lorelei Manor lots were below the 5,750 square foot threshold and would not be able to do secondary dwelling units.

Commissioner Onken asked if there had been discussion with larger property owners in overlay zones such as the VA and St. Patrick's Seminary. Development Services Manager Murphy said staff had conversations with the VA. He said it was a federal property that was pre-empted from local zoning that has had an emergency shelter in the past. He said the facility provides care to individuals who seem to have a greater potential for homelessness. He said to determine their official stance would require a protracted bureaucratic process. He said St. Patrick's Seminary responded to the first letter sent to property owners and had not expressed adamant opposition.

Commissioner Onken asked why 5,750 square feet was chosen as the threshold. Development Services Manager Murphy said that came from residents and the Belle Haven visioning process. Commissioner Ferrick said also it related to the feasibility issue of smaller properties being able to adhere to required setbacks.

Commissioner Bressler said the whole goal was to become certified and asked about the specifics of a homeless shelter. Development Services Manager Murphy said that was covered in the Housing Element and the drivers were the need identified by the census conducted every two years. He said the City's current unsheltered need was 16 individuals or 16 beds, and that needed to be translated into land areas and the most desired areas. He said they probably had more area identified now than what was necessary. He said the zoning would be for a maximum of 16 bed facility by right and a facility in excess of that would go through a use permit process. Commissioner Bressler said the previous finding had been an unmet need for 70 individuals. He asked if the unmet need of 16 individuals would hold for the next seven year cycle of the Housing Element. Development Services Manager Murphy said that was his understanding.

Public Comment: Mr. David Fogel, St. Patrick's Seminary, said homeless shelter was needed. He said homelessness could happen to anyone. He said people going to homeless shelters were transient so there was a need for security. He asked if the security was to protect the homeless people from each other, to protect them from running away, or to protect neighbors. He said he thought the police should provide an assessment of the homeless people because if they were criminals they should not be in a residential area. He said there was a park behind St. Patrick's Seminary and that was close to the potential area for the homeless shelter, which raised safety concerns for local park users.

Ms. Elizabeth Houck, Menlo Park, said the areas between C, D, and E should be identified as potential areas for homeless zoning overlay as well. She said her lot was 156 feet deep and 50 feet wide. She said next to her were three homes built on less than 5,000 square feet. She said one of them has a 14-foot high garage. She said it was wrong that her studio could not legally convert to a secondary dwelling unit and she should be required to have five foot setbacks for an accessory building when other property owners could do 14-foot high garages. She said she had developed asthma because of the overdevelopment of Menlo Park and the accompanying traffic. She said she wanted to have her lot zoned to R-2 so she can build a home in the rear of the lot and get away the traffic. She asked the Commission to recommend to Planning that during this Housing Element Update they should zone Middle Avenue between University Avenue and El Camino Real to R-2.

Ms. Mary Widmer proposed that the homeless zoning overlay cover the entire City except for the areas around schools, parks, liqueur stores and Little House. She said they could use their ordinance to protect Menlo Park from irresponsible organizations. She said homeless shelters should be approved by the Planning Commission and provide plans for transportation, neighborhood safety, medical services, food services and long term funding. She said this overlay would display the City's compassion and willingness to supply an emergency homeless shelter.

Mr. Jon Cooksey said he lived in Area E. He said an emergency shelter was an institution whether two beds, 16 or 32 beds and required a form of security. He said his concern was that it would be placed in a residential area. He said there should be other supporting services nearby.

Mr. Jim Carr, Menlo Park, said he lived within 300 feet of Area C and was about 150 feet away from a playground and within a 300 feet radius there were numerous young children. He asked the Commission to vote against Area C.

Mr. Scott Baker, Menlo Park, said he valued all parts of the human family, but he was concerned that several areas for the homeless zoning overlay were in residential areas. He said locations next to parks, schools and residences seemed strange to him. He

said Area B near VA was nearly directly across the street from an old elementary school that was proposed for future educational use.

Commissioner Ferrick said the school the speaker mentioned was actually in the O'Connor neighborhood.

Chair Kadvany closed the public hearing.

Commission Comment: Commissioner Bressler said his concern with specifying the whole City as a homeless zoning overlay was that the shelter might be built or provided anywhere in the City with no oversight or discretion if it did not exceed 16 beds. He said the only way for the City to have any discretion was to identify particular areas as the homeless zoning overlay.

Commissioner Onken said there had been a fairly formulaic process applied in identifying potential sites for homeless shelters. He said now there had been more qualitative analysis. He said during the first part of the Housing Element process in deciding sites there were three very different sites. He said there needed to be a focus on how these sites would accommodate the homeless.

Chair Kadvany asked if all of the areas listed could be part of the overlay. Development Services Manager Murphy said it could be but his view of the Housing Element Steering Committee's intent was there was a higher priority for A, B, and C to be applied as an overlay unless the State indicated the other two areas were also needed. He said there was the potential to adjust geographical shapes and boundaries.

Commissioner Eiref asked if it was required to specify five locations. He said he thought the most synergistic site was located next to the VA. Development Services Manager Murphy said they had dropped the quantitative approach mentioned by Commissioner Onken for a qualitative approach. He said reducing the proposed areas ran the risk the state might not find it sufficient and the need for the City to resubmit which could delay the process.

Commissioner Strehl said the Steering Committee wanted enough sites identified so the City so the state would not automatically throw out the City's proposed Housing Element.

Commissioner Bressler said for this second round of the Housing Element they would change the ordinances for the secondary dwelling units. He said regarding the homeless issue that this was a state driven bureaucratic mess in having to congregate homeless people. He said children without families go to foster care. He asked if there was a way they could get state certification for the Housing Element by identifying hotels, secondary dwelling units, and people who could provide housing for the

homeless for some type of compensation. He said he thought that was a better solution.

Mr. Baird said a similar issue came up around the housing sites and that the Council added a program for lobbying for changes. He said there might be ways through lobbying and through working with other jurisdictions to address these needs but every City was required to do a homeless zoning overlay.

Commissioner Bressler said the VA site was the best location and encouraged staff to accomplish it there. He said one thing about the Housing Element was that the City boundaries were arbitrary as to where people live and work. He said this bureaucratic heavy handedness wasted people's time and resources.

Commissioner Ferrick said the VA site also made the most sense to her as they had medical and trained staff onsite. She said the cost to build a shelter and staff it with security would require more than 16 beds. She said that veterans were definitely a population in need.

Chair Kadvany said Area A was remote which he was concerned about and did not think optimal. He said he noticed new text in the Housing Element that they wanted to ensure the facilities have the right services for the people who would use them. He asked about the City's role and its oversight, and whether it included medical care or counseling.

Development Services Manager Murphy said the staff report suggested that one item the Planning Commission might want to discuss was services. He said the preliminary draft ordinance currently limits a facility's operations to overnight accommodations and meals for clients only, and that all supportive services outside of those hours of operation were subject to approval of a use permit. He said several community and Steering Committee members commented that supportive services such as life coaching, counseling, and job training/placement were either needed at the facility or clients should have access to such services during the day. He said they could not overprescribe what was needed if that would make it infeasible. He asked if the Commission wanted to encourage the provision of more services.

Mr. Baird said the Steering Committee's discussion identified transit as the most needed service for people to both get to the shelter overnight and to services they needed during the day. He said in terms of locating it next to other services that the services varied based on the needs of the client.

Commissioner Riggs said if Area A were not L-shaped along Marsh Road it would not go through two well-established single-family home neighborhoods. He said if Area A were kept that it made more sense to limit it to Haven Avenue. He agreed with other

speakers that transit was better supported and there was a variety of neighborhood retail for Area B or the VA site.

Commissioner Onken asked if all five areas were needed to meet the state's criteria for zoned areas for potential emergency shelters. Development Services Manager Murphy said staff thought submitting Areas A, B and C would be sufficient and even reducing the footprints of Areas A, B, and C would be sufficient. He said if they submitted Area B and that also included residential area they could take a chance that was enough. He said if that did not fly they would have to look at additional areas. Commissioner Onken said he thought there was merit in Area D as it has good transit links and a homeless shelter could be integrated in that area without being too close to schools or parks. He thought D was a better choice than C which he thought was nonsensical to include.

Chair Kadvany asked about economic feasibility. Mr. Baird said the state would look at whether the area(s) identified made sense for a homeless facility and a quasi-residential use. He said they were trying to get away from the tendency to locate homeless shelters in industrial areas not conducive to that type of residential use. Secondly that state would ask if the City was providing a large enough area to address the need of 16 beds. He said there had to be enough opportunity and land sites for a facility to be built meeting the nexus to transit but there was no need to determine economic feasibility.

Commissioner Ferrick said the reason the Steering Committee had given D a lower priority was concern school bike and pedestrian routes along Oak Grove and Encinal Avenues.

Commissioner Eiref said he thought the VA site was the best choice. He said Area A did not make much sense and he thought Area C, the Seminary seemed a bad choice.

Commissioner Riggs asked if the Coleman Avenue portion of Area B could be deleted and the proposal still suffice. Development Services Manager Murphy said the Area could be reduced. He said if they removed all the Coleman properties they might have to dig deeper into what properties were on Bay Road. Commissioner Riggs suggested there were some larger lots on Coleman that faced Willow Road that might be added.

Commissioner Strehl said there had been a homeless shelter at the VA that had served veterans and families. She said the reason she thought it was no longer there was because it was going to cost too much to bring it up to code. She said she wanted to make sure that they did not lock themselves into the VA site as that might prove to be unworkable for whatever reason, such as Federal bureaucracy. She said they should have more than one site identified. Development Services Manager Murphy said he thought it was InnVision before it merged with Shelter Network that operated the homeless shelter at the VA. He said the site was going to be demolished as it was not seismically safe. He said he would be uncomfortable just submitting the VA site but thought it was feasibly acceptable with the addition of other properties.

Commissioner Ferrick asked if they needed to delineate the exact site on the VA campus. Development Services Manager Murphy said it was his understanding that they did not need to do that. Commissioner Ferrick said there was a proposal for 55 more units on the VA campus. Development Services Manager Murphy said the City Council had identified a loan of Below Market Rates for that development; he said it was proposed as supportive and transitional housing.

Commissioner Onken asked if a motion was needed. Chair Kadvany said he thought the Commission had provided sufficient direction. Development Services Manager Murphy said it seemed the consensus of the Commission was to focus on Area B with a reduced footprint to include a portion of properties on Coleman that front Willow Road and properties on Bay Road, to continue to include reasons why this was the best site of the sites considered, and to have this be the site that was contemplated for the emergency homeless zoning, but without removing any of the other sites at this point. He said if the response from the State was that approach would result in certified Housing Element, the draft zoning ordinance, Attachment B, had a placeholder to insert APNs.

Development Services Manager Murphy asked about the language proposed for services on page 4 of the staff report and if there was a preference for the edited text.

Chair Kadvany said he thought it was appropriate. Other Commissioners had no comments.

Commissioner Ferrick said there had been a hope that an amnesty program for secondary dwelling units would have resulted in hundreds of housing units. She said through discussion that although there were no fees initially should the unit be found to have been constructed substandard to Code that those deficiencies would have to be addressed. She said that any subsequent code violations that had to be brought to code essentially was entrapment so they decided against instituting such a program. Commissioner Strehl said they could not identify what the incentive would be for people to want to legalize their secondary dwelling units.

Planner Chow reviewed the proposed modification to the secondary dwelling unit related to the setbacks. In response to a question from the Chair, the modification did not allow for greater height with neighbor approval. She said the property owner could go through a use permit process to request modification of wall height.

Chair Kadvany said he would suggest that if they wanted to increase the wall height they could do so with neighbor approval process. Planner Chow asked if there would be a maximum height specified. Commissioner Ferrick said she would like the use permit process for a request for increased height as that would include neighbor outreach. There was consensus to leave it as a use permit process.

Commissioner Bressler asked if they would have to find more housing sites for the Housing Element Update as a result of the secondary dwelling unit program not supplying the quantity of housing expected. Development Services Manager Murphy said they would not be submitting new high density housing sites with this update. He said their allocation of secondary housing units was very low. He said there was increased interest in secondary dwelling units being built.

Commissioner Riggs said units built and repaired by unlicensed contractors were a threat to health and safety of the community. He said the motivation was that the investment put into the units was marketable. He said he had suggested previously that for conversions the Building Department would do an inspection of a short list of basic safety items such as plumbing, electrical, operable windows, and doors that lock. He suggested the Steering Committee could take another look at encouraging such a program.

Commissioner Ferrick asked if a plumbing issue was found, who would pay for that. Commissioner Riggs said the owner, or perhaps BMR funds could be used. He said he thought the program could be set up so it would not be entrapment. He suggested he could talk with the Steering Committee offline. Development Services Manager Murphy noted the Steering Committee was a Brown Act body and serial discussion would be a Brown Act violation.

Chair Kadvany asked about language to provide more services to veterans, page F35. Commissioner Strehl said after much discussion there was a consensus of the Steering Committee that this was an emphasis. Chair Kadvany asked if this was something for the City to do. Mr. Baird said that on page F40 in the Housing Element staff report was a new program and that was to work with the VA. He said the change in policy was to highlight veterans' problems and identify and supply needed services for them.

Senior Planner Chow asked if there were any comments about supportive and transitional housing and the initial study which would be the basis for the environmental review.

Chair Kadvany said he liked the supportive and transitional housing and asked if there were any examples in Menlo Park. Development Services Manager Murphy said Haven House was an example of supportive and transitional housing.

Commissioner Onken said he would support having all of the areas proposed for emergency housing zoned for supportive and transitional housing.

ADJOURNMENT

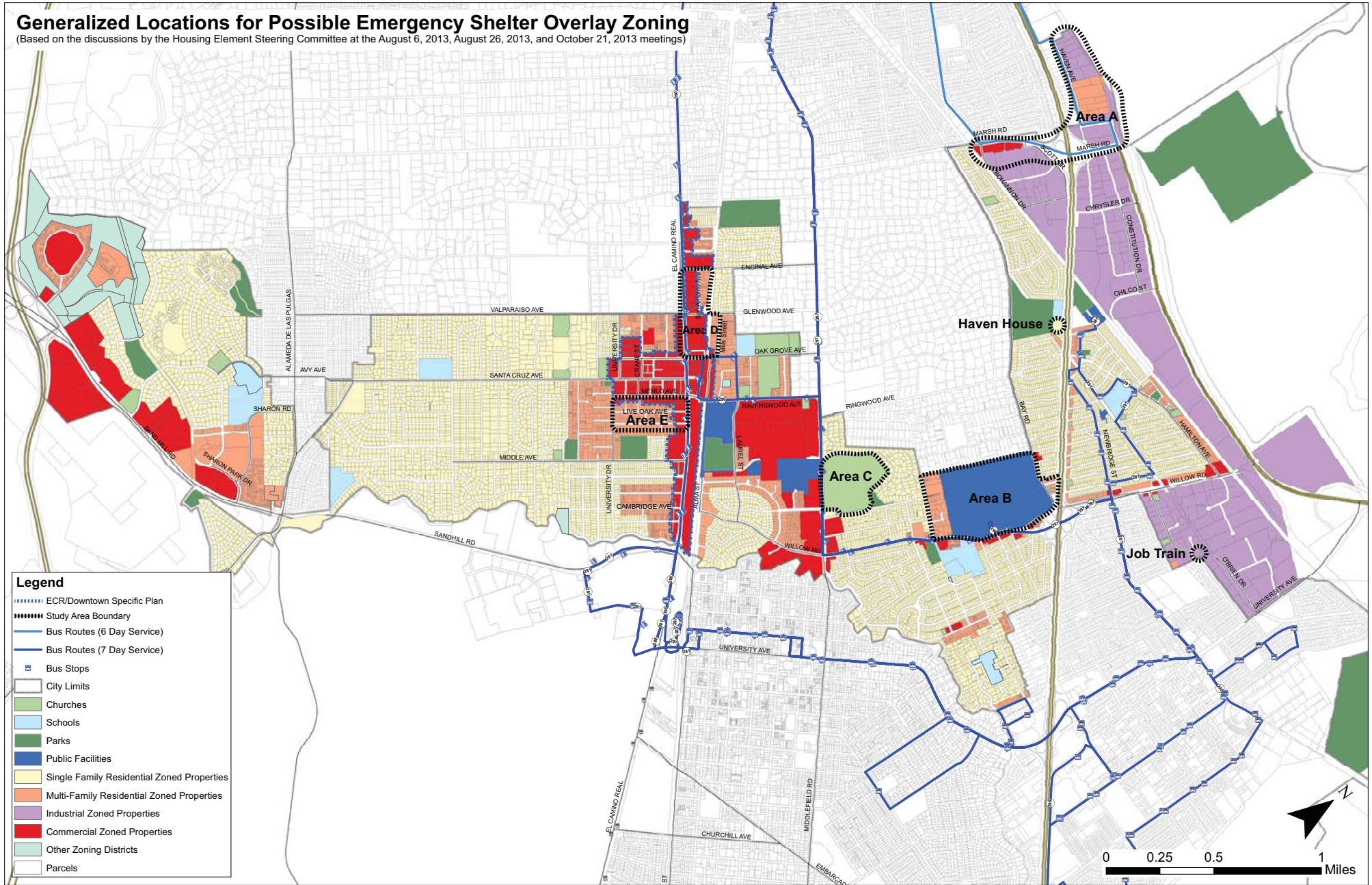
The meeting adjourned at 10:47 p.m.

Staff Liaison: Deanna Chow, Senior Planner

Recording Secretary: Brenda Bennett

Generalized Locations for Possible Emergency Shelter Overlay Zoning

(Based on the discussions by the Housing Element Steering Committee at the August 6, 2013, August 26, 2013, and October 21, 2013 meetings)

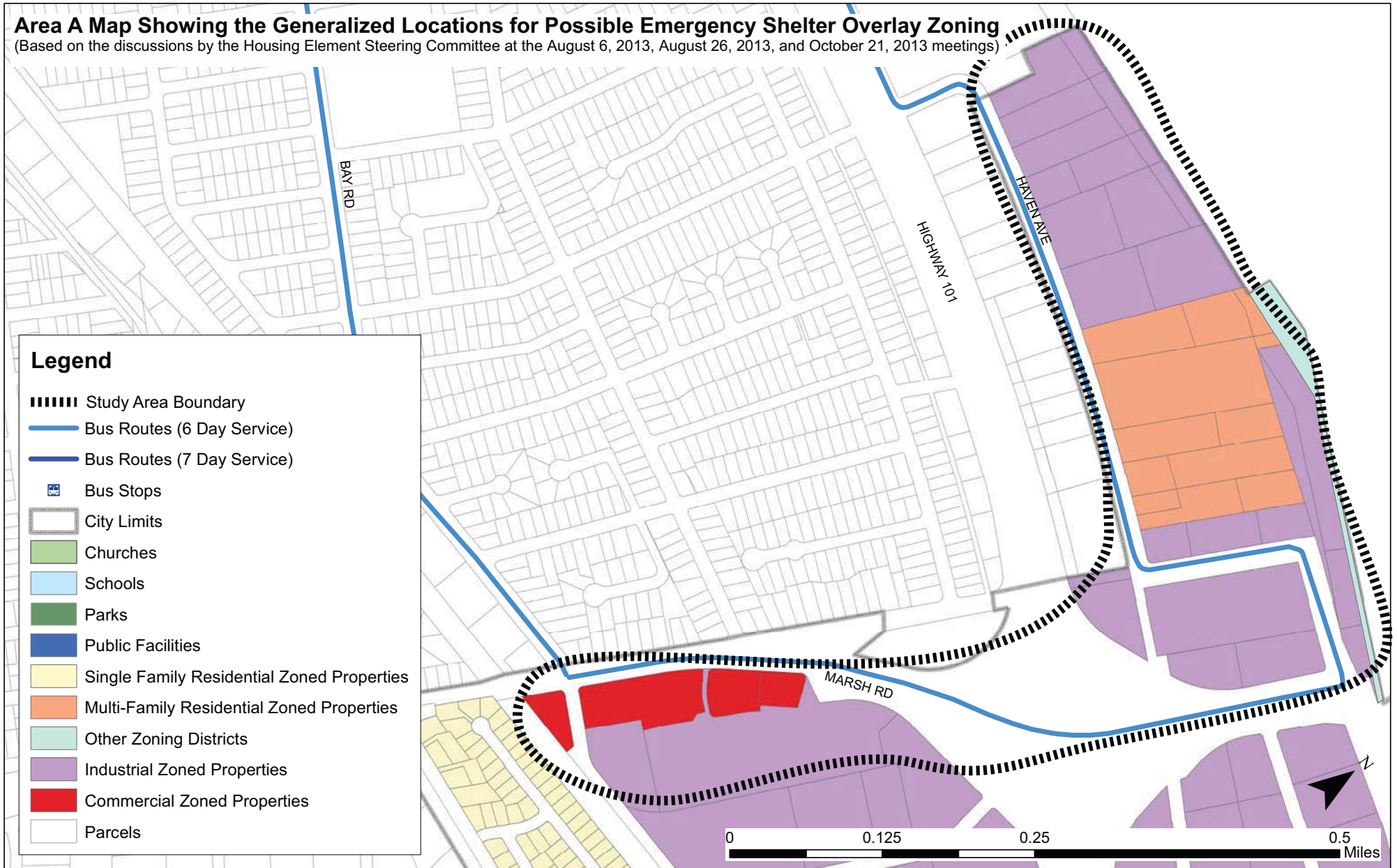


Legend

- ECR/Downtown Specific Plan
- Study Area Boundary
- Bus Routes (6 Day Service)
- Bus Routes (7 Day Service)
- Bus Stops
- City Limits
- Churches
- Schools
- Parks
- Public Facilities
- Single Family Residential Zoned Properties
- Multi-Family Residential Zoned Properties
- Industrial Zoned Properties
- Commercial Zoned Properties
- Other Zoning Districts
- Parcels

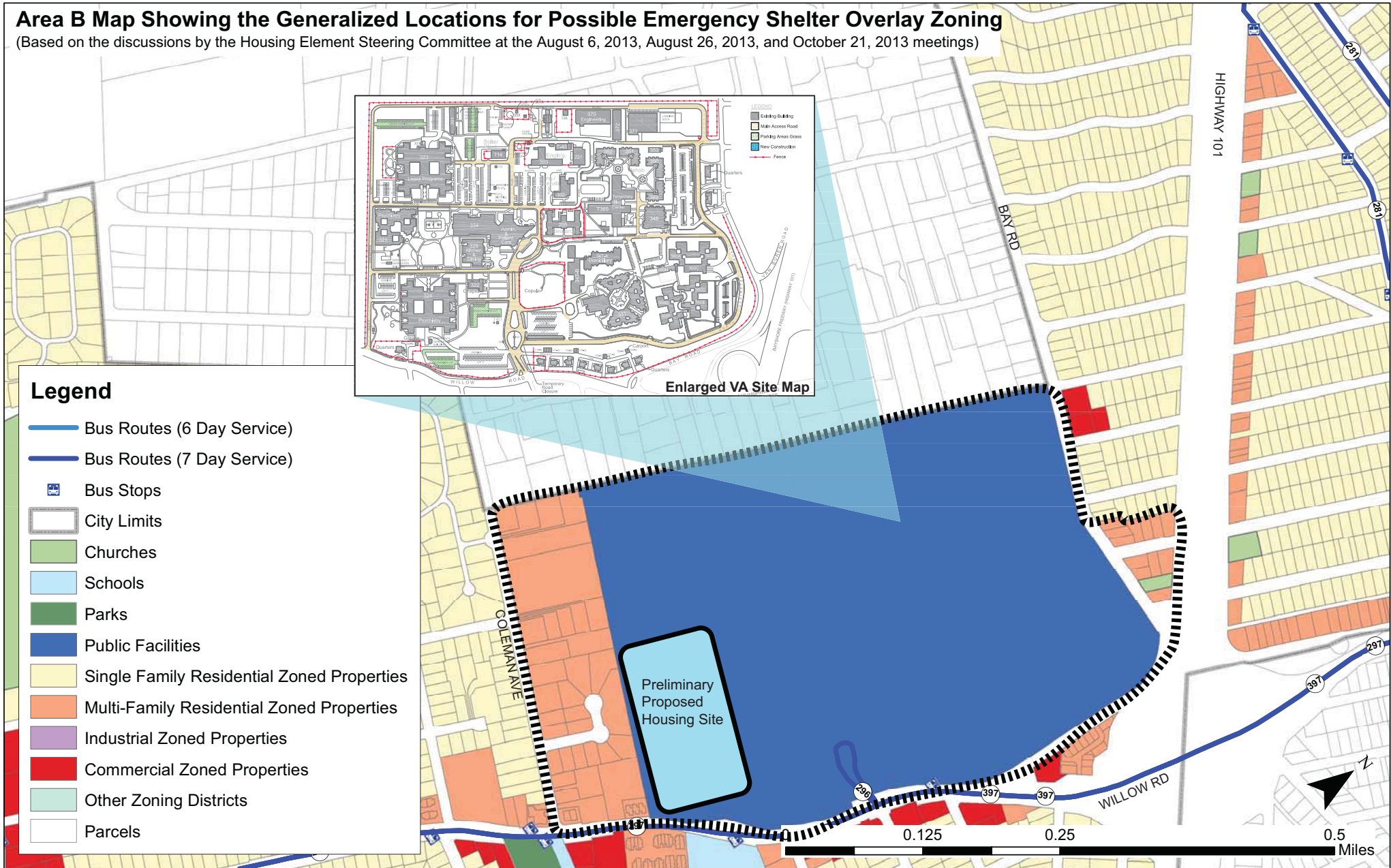
Area A Map Showing the Generalized Locations for Possible Emergency Shelter Overlay Zoning

(Based on the discussions by the Housing Element Steering Committee at the August 6, 2013, August 26, 2013, and October 21, 2013 meetings)



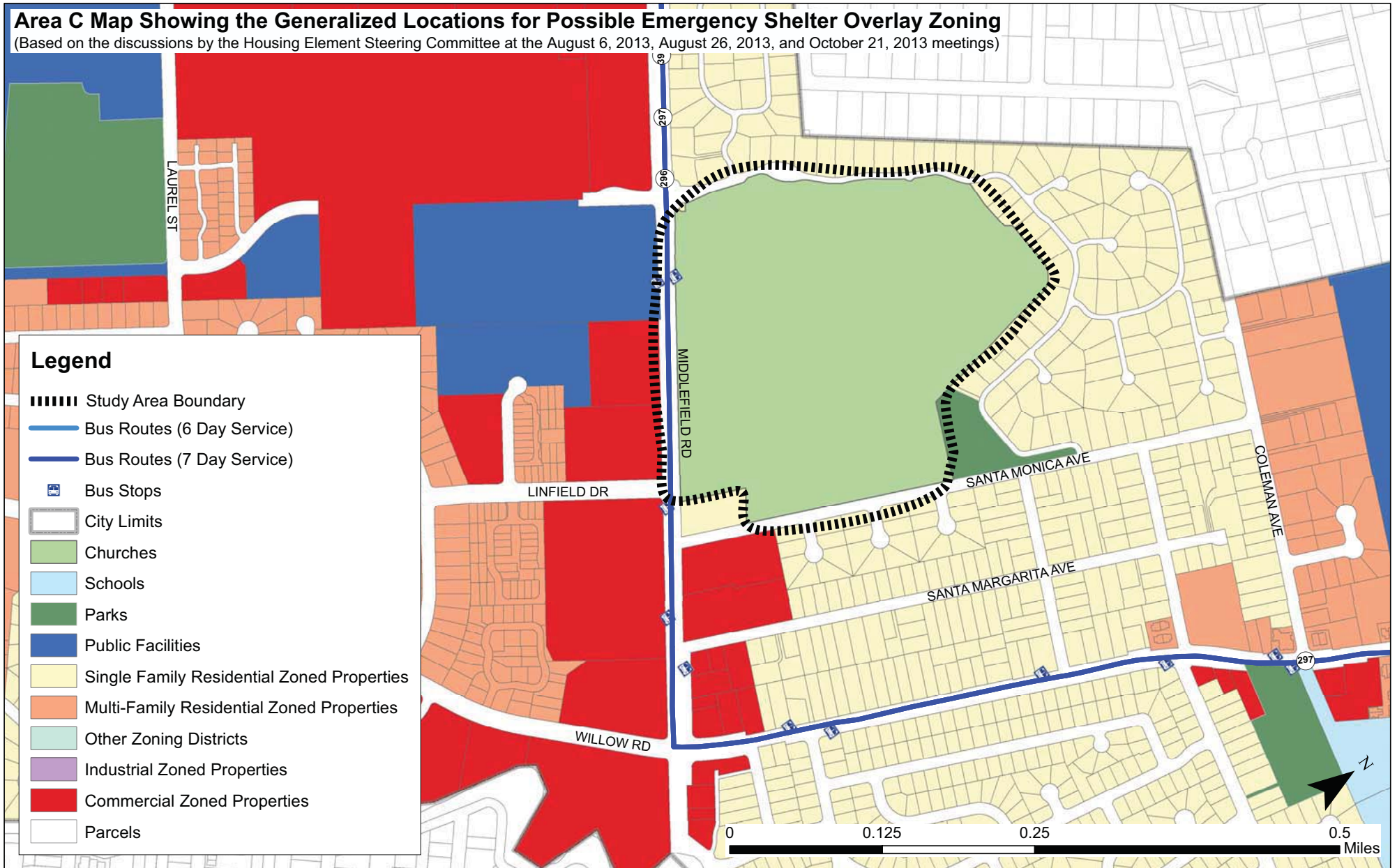
Area B Map Showing the Generalized Locations for Possible Emergency Shelter Overlay Zoning

(Based on the discussions by the Housing Element Steering Committee at the August 6, 2013, August 26, 2013, and October 21, 2013 meetings)



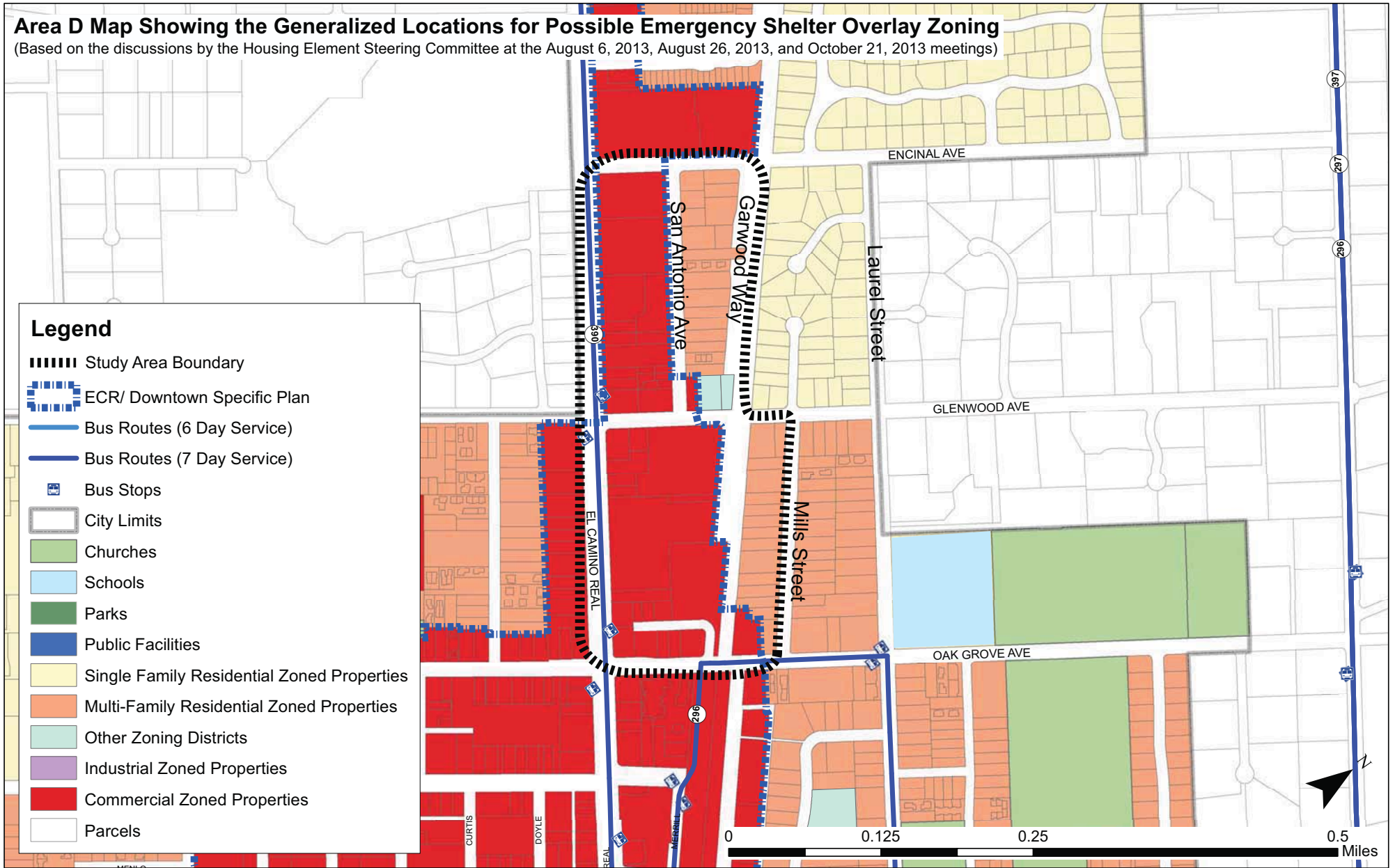
Area C Map Showing the Generalized Locations for Possible Emergency Shelter Overlay Zoning

(Based on the discussions by the Housing Element Steering Committee at the August 6, 2013, August 26, 2013, and October 21, 2013 meetings)



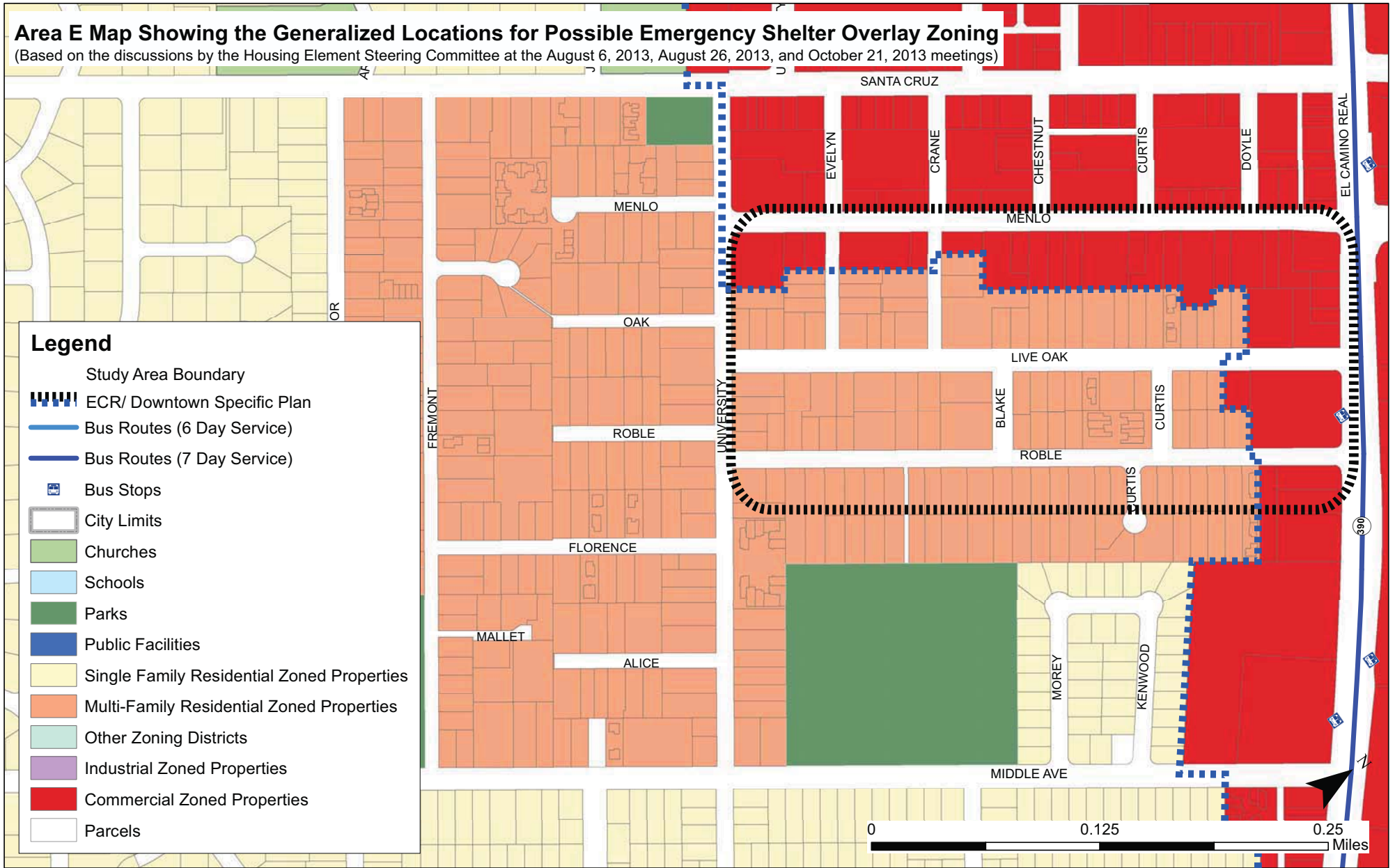
Area D Map Showing the Generalized Locations for Possible Emergency Shelter Overlay Zoning

(Based on the discussions by the Housing Element Steering Committee at the August 6, 2013, August 26, 2013, and October 21, 2013 meetings)



Area E Map Showing the Generalized Locations for Possible Emergency Shelter Overlay Zoning

(Based on the discussions by the Housing Element Steering Committee at the August 6, 2013, August 26, 2013, and October 21, 2013 meetings)



Legend

- Study Area Boundary
- ECR/ Downtown Specific Plan
- Bus Routes (6 Day Service)
- Bus Routes (7 Day Service)
- Bus Stops
- City Limits
- Churches
- Schools
- Parks
- Public Facilities
- Single Family Residential Zoned Properties
- Multi-Family Residential Zoned Properties
- Other Zoning Districts
- Industrial Zoned Properties
- Commercial Zoned Properties
- Parcels

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PRELIMINARY DRAFT

(12/10/13 – Review at City Council Meeting)

Chapter 16.99
EMERGENCY SHELTER FOR THE HOMELESS OVERLAY

Sections:

- 16.99.010 Purpose**
- 16.99.020 Applicability**
- 16.99.030 Permitted uses**
- 16.99.040 Conditional uses**
- 16.99.050 Development regulations**
- 16.99.060 Performance standards**
- 16.99.070 Compliance review procedures**

16.99.010 Purpose and goals. The purposes of this Chapter are to ensure the development of emergency shelters for the homeless do not adversely impact adjacent parcels or the surrounding neighborhood, and to ensure they are developed in a manner which protects the health, safety, and general welfare of the nearby residents and businesses, while providing for the housing for the homeless of the community. Further the goal of this Chapter is to create a local approach to housing for the homeless, which includes veterans who make up approximately 25 percent of the homeless population in San Mateo County and who may be served by the Veteran's Administration located in Menlo Park.

16.99.020 Applicability. This Chapter shall apply only to emergency shelters for the homeless and only to the following properties: 062470050, 062285320, 062285210, 062285300, 062065050, 062065070, 062285200, 062285220, 062064080, 113910999, 062065060, 062065010, 062064110, 062065030, 062064090, 062064100, 062064140, 062064130, 062490999, 062064120, 062065020, 062490020, 062490010, 113910010, 113910030, and 113910020. Any use other than an emergency homeless shelter shall be regulated by the underlying zoning district.

16.99.030 Permitted uses. The only permitted use in the Emergency Shelter for the Homeless Overlay is a facility housing the homeless with 16 or fewer beds, which shall serve no more than 16 homeless persons at one time. The cumulative number of beds allowed through this Chapter shall be no more than 16 beds, except as authorized by a use permit.

16.99.040 Conditional uses. Conditional uses allowed in the Shelter for the Homeless Overlay District, subject to obtaining a use permit, are as follows:

- (1) Single facility housing the homeless with more than 16 beds;

- (2) Facility housing the homeless that would increase the cumulative total number of beds allowed through this Chapter above 16.

16.99.050 Development regulations. The emergency shelter for the homeless shall conform to all development regulations of the zoning district in which it is located, except for the off-street parking requirement. A modification to a development regulation of the underlying zoning district may be permitted subject to approval of a use permit by the Planning Commission.

- (1) Off-street parking. All required parking spaces and access thereto shall conform to the City parking standards. Parking shall be provided per the requirements and shall not be located in any required yard abutting a street or R district. The Community Development Director may also reduce the parking requirement if the shelter can demonstrate a lower need.

Vehicular*	Per employee or volunteer on duty when the shelter is open to clients	1 space
	Per family	1 space
	Per non-family bed	.25 space
Bicycle	Per bed	.2 space
*A 10 percent reduction in the overall parking requirement is permitted if the facility is located within one-half mile of a rail line or one-quarter mile of a bus stop that serves at least four buses per hour during the weekdays.		

16.99.060 Performance standards. The shelter for the homeless shall conform to all performance standards. A modification to a performance standard may be permitted subject to approval of a use permit.

- (1) **Waiting and Client Intake Areas.** Shelters shall provide 10 square feet of on-site, interior waiting and client intake space per bed. In addition, one office or cubicle per 10 beds, with at least one office or up to 25 percent of the offices should be private. Waiting and intake areas may be used for other purposes as needed during operations of the shelter.
- (2) **Facility Requirements.** Each facility shall include a written management plan that uses best practices to address homeless needs (e.g. Quality Assurance Standards developed by the San Mateo County HOPE Quality Improvement Project) and shall include, at a minimum, the following:
- (a) **On-site management:** On-site personnel are required during hours of operation when clients are present. The provider shall have a written management plan that includes procedures for screening residents to ensure compatibility with services provided at the facility.

- (b) **Hours of operation:** Facilities shall establish and maintain set hours for client intake and discharge. The hours of operation shall be consistent with the services provided and be clearly posted.
- (c) **Services:** Facilities shall ~~be limited to provide overnight accommodation and meals for clients only.~~ Staffing and services or transportation to such services shall be provided to assist clients to obtain permanent shelter and income. Such services shall be available at no cost to all clients of the facility. Any supportive services for the clients outside of the hours of operation are subject to approval of a use permit by the Planning Commission.
- (c) **Kitchen:** Each facility shall provide a common kitchen and dining room adequate for the number of clients served on a daily basis.
- (d) **Sanitation:** Each facility shall provide showers adequate for the number of clients served on a daily basis.
- (e) **Storage:** Each facility shall provide secure areas for personal property adequate for the number of clients served on a daily basis.
- (f) **Other amenities:** Other amenities may be required that are consistent with the State's provision for emergency housing, as recommended by the Police Department prior to Compliance Review approval.
- (g) **Coordination:** The Shelter Operator shall establish a liaison staff to coordinate with City, Police, School District officials, local businesses, and residents on issues related to the operation of the facility.

(3) **Exterior Lighting.** Adequate external lighting shall be provided for security purposes. The lighting shall be sufficient to provide illumination and clear visibility to all outdoor areas, with minimal spillover on adjacent properties. The lighting shall be stationary, directed away from adjacent properties and public rights-of-way, and of an intensity compatible with the neighborhood.

(4) **Security.** On-site security shall be provided during the hours of operation when clients are present.

16.99.070 Compliance review procedure: Each facility proposed under the Emergency Shelter for the Homeless overlay zone requires review for compliance with Sections (development regulations) and (performance standards) prior to occupancy of the facility, where a use permit is not required.

- (1) **Application.** Requests for compliance review shall be made in writing by the owner of the property, lessee, purchaser in escrow, or optionee with the consent of the owners, on a form prescribed by the City. The application shall be accompanied by a fee, set by the City Council, plans, and a project description explaining the details of the proposal.
- (2) **Noticing.** A notice shall be mailed to all property owners and building occupants within 300 feet of the exterior boundary of the property involved, using for this purpose the last known name and address of such owners as shown upon the current assessment roll maintained by the City. The notice shall include a

description of the proposal, methods for providing comments, and date and time of a public meeting.

- (3) **Public meeting.** Prior to making a determination of compliance, the Planning Commission shall conduct a study session. The review by the Planning Commission shall be advisory and non-binding and shall be limited to the proposal relative to the performance standards.
- (4) **Compliance determination.** The Community Development Director or his or her designee shall make a determination of compliance in writing after reviewing the application materials and considering any comments received. The determination of the Community Development Director is final and not subject to appeal.

****Add definition of emergency shelter in the Zoning Ordinance**

Section 16.04.299 Emergency Shelter. "Emergency shelter" means housing with minimal supportive services for homeless persons that is limited to occupancy of six months or less by a homeless person. No individual or household may be denied emergency shelter because of an inability to pay. (Health and Safety Code Section 50801(e))

PRELIMINARY DRAFT

(12/10/13 – Review at City
Council Meeting)

TRANSITIONAL AND SUPPORTIVE HOUSING ZONING****Amend definition of “dwelling” in the Zoning Ordinance**

16.04.240 Dwelling. “Dwelling” means a building or a portion thereof designed and used exclusively for residential occupancy, including one family, two family dwellings and multiple family dwellings, transitional and supportive housing, but not including hotels, motels or boardinghouses.

****Add definition of “supportive housing” in the Zoning Ordinance**

16.04.662 Supportive Housing. “Supportive housing” means housing with no limit on length of stay, that is occupied by the target population, and that is linked to an onsite or offsite service that assists the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

****Add definition of “transitional housing” in the Zoning Ordinance**

16.04.665 Transitional Housing. “Transitional housing” means buildings configured as rental housing developments, but operated under program requirements that require the termination of assistance and recirculating of the assisted unit to another eligible program recipient at a predetermined future point in time that shall be no less than six months from the beginning of the assistance.

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PRELIMINARY DRAFT

(12/10/2013 – Review at City
Council Meeting)

**Chapter 16.83
REASONABLE ACCOMMODATION**

- 16.61.010 Purpose.**
16.61.020 Applicability.
16.61.030 Application requirements.
16.61.040 Review authority.
16.61.050 Findings and decision.
16.61.060 Appeal determination.
16.61.070 Rescission of grants of reasonable accommodation.

16.61.010 Purpose. The purpose of this Chapter is to provide a procedure to request reasonable accommodation for persons with disabilities seeking equal access to housing under the Federal Fair Housing Act and the California Fair Employment and Housing Act in the application of zoning laws and other land use regulations, policies and procedures, and to establish relevant criteria to be used when considering such requests.

16.61.020 Applicability. In order to make specific housing available to an individual with a disability, any person may request a modification or exception to the rules, standards and practices for the siting, development and use of housing or housing-related facilities that would eliminate regulatory barriers and provide a person with a disability equal opportunity to housing of his or her choice. A person with a disability is a person who has a physical or mental impairment that limits or substantially limits one or more major life activities, anyone who is regarded as having such impairment or anyone who has a record of such impairment. This Chapter applies only to those persons who are defined as disabled under the Federal Fair Housing Act and the California Fair Employment and Housing Act.

16.61.030 Application requirements.

(1) A request for reasonable accommodation shall be filed on the application form provided by the Community Development Department. If necessary to ensure accessibility, the applicant may request an alternative format. The applicant may be the person with the disability or his or her representative. The application shall be accompanied by a fee, set by the City Council, and be signed by the owner of the property and shall provide the following information:

- (a) Applicant's name and contact information;
- (b) Property address;
- (c) Current use of the property;
- (d) Basis for the claim that the individual is considered disabled under Fair Housing Laws;

- (e) The zoning code provision, regulation or policy from which reasonable accommodation is being requested; and
- (f) Explanation why the reasonable accommodation is necessary to make the specific property accessible to the individual.
- (g) Plans showing the details of the proposal.

(2) If the project for which the request for reasonable accommodation is being made also requires some other discretionary approval under this Title (including but not limited to a conditional use permit, architectural control, variance, or zoning amendment), the application for reasonable accommodation shall be submitted and reviewed at the same time as the related applications.

16.61.040 Review authority.

(1) If an application under this Chapter is filed without any accompanying application for another approval, permit or entitlement under this Title, the Community Development Director shall make a written determination within 45 days and either grant, grant with modifications or deny a request for reasonable accommodation.

(2) If an application under this Chapter is filed with an application for another approval, permit or entitlement under this Title, it shall be heard and acted upon at the same time and in the same manner as such other application, and shall be subject to all of the same procedures.

16.61.050 Findings and decision.

(1) Any decision on an application under this chapter shall be supported by written findings addressing the criteria set forth in this subsection. An application under this chapter for a reasonable accommodation shall be granted if all of the following findings are made:

- (a) The housing, which is the subject of the request, will be used by an individual disabled under the Federal Fair Housing Act and the California Fair Employment and Housing Act.
- (b) The requested reasonable accommodation is necessary to make specific housing available to an individual with a disability under the Federal Fair Housing Act and the California Fair Employment and Housing Act.
- (c) The requested reasonable accommodation would not impose an undue financial or administrative burden on the City.
- (d) The requested reasonable accommodation would not require a fundamental alteration in the nature of a City program or law, including but not limited to land use and zoning.
- (e) The requested reasonable accommodation would not adversely impact surrounding properties or uses.
- (f) There are no reasonable alternatives that would provide an equivalent level of benefit without requiring a modification or exception to the City's applicable rules, standards and practices.

(2). In granting a request for reasonable accommodation, the reviewing authority may impose any conditions of approval deemed reasonable and necessary to ensure that the reasonable accommodation would comply with the findings required by Subsection (A) above.

16.61.060 Appeal determination.

Any decision of the Community Development Director or designee may be appealed by the applicant to the Planning Commission. The appeal shall be made in writing and filed with the Community Development Director within 15 days following the final decision. The appeal shall be accompanied by a fee, as set by the City Council, and shall clearly state the reasons for the appeal. Where the request for accommodation is in conjunction with an application for another approval, permit or entitlement under this Title, the appeal procedures for such other approval, permit or entitlement shall control.

16.61.070 Rescission of grants of reasonable accommodation.

Any approval or conditional approval of an application under this chapter may be conditioned to provide for its rescission or automatic expiration under appropriate circumstances.

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		Secondary Dwelling Unit		Detached Accessory Buildings/ Structures	
		Existing	Proposed	Existing	Proposed
Definition		16.04.295 Dwelling unit, secondary. A “secondary dwelling unit” means a dwelling unit on a residential lot which provides complete independent living facilities for one or more persons, and shall include permanent provisions for living, sleeping, eating, cooking and sanitation independent of the main dwelling existing on the residential lot.	Revisit application of provisions for cooking.	16.04.110 Building and/or structure, accessory. "Accessory building and/or structure" means a subordinate building and/or structure, the use of which is incidental to that of the main building or buildings on the same lot or building site; but not including any building used for living or sleeping quarters.	Revisit application of living or sleeping quarters.
Minimum Lot Area		6,000 sf	5, 750 sf	N/A	N/A
Minimum Lot Width/Depth		N/A	N/A	N/A	N/A
Minimum Yard	Front	20 ft.	No Change	Varies, must be on rear half of the lot, except for R-4-S	No Change
	Rear	20 ft. (attached); 10 ft. (detached); 5 ft. (detached, with contiguous property owner approval)	Maintain setbacks for new secondary dwelling unit, but provide the flexibility for a reduced setback for an existing structure that was permitted as an accessory building/structure and constructed prior to spring 2014 (effective date of ordinance amendment)	3 ft. (5 ft. from an alley)	3 ft. (for a garage, shed or other non-habitable space); 5 ft. (from all alley for garage, shed or other non-habitable space) 10 ft. (for the portion of a building containing habitable space); may be reduced to 5 ft. with contiguous neighbor approval

Secondary Dwelling Unit and Accessory Building/Structure Comparison Summary

	Secondary Dwelling Unit		Detached Accessory Buildings/ Structures	
	Existing	Proposed	Existing	Proposed
Side, Interior	Dependent on zoning district (attached and detached); 5 ft. (detached, with contiguous property owner approval; in the R-1-U (LM) district, it can be reduced to 3 ft.)	Maintain setbacks for new secondary dwelling unit, but provide the flexibility for a reduced setback for an existing structure that was permitted as an accessory building/structure and constructed prior to spring 2014 (effective date of ordinance amendment)	3 ft. (5 ft. from an alley)	3 ft. (for a garage, shed or other non-habitable space); 5 ft. (from all alley for garage, shed or other non-habitable space) 10 ft. (for the portion of a building containing habitable space); may be reduced to 5 ft. with contiguous neighbor approval
	Side, Corner	12 or 15 ft., depending on zoning district (attached and detached)	No Change	Varies; cannot project beyond required setback on adjacent lot
Distance Between Buildings	N/A	N/A	10 ft. from any dwelling on the existing or adjacent lot	No change
Garage/Carport Entrances	20 ft., when fronting any lot line	20 ft., when fronting any lot line	N/A	20 ft., when fronting any lot line
Height	9 ft. (wall), unless when located in a flood zone the wall height can increase proportionally to the minimum needed to meet the flood zone requirements; 17 ft. (overall height)	No change, except add clarifying language to address a variety of architectural/roof designs, which may lead to portions of a wall to be taller than 9 ft. in height	9 ft. (wall); 14 ft. (overall height)	No change, except add clarifying language to address a variety of architectural/roof designs, which may lead to portions of a wall to be taller than 9 ft. in height
Density	1 unit	No Change	N/A	N/A

Secondary Dwelling Unit and Accessory Building/Structure Comparison Summary

	Secondary Dwelling Unit		Detached Accessory Buildings/ Structures	
	Existing	Proposed	Existing	Proposed
Unit Size	640 sf; limited to studio or one-bedroom and one bathroom	No change to unit size, except allow conversions of an accessory building/structure in excess of 640 square feet that was permitted as an accessory building and constructed prior to spring 2014 (effective date of ordinance amendment) to a secondary dwelling unit, without a use permit	25% of gross square footage of the main building or 700 sq. ft., whichever is greater; may be increased through approval of use permit	Square footage allowance to remain except add language to limit the number of plumbing fixtures to two (e.g. sink, toilet, shower)
Parking	1 covered or uncovered space where the space may be provided in the following configurations: 1) in tandem, meaning one car directly behind another car; 2) within the required interior side yards; 3) within the required front yard if paving does not exceed 500 sq. ft. and a minimum 18-inch side setback is maintained	No change, except clarify that tandem may include a driveway leading to a two-car garage; Required parking needs to be met for both the main and secondary dwelling units	N/A	N/A

Secondary Dwelling Unit and Accessory Building/Structure Comparison Summary

	Secondary Dwelling Unit		Detached Accessory Buildings/ Structures	
	Existing	Proposed	Existing	Proposed
Consistency	Must comply with all applicable development regulations for the single-family zoning district and building code requirements	No Change	N/A	N/A
Aesthetics	Colors, materials, textures and architecture similar to the main dwelling	No Change	N/A	N/A
Tenancy	Property owner shall occupy main or secondary dwelling unit	No Change	N/A	N/A

**City of Menlo Park
Initial Study Checklist
Housing Element Update (2014-2022) and
Zoning Ordinance Amendment (Housing Element Implementation) Project**

The proposed Housing Element Update (2014–2022) and Zoning Ordinance Amendment (Housing Element Implementation) is a project under the California Environmental Quality Act (CEQA). This Initial Study was prepared by The Planning Center | DC&E for the City of Menlo Park (City), Community Development Department, Planning Division. This Initial Study was prepared pursuant to the CEQA (Public Resources Code Sections 21000 et seq.), CEQA Guidelines (Title 14, Section 15000 et seq. of the California Code of Regulations).

- | | | |
|-----|--|---|
| 1. | Project Title: | Housing Element Update (2014–2022) and Zoning Ordinance Amendments (Housing Element Implementation) Project |
| 2. | Lead Agency Name and Address: | City of Menlo Park |
| 3. | Contact Person and Phone Number: | Deanna Chow
Senior Planner
(650) 330-6733 |
| 4. | Project Location: | Menlo Park, CA |
| 5. | Project Sponsor’s Name and Address: | City of Menlo Park
Planning Division
701 Laurel Street
Menlo Park, CA 94025 |
| 6. | General Plan Land Use Designation: | Citywide (various designations) |
| 7. | Zoning: | Citywide (various districts) |
| 8. | Surrounding Land Uses and Setting: | See page 7 of this Initial Study |
| 9. | Description of Project: | See page 7 of this Initial Study |
| 10. | Other Required Approvals: | The Project and environmental review will be adopted and approved by the City of Menlo Park, without oversight or permitting by other agencies. Following City approval, the State Department of Housing and Community Development (HCD) will be asked to certify the City’s Housing Element. |

ENVIRONMENTAL FACTORS POTENTIALLY AFFECTED

The environmental factors checked below would be potentially affected by this project, involving at least one impact that is a Potentially Significant Impact, as indicated by the checklist on the following pages.

- | | | |
|---|---|---|
| <input type="checkbox"/> Aesthetics | <input type="checkbox"/> Agriculture & Forestry Resources | <input type="checkbox"/> Air Quality |
| <input type="checkbox"/> Biological Resources | <input type="checkbox"/> Cultural Resources | <input type="checkbox"/> Geology & Soils |
| <input type="checkbox"/> Greenhouse Gas Emissions | <input type="checkbox"/> Hazards & Hazardous Materials | <input type="checkbox"/> Hydrology & Water Quality |
| <input type="checkbox"/> Land Use | <input type="checkbox"/> Mineral Resources | <input type="checkbox"/> Noise |
| <input type="checkbox"/> Population & Housing | <input type="checkbox"/> Public Services | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Transportation/Traffic | <input type="checkbox"/> Utilities & Service Systems | <input type="checkbox"/> Mandatory Findings of Significance |

Determination:

On the basis of this initial evaluation:

- I find that the proposed project COULD NOT have a significant effect on the environment and a NEGATIVE DECLARATION will be prepared.
- I find that although the proposed project could have a significant effect on the environment, there will not be a significant effect in this case because revisions in the project have been made by or agreed to by the project proponent. A MITIGATED NEGATIVE DECLARATION will be prepared.
- I find that the proposed project MAY have a significant effect on the environment, and an ENVIRONMENTAL IMPACT REPORT is required.
- I find that the proposed project MAY have a “potentially significant impact” or “potentially significant unless mitigated” impact on the environment, but at least one effect 1) has been adequately analyzed in an earlier document pursuant to applicable legal standards, and 2) has been addressed by mitigation measures based on the earlier analysis as described on attached sheets. An ENVIRONMENTAL IMPACT REPORT is required, but it must analyze only the effects that remain to be addressed.
- I find that although the proposed project could have a significant effect on the environment, because all potentially significant effects (a) have been analyzed adequately in an earlier EIR or NEGATIVE DECLARATION pursuant to applicable standards, and (b) have been avoided or mitigated pursuant to that earlier EIR or NEGATIVE DECLARATION, including revisions or mitigation measures that are imposed upon the proposed project, nothing further is required.

Signature _____ Date _____

Deanna Chow _____ Senior Planner
Printed Name _____ Title

A. OVERVIEW AND BACKGROUND

This Initial Study checklist was prepared to assess the environmental effects of the proposed Housing Element Update (2014–2022) and Zoning Ordinance Amendments (Housing Element Implementation), herein referred to as “proposed Project.” This Initial Study consists of a depiction of the existing environmental setting, as well as the project description, followed by a description of various environmental effects that may result from the proposed Project. A detailed project description and environmental setting discussion are provided below.

B. LOCATION

Menlo Park is located in the San Francisco Bay Area, in San Mateo County. Figure 1 shows Menlo Park’s regional location. Menlo Park is situated near the southern end of the San Francisco Bay Peninsula, approximately halfway between San Francisco and San Jose. The city is bordered by Atherton and Redwood City to the north, East Palo Alto to the east, and Palo Alto and Woodside to the south. The city covers approximately 18 square miles, of which approximately 12 square miles consist of San Francisco Bay and wetlands.

The Menlo Park sphere of influence (SOI) includes incorporated City lands and those areas which may be considered for future annexation by the City. The Menlo Park SOI is regulated by the San Mateo Local Agency Formation Commission (LAFCo), which determines the unincorporated communities that would be best and most likely served by City agencies and hence, represent areas with the greater potential for annexation by the City. Once property is annexed into the City, future development is subject to the standards prescribed by the City’s General Plan, Municipal Code, and other City regulations.

The SOI designation for the City includes unincorporated West Menlo Park, Week End Acres, Menlo Oaks, as well as the Stanford Linear Accelerator. The potential future development under the proposed Project does not include any area outside the City Limits; however, for the purposes of this environmental review, the City’s SOI defines the Study Area boundaries.

Interstate 280 and Highway 101 provide north-south access to San Francisco to the north and San Jose to the south. For purposes of this document, State Route 82 also runs north-south through the City. State Route 84 provides access to the East Bay across the Dumbarton Bridge, the western end of which touches down in Menlo Park. A Caltrain station is located in downtown Menlo Park, with service to San Francisco and San Jose. The city is shown in its local context in Figure 2.

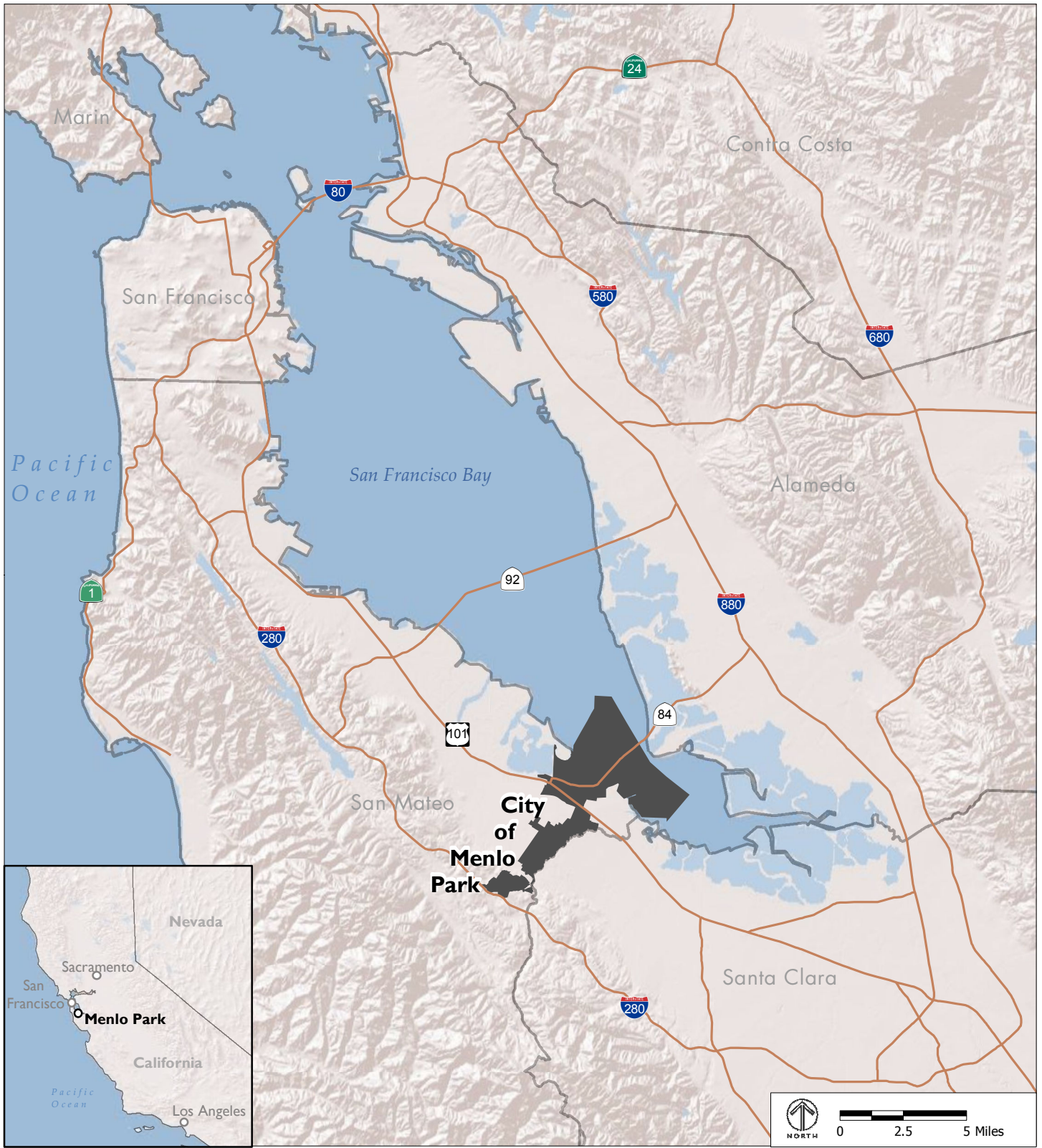
C. EXISTING SETTING

The proposed Project includes the implementation of several Housing Element programs and update to the current Housing Element and associated amendments to the Zoning Ordinance.

1. Housing Element

The Housing Element is one of seven State-mandated elements of the City’s General Plan. Housing Element law requires local jurisdictions to plan for and allow the construction of a share of the region’s projected housing needs. This share is called the Regional Housing Needs Allocation (RHNA). State law mandates that each jurisdiction provide sufficient land to accommodate a variety of housing opportunities for all economic segments of the community, so as to meet or exceed the RHNA. The Association of Bay Area Governments (ABAG), as the regional planning agency, calculates the RHNA for individual jurisdictions within San Mateo County, including Menlo Park.

**CITY OF MENLO PARK
HOUSING ELEMENT UPDATE (2014-2022) AND ZONING ORDINANCE AMENDMENT
(HOUSING ELEMENT IMPLEMENTATION) PROJECT
PRELIMINARY DRAFT INITIAL STUDY**

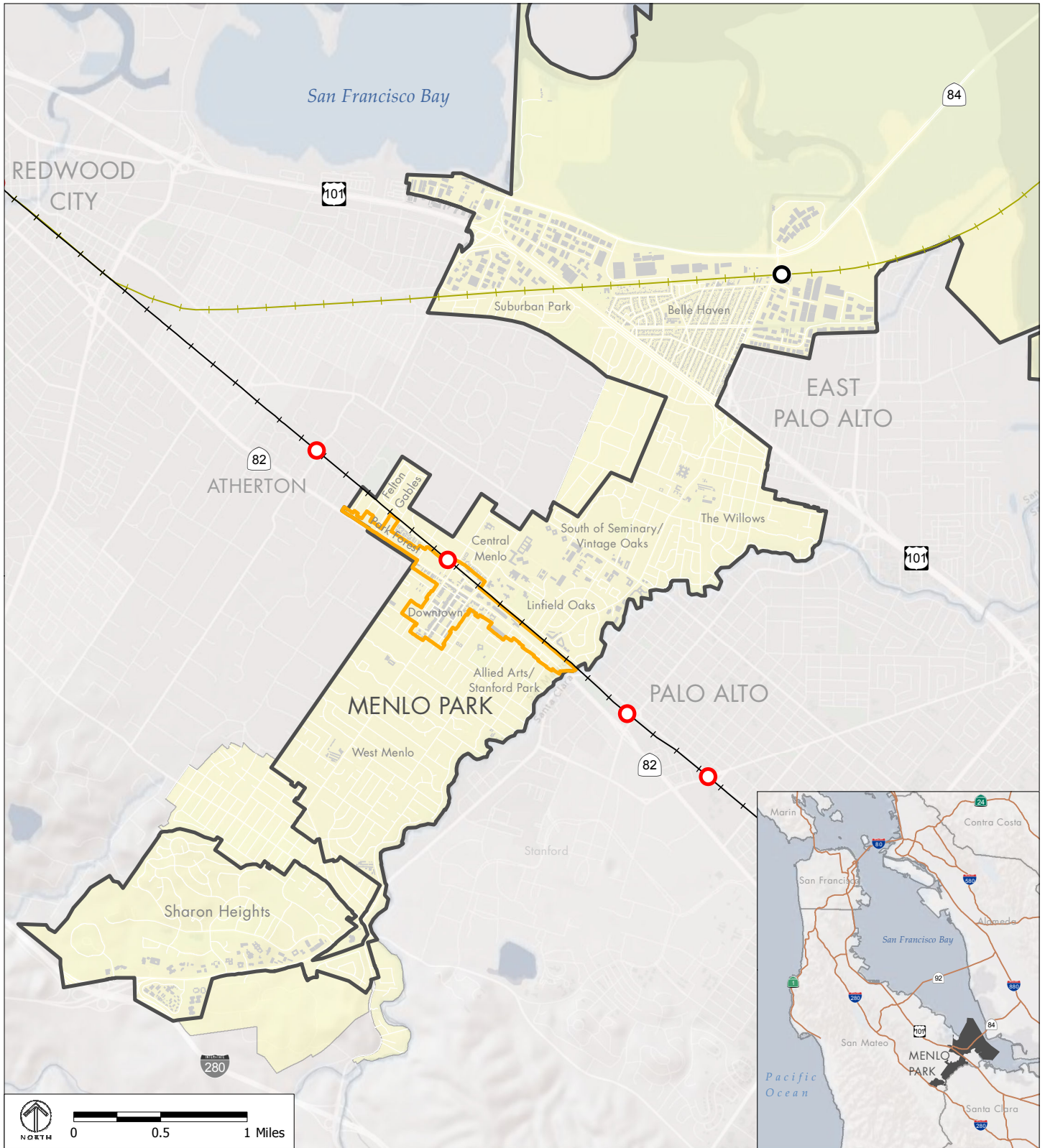


Source: City of Menlo Park; The Planning Center | DC&E, 2012; ESRI 2010; FHA 2002.

- Highway
- City Limits

**FIGURE I
REGIONAL LOCATION**

**CITY OF MENLO PARK
HOUSING ELEMENT UPDATE (2014-2022) AND ZONING ORDINANCE AMENDMENT
(HOUSING ELEMENT IMPLEMENTATION) PROJECT
PRELIMINARY DRAFT INITIAL STUDY**



Source: City of Menlo Park; The Planning Center | DC&E, 2012; ESRI 2010; FHA 2002.

- Potential Station Location
- CalTrain Stations
- CalTrain ROW
- Dumbarton Rail Corridor
- ▭ El Camino Real/Downtown Specific Plan
- ▭ City Limits
- ▭ Sphere of Influence

On May 21, 2013, the City of Menlo Park adopted its Housing Element through the 2014 planning period and the Environmental Assessment¹ for the City of Menlo Park Housing Element Update, General Plan Consistency Update, and associated Zoning Ordinance amendments. The State Housing and Community Development Department (HCD) certified the Housing Element on June 18, 2013.

The current Housing Element identifies five potential housing sites to accommodate up to 886 housing units and implements secondary dwelling units and infill housing programs to accommodate an additional 115 housing units.

The next Housing Element cycle is for the planning period 2014–2022. The City of Menlo Park’s allocation for the 2014–2022 planning period is 655 dwelling units. The City can accommodate this housing allocation through a combination of built or approved housing and existing zoning for higher density housing. The Housing Element for the 2014–2022 planning period is required to be adopted by January 31, 2015. Local governments that adopt their Housing Element on time will not have to adopt another housing element for eight years, instead of every four years.

2. Municipal Code

The City of Menlo Park Zoning Ordinance is the mechanism used to implement the goals, objectives, and policies of the General Plan and to regulate all land use within the city. The Zoning Ordinance is found in Title 16 (Zoning) of the Menlo Park Municipal Code. The stated purpose of the Zoning Ordinance is “to preserve and extend the charm and beauty inherent to the residential character of the city; to regulate and limit the density of population; encourage the most appropriate use of land; to conserve land and stabilize the value of property; to provide adequate open space for light, air and fire protection; to lessen traffic congestion; to facilitate the provision of community facilities; to encourage tree and shrub planting; to encourage building construction of pleasing design; to provide the economic and social advantages of a planned community.” The Zoning Ordinance: establishes various districts within the boundaries of the city; enacts restrictions for erecting, constructing, altering, or maintaining certain buildings; and identifies particular trades or occupations that can make use of certain land use designations. The Zoning Ordinance includes development regulations that set forth: height and bulk limits for buildings; open space standards that shall be required around buildings; and other appropriate regulations to be enforced in each district.

The following Chapters of the Zoning Ordinance would be amended under the proposed Project:

- Chapter 16.04 Definitions. This chapter provides definitions of terms and phrases used in the Zoning Ordinance that are technical or specialized, or that may not reflect common usage.
- Chapter 16.79 Secondary Dwelling Units. The stated purpose of this chapter is “to set forth criteria and regulations to control the development of secondary dwelling units within the single-family residential zoning districts.”
- Chapter 16.68. Accessory Buildings and/or Structures. This chapter outlines how accessory buildings and/or structures may be constructed with or subsequent to the construction of the main building on the subject property.
- [Placeholder for Reasonable Accommodations to be added. This would be a new chapter in the Zoning Ordinance and is being proposed to implement current Housing Element Program H3.C (Procedures for

¹ California Government Code Section 65759(a)(2) provides that when a city is ordered by a court to bring its General Plan, which includes the Housing Element, into compliance, the City shall prepare an environmental assessment, the content of which shall substantially conform to the required content of a Draft Environmental Impact Report (EIR).

Reasonable Accommodation) and for consistency with the Federal Fair Housing Act and the California Fair Employment and Housing Act.]

- [Placeholder for Emergency Shelter for the Homeless Overlay Zone. This would be a new chapter in the Zoning Ordinance and is being proposed to implement the current Housing Element Program H3.A (Zone for Emergency Shelter for the Homeless) and for compliance with State law Senate Bill 2 (SB 2).²]

D. PROJECT DESCRIPTION

[Note to Reader: This draft project description is a work in progress and is still being finalized. This draft project description will be updated following comments from the City of Menlo Park Planning Commission and City Council, and the Department of Housing and Community Development.]

The proposed Project includes an update to the current Housing Element and associated amendments to the Zoning Ordinance to implement existing Housing Element programs. Under the proposed Project, the City needs to demonstrate that it can accommodate 655 housing units for the 2014–2022 planning period and allow for special-needs housing (i.e. transitional and supportive housing, and reasonable accommodations) and emergency shelters consistent with the City’s current Housing Element (2007–2014).

The proposed Housing Element update, which supports the goals and policies of the City’s Housing Element, provides policies and implementing programs under which new housing development would be allowed. The proposed Zoning Ordinance amendments identify the zoning districts within the city to accommodate transitional and supportive housing units and would create a zoning overlay to accommodate an emergency shelter(s) for the homeless. The proposed Zoning Ordinance amendments related to reasonable accommodations include procedural guidance for potential applicants. The Zoning Ordinance amendments related to an amnesty program for existing secondary dwelling units would include modifications to Chapter 16.79 (Secondary Dwelling Units) to allow for the conversion of legally built accessory buildings/structures meeting certain criteria and include modifications to Chapter 16.68 (Accessory buildings and or/structures to more clearly distinguish how the accessory buildings/structures can be used. Additionally, a reduction in lot size for secondary dwelling units would be included in the Zoning Ordinance amendment.

The following describes the two key components of the proposed Project:

[Note to Reader: The following draft descriptions of the implementation programs are based on the current 2007-2014 Housing Element and will be updated.]

1. Housing Element Update (2014–2022)

The proposed Project includes an update to the City’s Housing Element (2007–2014), in compliance with Government Code Section 65580 *et seq.* The proposed Housing Element includes updated policies and programs that are intended to guide the City’s housing efforts through the 2014–2022 RHNA planning period.

² Senate Bill 2, in effect as of January 1, 2008, clarifies and strengthens housing element law to ensure zoning encourages and facilitates emergency shelters and limits the denial of emergency shelters, and transitional and supportive housing under the Housing Accountability Act. The law facilitates efforts to address the critical needs of homeless populations and persons with special needs throughout all communities in California, without discretionary review by the local government. Generally, SB 2 amends housing element law regarding planning and approval for emergency shelters, and transitional and supportive housing

As described above, the City of Menlo Park's RHNA for the 2014–2022 planning period is 655 dwelling units. The City can accommodate this housing allocation through a combination of built or approved housing and existing zoning for higher density housing.

2. Zoning Ordinance Amendment (Housing Element Implementation)

Under the proposed Project, the City would implement the programs identified in the current Housing Element that allow for emergency shelters, transitional and supportive housing and reasonable accommodations guidelines compliant with Senate Bill 2,³ and an amnesty program for existing second dwelling units. Specifically, implementation of the Housing Element Programs H3.A, H3.B, H3.C, and H4.F, described below, would modify the Zoning Ordinance to ensure that there are adequate opportunities for housing in Menlo Park.

- Program H3.A (Zone for Emergency Shelter for the Homeless): The City will establish an overlay zone to allow emergency shelters for the homeless to address the City's need for providing 16 beds to address homeless needs in the community. Appropriate locations for the overlay zoning will be evaluated based on land availability, physical or environmental constraints (e.g. flooding, chemical contamination, slope instability), location (e.g. proximity to services, jobs, and transit), available acreage (i.e. vacant or non-vacant sites), compatibility with surrounding uses, and the realistic capacity for emergency shelters. In reviewing potential non-vacant sites, the potential for reuse or conversion of existing buildings to emergency shelters will be considered. Based on review of other facilities in the Bay Area, it is estimated that about ¼ to ½ acre of land would be needed to address Menlo Park's homeless needs. The overlay zone designation will cover between 1 to 3 acres of land to provide a choice of potential sites if and when a facility or multiple, smaller facilities are proposed. The City will also investigate the use of local churches providing temporary shelter for the homeless. In addition, the City will establish written and objective standards in the Zoning Ordinance covering:
 - a) Maximum number of beds.
 - b) Off-street parking based upon demonstrated need.
 - c) Size and location of on-site waiting and intake areas.
 - d) Provision of on-site management.
 - e) Proximity to other shelters.
 - f) Length of stay.
 - g) Lighting.
 - h) Security during hours when the shelter is open.

[Placeholder for Figure XX shows the potential locations of the Emergency Shelter for the Homeless Overlay Zone.]

- Program H3.B (Zone for Transitional and Supportive Housing): Amend zones to specifically allow residential care facilities, transitional and supportive housing as required by State law. Transitional and supportive housing shall be considered a residential use subject only to those restrictions that apply to other residential dwellings of the same type in the same zone.

³ Senate Bill 2, in effect as of January 1, 2008, clarifies and strengthens housing element law to ensure zoning encourages and facilitates emergency shelters and limits the denial of emergency shelters, and transitional and supportive housing under the Housing Accountability Act. The law facilitates efforts to address the critical needs of homeless populations and persons with special needs throughout all communities in California, without discretionary review by the local government. Generally, SB 2 amends housing element law regarding planning and approval for emergency shelters, and transitional and supportive housing

Supportive housing is defined as permanent rental housing linked to a range of support services designed to enable residents to maintain stable housing and lead fuller lives. This type of housing has no limit on length of stay, is occupied by the target population (such as low-income persons with disabilities and certain other disabled persons) and is linked to on-site or off-site services that assist the supportive housing resident in retaining the housing, improving his or her health status, and maximizing his or her ability to live and, when possible, work in the community.

Transitional housing and transitional housing development mean rental housing operated under program requirements that call for the termination of assistance and recirculation of the assisted unit to another eligible program recipient at some predetermined future point in time, which shall be no less than six months. Transitional housing is a type of supportive housing used to facilitate the movement of homeless individuals and families to permanent housing. A homeless person may live in a transitional apartment for up to two years while receiving supportive services that enable independent living.

- Program H3.C (Adoption of Procedures for Reasonable Accommodation for Individuals with Disabilities): Establish internal review procedures and/or ordinance modifications to provide individuals with disabilities reasonable accommodation in rules, policies, practices, and procedures that may be necessary to ensure equal access to housing. The purpose of these procedures and/or ordinance modifications is to provide a process for individuals with disabilities to make requests for reasonable accommodation in regard to relief from the various land use, zoning, or building laws, rules, policies, practices, and/or procedures of the City.
- Program H4.F (Creating an Amnesty Program for Secondary Dwelling Units): Initiate an amnesty program for secondary dwelling units that do not have permits in order to increase the legal housing stock while striving to ensure the continued affordability of the housing, such as agreement to accept Section 8 vouchers. A specific period of time will be allowed for owners of illegal units to register their units without incurring fines. The City will enact enforcement mechanisms to encourage owners of illegal units to upgrade them, provide additional parking, and legalize them. Specific aspects of the program include:
 - a) Conduct a study to determine the potential number of illegal secondary dwelling units in Menlo Park.
 - b) Establish specific standards legalized units must meet to be legalized.
 - c) Establish a specific window in time for the amnesty program to be implemented.
 - d) Provide extensive community-wide and targeted publicity for the legalization program.

The proposed Zoning Ordinance Amendment would also include a change to the development standards for secondary dwelling units within the single-family residential zoning districts. Under the proposed Project the current minimum lot area of 6,000 square feet would be reduced to 5,750 square feet, which would increase the total number of secondary units that could be built.

E. POTENTIAL PHYSICAL CHANGES

Altogether, the proposed Project does not include actions that could directly or indirectly result in substantial physical changes to the environment. The proposed Project would enable the City of Menlo Park to meet its housing needs and facilitate future development to meet the needs of at-risk populations by providing housing types designed for these groups.

The potential future housing permitted under the proposed Project would not increase development potential in Menlo Park beyond what was considered in the General Plan and the current Housing Element (2007-

2014), but rather would allow for special-needs housing⁴ and secondary dwelling units where residential housing is currently permitted. The amendments related to reasonable accommodations and amnesty for existing secondary dwelling units include procedural guidance for potential applicants. No land use or zoning changes that would redesignate areas from one use to another (e.g. commercial to residential) would be required to accommodate these uses. New special-needs housing is considered a residential use and is subject to those restrictions that apply to other residential dwellings of the same type in the same zone, as are secondary dwelling units.

The proposed Emergency Shelter for the Homeless Overlay Zone would apply to urbanized areas within the city and would not increase development potential. As described in Policy H3.A, the Emergency Shelter for the Homeless Overlay Zone would be located in close proximity to services, jobs, and transit.

No specific development projects have been identified or are proposed as part of the Project. When specific implementing projects are identified, the development applications for such individual projects, as required, would be submitted separately to the City for review, and would be subject, if necessary, to separate, site-specific CEQA analysis.

⁴ Special-needs housing refers to Supportive and Transitional housing as well as Reasonable Accommodations.

F. ENVIRONMENTAL CHECKLIST

AESTHETICS	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:				
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially damage scenic resources, including, but not limited to, trees, rock outcroppings and historic buildings within a State scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially degrade the existing visual character or quality of the site and its surroundings?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Create a new source of substantial light or glare that would adversely affect day or nighttime views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) *Would the project have a substantial adverse effect on a scenic vista?*

Potential future development permitted under the proposed Project would have the potential to affect scenic vistas and/or scenic corridors if new or intensified development blocked views of areas that provide or contribute to such vistas. Potential effects could include blocking views of a scenic vista/corridor from specific publically accessible vantage points or the alteration of the overall scenic vista/corridor itself. Such alterations could be positive or negative, depending on the characteristics of individual future developments and the subjective perception of observers.

Scenic corridors are considered an enclosed area of landscape, viewed as a single entity that includes the total field of vision visible from a specific point, or series of points along a linear transportation route. Public view corridors are areas in which short-range, medium-range, and long-range views are available from publicly accessible viewpoints, such as from city streets. However, scenic vistas are generally interpreted as long-range views of a specific scenic feature (e.g. open space lands, mountain ridges, bay, or ocean views).

Menlo Park’s main thoroughfares include the El Camino Real, which is developed with traditional strip center developments and bisects the downtown area comprised of pedestrian-scale, one to three story buildings. The Middlefield Road and Sand Hill Road thoroughfares include landscaped office parks with mid-rise buildings interspersed with landscaped parking areas, as does the Highway 101 corridor. While the City has no designated scenic corridors, a section of Interstate 280 (I-280) within the Study Area is considered a scenic highway per the California Scenic Highways Program.⁵

Potential future development permitted under the proposed Project would allow for special-needs housing and secondary dwelling units in Residential zoning districts where residential uses currently exist and are accounted for in the 2007-2014 Housing Element. The Emergency Shelter for the Homeless Overlay Zone would be within the **XX** areas/properties. The nature of this type of development would not be of such form, mass, or scale to block views of scenic vistas and/or scenic corridors. Furthermore, potential future residential and emergency shelter facilities permitted under the proposed Project would be subject to the general development standards for the particular zoning district affected by the proposed Project as set forth in City Municipal Code Chapters. Compliance with the general development standards as well as the following Gen-

⁵ Caltrans, California Scenic Highway Mapping Program, Route 280 Photo Album, http://www.dot.ca.gov/hq/LandArch/scenic_highways/index.htm, accessed on November 19, 2012.

eral Plan goals and policies identified in the Open Space and Conservation Element would address the preservation of scenic vistas and corridors in the city.

Open Space and Conservation Element

- Goal OSC-1: Protect and Enhance Open Space and Natural Resources. Protect, conserve and enhance valuable natural resources, open areas and designated open space lands rich in scenic value, wildlife or of a fragile ecological nature through conservation and restoration efforts. The approach to natural resources include:
 - Preserve the natural state, unique appeal, and visual amenities of Menlo Park's bay lands and shoreline.
 - Protect the wildlife habitat, scenic value and natural character of San Francisquito Creek and other riparian corridors.
 - Protect sensitive species and natural communities.
 - Preserve open areas needed for protection from natural hazards.
 - Maintain, preserve, and enhance contiguous open space on Stanford lands within Menlo Park's unincorporated sphere of influence.
 - Protect lands that have inherent qualities to provide visual amenity, including topographic features, views or vistas, street landscape areas, scenic water areas, creeks and the San Francisco Bay.
 - Provide landscaped areas that visually and environmentally enhance the community.
- Policy OSC1.1: Natural Resources Integration with Other Uses. Protect Menlo Park's natural environment and integrate creeks, utility corridors, and other significant natural and scenic features into development plans.
- Policy OSC1.6: South Bay Salt Pond Restoration Project and Flood Management Project. Continue to support and participate in Federal and State efforts related to the South Bay Salt Pond Restoration Project and flood management project. Provide public access to the Bay for the scenic enjoyment and recreation opportunities as well as conservation education opportunities related to the open Bay, the sloughs, and the marshes.
- Policy OSC1.11: Sustainable Landscape Practices. Encourage the enhancement of boulevards, plazas and other urban open spaces in high-density and mixed-use residential developments, commercial and industrial areas with landscaping practices that minimize water usage.
- Policy OSC1.13: Yard and Open Space Requirements in New Development. Ensure that required yard and open spaces are provided for as part of new multi-family residential, mixed-use, commercial, and industrial development.
- Policy OSC1.14: Protection of Conservation and Scenic Areas. Protect conservation and scenic areas from deterioration or destruction by vandalism, private actions or public actions.
- Policy OSC1.15: Heritage Trees. Protect Heritage Trees, including during construction activities through enforcement of the Heritage Tree Ordinance (Chapter 13.24 of the Municipal Code).

As discussed above, potential future development permitted under the proposed Project would be subject to the general development standards within the City's Municipal Code. Accordingly, the proposed Project would not be expected to significantly alter scenic viewsheds in the zoning districts affected by the proposed Project and overall impacts to scenic corridors and vistas within the city would be less than significant. Im-

plementation of the listed General Plan goals and policies would further ensure that impacts on scenic vistas would be *less than significant*.

b) *Would the project substantially damage scenic resources, including, but not limited to, trees, rock outcroppings and historic buildings within a State scenic highway?*

The California Scenic Highway Program, maintained by the California Department of Transportation (Caltrans), protects scenic State highway corridors from changes that would diminish the aesthetic value of lands adjacent to the highways. Caltrans designated the segment of I-280 that runs from the Santa Clara County line to the San Bruno city limit as a scenic highway.⁶ This State-designated scenic highway runs approximately 1 mile along the southern edge of the City. Caltrans describes the scenic value of I-280 as follows: “The motorist is offered middleground forest and mountain vistas, background water and mountain panoramas, and enclosed lake and mountain ridge views as the route traverses the environmentally fragile valley created by the San Andreas Earthquake Fault.”⁷

The only potential future development that could occur within the I-280 viewshed would be that associated with a secondary housing unit in an existing residential district and would not impact views along the scenic highway corridor. Accordingly, impacts related to scenic highways would be *less than significant*.

c) *Would the project substantially degrade the existing visual character or quality of the site and its surroundings?*

As discussed in Section I.a above, potential development permitted as a result of the proposed Project would be restricted to the existing built environment. Potential development under the proposed Project would be required to comply with enumerated development standards set forth in the City’s Municipal Code to ensure compatibility with adjoining land uses. Additionally, implementation of the General Plan goals and policies listed below would protect the existing visual character or quality of the city and its surroundings. Accordingly, future development permitted under the proposed Project would result in a *less-than-significant* impact to visual character.

Land Use and Circulation Element

- Goal IA: To maintain and improve the character and stability of Menlo Park's existing residential neighborhoods while providing for the development of a variety of housing types. The preservation of open space shall be encouraged.
- Policy IA-1: New construction in existing neighborhoods shall be designed to emphasize the preservation and improvement of the stability and character of the individual neighborhood.
- Policy IA-2: New residential developments shall be designed to be compatible with Menlo Park's residential character.
- Policy IA-4: Residential uses may be combined with commercial uses in a mixed use project, if the project is designed to avoid conflicts between the uses, such as traffic, parking, noise, dust, and odors.

⁶ California Department of Transportation website, Officially Designated State Scenic Highways, <http://www.dot.ca.gov/hq/LandArch/scenic/schwy.htm>, accessed September 25, 2012.

⁷ Caltrans, California Scenic Highway Mapping Program, Route 280 Photo Album, http://www.dot.ca.gov/hq/LandArch/scenic_highways/index.htm, accessed on November 19, 2012.

Open Space and Conservation Element

- Policy OSC1.11: Sustainable Landscape Practices. Encourage the enhancement of boulevards, plazas, and other urban open spaces in high-density and mixed-use residential developments, commercial and industrial areas with landscaping practices that minimize water usage.

2007-2014 Housing Element

- Policy H2.5: The City will encourage good management practices, rehabilitation of viable older housing, and long-term maintenance and improvement of neighborhoods.
- Goal H4: Use land efficiently to meet community housing needs at a variety of income levels, implement sustainable development practices, and blend well-designed new housing into the community.
- Policy H4.3: The City will review proposed new housing in order to achieve excellence in development design through an efficient process and will encourage infill development on vacant and underutilized sites that is harmonious with the character of Menlo Park residential neighborhoods. New construction in existing neighborhoods shall be designed to emphasize the preservation and improvement of the stability and character of the individual neighborhood. The City will also encourage innovative design that creates housing opportunities that are complementary to the location of the development. It is the City's intent to enhance neighborhood identity and sense of community by ensuring that all new housing will (1) have a sensitive transition with the surrounding area, (2) avoid unreasonably affecting the privacy of neighboring properties, or (3) avoid impairing access to light and air of structures on neighboring properties.
- Policy H4.11: The City will encourage the development of well-designed new second units (e.g. carriage houses, attached independent living units, small detached living units) and the legalization of existing second units as an important way to provide affordable housing in combination with primary residential uses on low-density lots. Secondary dwelling units must be in compliance with adopted City standards.

d) *Would the project create a new source of substantial light or glare that would adversely affect day or nighttime views in the area?*

Substantial light and glare comes mainly from commercial areas, safety lighting, traffic on major arterials and the freeway, and street lights. Future potential development permitted under the proposed Project does not include any land use changes that would redesignate areas from residential to commercial. Light pollution, in most of the city is minimal, and is restricted primarily to street lighting along major arterials streets and Highway 101, and to night-time illumination of commercial buildings, shopping centers, and industrial buildings. Light spillage from residential areas, particularly older neighborhoods, is mostly well-screened by trees. Potential special-needs housing and secondary dwelling units permitted under the proposed Project would occur in already largely built-out residential areas where street and site lighting currently exist and are accounted for in the 2007-2014 Housing Element. With regards to the proposed Emergency Shelter for the Homeless Overlay Zone, which could be located in the **XX** areas/properties, the proposed Project includes performance standards that dictate the design of exterior security lighting for Emergency Shelters to minimize glare and spillover to adjacent uses.

The goals and policies in the General Plan listed above in Sections I.a and I.c would ensure that light and glare associated with potential future development under the proposed Project are minimized. Similar to the discussions in Sections I.a and I.c above, potential future development permitted under the proposed Project would be required to comply with enumerated general development standards set forth in the City's Muni-

pal Code to ensure compatibility with adjoining land uses. These factors contribute to a *less-than-significant* impact with respect to light and glare.

AGRICULTURE AND FORESTRY RESOURCES	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:				
a) Convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with an existing zoning for agricultural use, or a Williamson Act contract?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code Section 12220(g)), timberland (as defined by Public Resources Code Section 4526), or timberland zoned Timberland Production (as defined by Government Code Section 51104(g))?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Result in the loss of forest land or conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Involve other changes in the existing environment which, due to their location or nature, could result in conversion of farmland to non-agricultural use or of conversion of forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
a) <i>Would the project convert Prime Farmland, Unique Farmland, or Farmland of Statewide Importance (Farmland), as shown on the maps prepared pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency, to non-agricultural use?</i>				

Maps pursuant to the Farmland Mapping and Monitoring Program of the California Resources Agency categorize land within the city as primarily Urban and Built-Up Land.⁸ There are no agricultural lands identified as Prime Farmland, Unique Farmland, or Farmland of Statewide Importance within the City of Menlo Park. Therefore, there would be *no impact*.

b) *Would the project conflict with an existing zoning for agricultural use, or a Williamson Act contract?*

The California Land Conservation (Williamson) Act 2010 Status Report identifies land in Santa Mateo County that is currently under Williamson Act contract.⁹ However, as discussed in response to Section II.a, there is no agricultural land within Menlo Park, and, therefore, implementation of the proposed Project would not conflict with existing zoning for agricultural use, or a Williamson Act contract. Consequently, there would be *no impact*.

⁸ California Department of Conservation, 2010, San Mateo County Important Farmland 2010, <ftp://ftp.consrv.ca.gov/pub/dlrp/FMMP/pdf/2010/smt10.pdf>, accessed on September 23, 2013.

⁹ California Department of Conservation, 2010, California Land Conservation (Williamson) Act 2010 Status Report, page 23, http://www.conservation.ca.gov/dlrp/lca/stats_reports/Documents/2010%20Williamson-%20Act%20Status%20Report.pdf, accessed on September 23, 2013.

- c) *Would the project conflict with existing zoning for, or cause rezoning of, forest land (as defined in Public Resources Code section 12220(g)), timberland (as defined by Public Resources Code section 4526), or timberland zoned Timberland Production (as defined by Government Code Section 51104(g))?*

According to 2003 mapping data from the California Department of Forestry and Fire Protection, the City does not contain any woodland or forest land cover;¹⁰ thus, the City does not contain land zoned for Timberland Production and *no impact* would occur.

- d) *Would the project result in the loss of forest land or conversion of forest land to non-forest use??*

For the reasons provided in response to Sections II.a through II.c, there would be *no impact* in relation to the conversion of farmland to non-agricultural use or forest land to non-forest use.

- e) *Would the project involve other changes in the existing environment which, due to their location or nature, could result in conversion of farmland to non-agricultural use or of conversion of forest land to non-forest use?*

See Sections II.a through II.d above.

AIR QUALITY		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:					
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Violate any air quality standard or contribute substantially to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project area is in non-attainment under applicable federal or State ambient air quality standards (including releasing emissions which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Expose sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

The Bay Area Air Quality Management District (BAAQMD) is the regional air quality agency for the San Francisco Bay Area Air Basin (SFBAAB), which comprises all of Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, and Santa Clara Counties; the southern portion of Sonoma County; and the southwestern portion of Solano County. Accordingly, the City is subject to the rules and regulations imposed by the BAAQMD, as well as the California ambient air quality standards adopted by the California Air Resources Board (CARB) and national ambient air quality standards adopted by the United States Environmental Protection Agency (U.S. EPA).

- a) *Would the project conflict with or obstruct implementation of the applicable air quality plan?*

Potential future development permitted under the proposed Project could potentially have significant impacts on air quality through additional automobile trips associated with an additional housing units. However, the

¹⁰Zoning Map And General Plan Land Use Diagram, City of Menlo Park, 2010, <http://www.menlopark.org/departments/pln/zmap/zmap.pdf>, accessed on September 23, 2013.

BAAQMD does not require project specific analysis for projects proposing less than 520 apartments/condominiums or resulting in less than 2,000 vehicle trips per day. If a project does not exceed either of these thresholds, it is typically assumed to have a less than significant impact on air quality. While no projects have been identified or are proposed as part of the proposed Project, it would not result in any potential future development that would meet or exceed the current BAAQMD standards for air quality impacts.

Residential development in proximity to Highway 101, I-280, and State Routes 84 and 82, and Caltrain tracks could expose sensitive receptors to human health risks associated with toxic air contaminants (TACs). Concentrations of TACs such as diesel particulate matter are much higher near railroads traveled by locomotives and heavily traveled highways and intersections, and prolonged exposure can cause health risks such as cancer, birth defects, and neurological damage. Potential future development permitted under the proposed Project would not increase development potential, but rather would allow for special-needs housing and secondary dwelling units in Residential zoning districts where residential uses currently exist and are accounted for in the 2007-2014 Housing Element. Residential zoning districts are located throughout the City and in some cases are near major thoroughfares. The Emergency Shelter for the Homeless Overlay Zone would be located in the **XX** areas/properties in close proximity to services, jobs, and transit and in some cases near major thoroughfares. While no projects have been identified or are proposed as part of the proposed Project, potential future development permitted under the proposed Project, as necessary (i.e. subject to discretionary review), would be subject to separate environmental review as required under CEQA.

Given the proposed Project would not exceed BAAQMD standards of significance for air quality impacts and compliance with applicable and mandatory regulation (i.e. CEQA), potential future development permitted under the proposed Project would have *no impact* with respect to air quality.

b) *Would the project violate any air quality standard or contribute substantially to an existing or projected air quality violation?*

See Section III.a above.

c) *Would the project result in a cumulatively considerable net increase of any criteria pollutant for which the project area is in non-attainment under applicable federal or State ambient air quality standards (including releasing emissions which exceed quantitative thresholds for ozone precursors)?*

The Bay Area 2010 Clean Air Plan is the current control strategy to reduce ozone, particulate matter (PM), air toxins, and greenhouse gases (GHGs) for the City of Menlo Park. The 2010 Clean Air Plan was based on the ABAG population and employment projections for the San Francisco Bay area, including growth that would be accommodated under the City's General Plan. The BAAQMD monitors air quality at several locations in the San Francisco Bay Air Basin. Historically, problematic criteria pollutants in urbanized areas include ozone, particulate matter, and carbon monoxide. Combustion of fuels and motor vehicle emissions are a major source of each of these three criteria pollutants. Menlo Park is within the San Francisco Bay Area Air Ozone non-attainment area as delineated by the U.S. EPA.

As discussed in Section III.a above, potential future development permitted under the proposed Project would not increase development potential (no new automobile trips or additional housing units), but rather would allow for new types of special-needs housing and secondary dwelling units in Residential zoning districts where residential uses currently exist and are accounted for in the 2007-2014 Housing Element. The Emergency Shelter for the Homeless Overlay Zone would be located in the **XX** areas/properties. Therefore, no increase of criteria air pollutants would occur as a result of potential future development permitted under the proposed Project and impacts would be *less than significant*.

d) *Would the project expose sensitive receptors to substantial pollutant concentrations?*

See Section III.a above.

e) *Would the project create objectionable odors affecting a substantial number of people?*

Odors are also an important element of local air quality conditions. Specific activities allowed within each land use category can raise concerns related to odors on the part of nearby neighbors. Major sources of odors include restaurants and wastewater treatment plants. While sources that generate objectionable odors must comply with air quality regulations, the public’s sensitivity to locally produced odors often exceeds regulatory thresholds.

The type of housing and emergency shelter development that would be permitted under the proposed Project is not considered a major source of odor and would not create objectionable odors to surrounding sensitive land uses. Accordingly, there would be *no impact*.

BIOLOGICAL RESOURCES	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:				
a) Have a substantial adverse effect, either directly or through habitat modifications, on a plant or animal population, or essential habitat, defined as a candidate, sensitive or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.), through direct removal, filling, hydrological interruption, or other means?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Interfere substantially with the movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Conflict with an adopted Habitat Conservation Plan, Natural Community Conservation Plan or other approved local, regional, or state habitat conservation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a) *Would the project have a substantial adverse effect, either directly or through habitat modifications, on a plant or animal population, or essential habitat, defined as a candidate, sensitive or special-status species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?*

Special status plants include those listed as “Endangered,” “Threatened,” or “Candidate for Listing” by the California Department of Fish and Wildlife (CDFW) or the U.S. Fish and Wildlife Service (USFWS), that are included in the California Rare Plant Rank, or that are considered special-status in local or regional plans, policies, or regulations. Special status animals include those listed as “Endangered,” “Threatened,” or “Candidate for Listing” by the CDFW or the USFWS, that are designated as “Watch List,” “Species of Special Concern,” or “Fully Protected” by the CDFW, or that are considered “Birds of Conservation Concern” by the USFWS. There are occurrences of plant and animal species with special-status within the city limits.¹¹

Potential future development permitted under the proposed Project would not increase development potential, but rather would allow for new types of or modified residential housing and secondary dwelling units in Residential zoning districts where residential uses currently exist and are accounted for in the 2007-2014 Housing Element. The Emergency Shelter for the Homeless Overlay Zone would be located in the **XX** areas/properties. Potential impacts from construction of the proposed Project would most likely be related to the removal of trees and other vegetation in these habitats during the nesting season of the migratory birds found in Menlo Park.

The following General Plan policies protect special-status species associated with potential future development.

Land Use and Circulation Element

- Policy IA-3: Quality design and usable open space shall be encouraged in the design of all new residential developments.
- Policy IA-4: Residential uses may be combined with commercial uses in a mixed use project, if the project is designed to avoid conflicts between the uses, such as traffic, parking, noise, dust, and odors.
- Policy IA-7: Development of secondary residential units on existing developed residential lots shall be encouraged consistent with adopted City standards.
- Goal IG: To promote the preservation of open-space lands for recreation, protection of natural resources, the production of managed resources, protection of health and safety, and/or the enhancement of scenic qualities.
- Policy IG-6: The City shall encourage the retention of open space on large tracts of land through consideration of various alternatives to future development including rezoning consistent with existing uses, cluster development, acquisition of a permanent open space easement, and/or transfer of development rights.
- Policy IG-8: The Bay, its shoreline, San Francisquito Creek, and other wildlife habitat and ecologically fragile areas shall be maintained, and preserved to the maximum extent possible. The City shall work in cooperation with other jurisdictions to implement this policy.

¹¹ City of Menlo Park, 2013, Environmental Assessment for the Housing Element Update, General Plan Consistency Update, and Zoning Ordinance Amendments, approved by the City Council on May 21, 2013.

- Policy IG-10: Extensive landscaping should be included in public and private development, including greater landscaping in large parking areas. Where appropriate, the City shall encourage placement of a portion of the required parking in landscape reserve until such time as the parking is needed. Plant material selection and landscape and irrigation design shall adhere to the City's Water Efficient Landscaping Ordinance.
- Policy IH-3: Plant material selection and landscape and irrigation design for City parks and other public facilities and in private developments shall adhere to the City's Water Efficient Landscaping Ordinance (Chapter 12.44 of the Municipal Code).

Open Space and Conservation Element

- Goal OSC1: Protect and Enhance Open Space and Natural Resources: Protect, conserve and enhance valuable natural resources, open areas and designated open space lands rich in scenic value, wildlife or of a fragile ecological nature through conservation and restoration efforts. The approach to natural resources include:
 - Preserve the natural state, unique appeal, and visual amenities of Menlo Park's bay lands and shoreline.
 - Protect the wildlife habitat, scenic value, and natural character of San Francisquito Creek and other riparian corridors.
 - Protect sensitive species and natural communities.
 - Preserve open areas needed for protection from natural hazards.
 - Maintain, preserve, and enhance contiguous open space on Stanford lands within Menlo Park's unincorporated sphere of influence.
 - Protect lands that have inherent qualities to provide visual amenity, including topographic features, views or vistas, street landscape areas, scenic water areas, creeks, and the San Francisco Bay.
 - Provide landscaped areas that visually and environmentally enhance the community.
- Policy OSC1.1: Natural Resources Integration with Other Uses. Protect Menlo Park's natural environment and integrate creeks, utility corridors, and other significant natural and scenic features into development plans.
- Policy OSC1.2: Habitat for Open Space and Conservation Purposes. Preserve, protect, maintain, and enhance water, water-related areas, and plant and wildlife habitat for open space and conservation purposes.
- Policy OSC1.3: Sensitive Habitats. Require new development on or near sensitive habitats to provide baseline assessments prepared by qualified biologists, and specifies requirements about the baseline assessments.
- Policy OSC1.4: Habitat Enhancement. Require new development to minimize the disturbance of natural habitats and vegetation, and requires revegetation of disturbed natural habitat areas with native or non-invasive naturalized species.
- Policy OSC1.5: Invasive, Non-Native Plant Species. Avoid the use of invasive, non-native species, as identified on the lists of invasive plants maintained at the California Invasive Plant Inventory and United

States Department of Agriculture invasive and noxious weeds database, or other authoritative sources, in landscaping on public property.

- Policy OSC1.7: San Francisquito Creek Joint Powers Authority. Continue efforts through San Francisquito Creek Joint Powers Authority to enhance the value of the creek as a community amenity for trails and open space, conservation, and educational opportunities.
- Policy OSC1.8: Regional Open Space Preservation Efforts. Support regional and sub-regional efforts to acquire, develop, and maintain open space conservation lands.
- Policy OSC-1.9: Federal, State, and County Open Space and Conservation Programs. Make maximum use of federal, State, and county programs wherever possible in all matters concerned with open space and conservation.
- Policy OSC1.11: Sustainable Landscape Practices. Encourage the enhancement of boulevards, plazas and other urban open spaces in high-density and mixed-use residential developments, commercial and industrial areas with landscaping practices that minimize water usage.
- Policy OSC1.15: Heritage Trees. Protect Heritage Trees, including during construction activities through enforcement of the Heritage Tree Ordinance (Chapter 13.24 of the Municipal Code).

Implementation of these General Plan policies as well as compliance with federal and State laws, including but not limited to, the Migratory Bird Treaty Act, Clean Water Act, Federal and California Endangered Species Acts, and California Native Plant Protection Act would ensure impacts to special-status species associated with potential future development that could occur through implementation of the proposed Project would be *less than significant*.

b) *Would the project have a substantial adverse effect on any riparian habitat or other sensitive natural community identified in local or regional plans, policies, regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?*

The recognized sensitive natural communities of Menlo Park are its wetlands and oak woodlands.

While some existing Residential zoning districts are located adjacent to San Francisquito Creek, a valuable urban riparian habitat, construction of second dwelling units in existing residential districts housing in this area would not result in the conversion of creek channel habitat or removal of vegetation from within the banks of the creek. Construction of second units could result in removal of vegetation such as trees and shrubs not within the creek itself, but riparian habitat adjacent to the creek. Where the creek enters residential neighborhoods, the creek is narrow and incised, and homes on lots bordering the creek are edged by steep creek banks.¹² In instances of large lots and/or tall trees, vegetation on the residential lots immediately adjacent could provide additional nesting and foraging opportunities for riparian-associated species, particularly birds and bats. Generally, impacts would be limited to removal of vegetation (to trees or bushes) on already developed lots.

Removal of trees over 15 inches in diameter (10 inches in diameter for native Oaks) would trigger the Heritage Tree Ordinance, which requires a tree replacement ratio of one tree planted for one Heritage Tree removed.

¹² San Francisquito Creek Joint Powers Authority, 2006. San Francisquito Creek Bank Stabilization and Revegetation Master Plan. Accessed January 10, 2013 from <http://www.menlopark.org/creek/ECRSection4.pdf>.

While the proposed Emergency Shelter for the Homeless Overlay Zone could occur within the **XX** areas/properties adjacent **[Note to Reader: To be confirmed once areas/properties are selected]** to coastal salt ponds, potential future development as a result of implementing the proposed Project in this area would occur on lands that are currently developed and would not increase runoff potential that could directly impact the salt ponds. Furthermore, wetlands and other waters are protected under the federal Clean Water Act and the State's Porter-Cologne Water Quality Control Act are under the jurisdiction of the U.S. Army Corps of Engineers and the San Francisco Bay Regional Water Quality Control Board. Federal and State regulations require avoidance of impacts to the extent feasible, and compensation for unavoidable losses of jurisdictional wetlands and waters. The General Plan goals, policies, and programs described in Section IV.a above would reduce impacts to sensitive habitats (i.e. oak woodlands and riparian habitats). These goals, policies, and actions provide a comprehensive approach for addressing and mitigating the direct and indirect impacts of anticipated development on or near riparian habitat or other sensitive natural communities. Therefore, implementation of the proposed Project, in combination with Municipal Code Chapters 13.24 (Heritage Tree Ordinance) and 12.44 (Water-Efficient Landscaping), which prohibits the use of invasive and/or noxious plant species in landscaping, and federal and State laws, would reduce potential impacts to sensitive habitats to a *less-than-significant* level.

- c) *Would the project have a substantial adverse effect on federally protected wetlands as defined by Section 404 of the Clean Water Act (including, but not limited to, marsh, vernal pool, coastal, etc.), through direct removal, filling, hydrological interruption or other means?*

See Section IV.b above.

- d) *Would the project interfere substantially with the movement of any native resident or migratory fish or wildlife species, or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?*

San Francisquito Creek provides a valuable wildlife movement corridor and nursery site, despite its location within the urbanized setting of the Study Area. As discussed in Sections IV.b and IV.c, the Residential zoning districts affected by secondary dwelling units could be developed on existing residential lots along the creek. Construction of secondary dwelling units on lots adjacent to the creek would not necessitate alteration of the creek or removal of vegetation within the creek channel. Hence, travel of species within the creek channel would not be obstructed under the proposed Project. However, construction of secondary dwelling units on lots adjacent to the creek may necessitate removal of vegetation along creek banks, or result in obstructions along the creek banks. There are numerous policies in the Land Use and Circulation, and Open Space and Conservation Elements of the General Plan that serve to protect and enhance sensitive biological resources and the important wildlife habitat the San Francisquito Creek provides. Therefore, compliance with the goals and policies listed under Sections IV.b and IV.c above, in combination with Municipal Code Chapters 13.24 (Heritage Tree Ordinance) and 12.44 (Water-Efficient Landscaping), and federal and State laws, would ensure that impacts to the wildlife movement corridor and nursery site that the San Francisquito Creek supports would be *less than significant*.

- e) *Would the project conflict with any local policies or ordinances protecting biological resources, such as a tree preservation policy or ordinance?*

Chapter 13.24 of the City's Municipal Code is known as the "Heritage Tree Ordinance" protects the stands of oak, bay and other trees in the City. The preservation of these trees is necessary for the health and welfare of the citizens of this city in order to preserve the scenic beauty and historical value of trees, prevent erosion of topsoil and sedimentation in waterways, protect against flood hazards and landslides, counteract the pollu-

tants in the air, maintain the climatic balance, and decrease wind velocities. It is the intent of Chapter 13.24 to establish regulations for the removal of heritage trees within the city in order to retain as many trees as possible consistent with the purpose of the chapter and the reasonable economic enjoyment of private property. If potential future development under the proposed Project were to impact a heritage tree, it would be required to comply with the City’s Heritage Tree Ordinance before any tree could be removed. Tree removal permits would be secured before any qualifying tree removal action occurred. Potential future development permitted under the proposed Project would have to comply with this City ordinance. With adherence to the General Plan policies described in Section IV.a and this Ordinance, no conflicts are anticipated, and impacts would be considered *less than significant*.

f) *Would the project conflict with an adopted Habitat Conservation Plan, Natural Community Conservation Plan or other approved local, regional, or state habitat conservation plan?*

There are no adopted Habitat Conservation Plans (HCPs) or Natural Community Conservation Plans within the city limit. At the time of writing this Initial Study, Stanford University is preparing an HCP that has not yet been adopted. The Final Environmental Impact Statement for the Stanford HCP has been published and HCP implementation is pending the approval of the Incidental Take Permit application with USFWS.¹³ Portions of the City’s SOI are within unincorporated San Mateo County are included in the Stanford HCP, but no potential housing under the Housing Element are located in the Stanford HCP. Once adopted, any development that takes place within the Stanford HCP boundaries would be subject to the standards set forth in the Stanford HCP. Consequently, there would be *no impact*.

CULTURAL RESOURCES		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:					
a) Cause a substantial adverse change in the significance of a historical resource as defined in California Code of Regulations Section 15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Cause a substantial adverse change in the significance of an archaeological resource pursuant to California Code of Regulations Section 15064.5?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Disturb any human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

a) *Would the project cause a substantial adverse change in the significance of a historical resource as defined in Section 15064.5?*

The types of cultural resources that meet the definition of historical resources under CEQA generally consist of districts, sites, buildings, structures, and objects that are significant for their traditional, cultural, and/or historical associations. Commonly, the two main resource types that are subject to impact, and that may be impacted by potential future development allowed under the proposed Project, are historical archaeological deposits and historical architectural resources, as discussed below. Human remains are addressed in Section V.d below

¹³ Stanford University, Stanford University Habitat Conservation Plan Project Schedule, <http://hcp.stanford.edu/schedule.html>, accessed on September 23, 2013.

Cultural resources are protected by federal and State regulations and standards, including, but not limited to, the National Historic Preservation Act, the California Public Resources Code, and CEQA. If the potential future development under the proposed Project or adjacent properties are found to be eligible for listing on the California Register, the development would be required to conform to the current Secretary of the Interior's Standards for Treatment of Historic Properties with Guidelines for Preserving, Rehabilitating, and Restoring Historic Buildings, which require the preservation of character defining features which convey a building's historical significance, and offers guidance about appropriate and compatible alterations to such structures.

Historical and pre-contact archaeological deposits that meet the definition of historical resources under CEQA could be damaged or destroyed by ground-disturbing activities associated with potential future development allowed under the proposed Project. Should this occur, the ability of the deposits to convey their significance, either as containing information important in prehistory or history, or as possessing traditional or cultural significance to Native American or other descendant communities, would be materially impaired.

It is highly improbable that archaeological deposits and/or architectural resources associated with the historic period of Menlo Park would be impacted by potential future development as this development would be concentrated in and around a highly urban area, where development will have a lesser impact on historical archeological and/or architectural resources.

Implementation of the following General Plan goal and polices would provide for the identification of archaeological deposits prior to actions that may disturb such deposits; the preservation and protection of such deposits; the evaluation of unanticipated finds made during construction; and the protection and respectful treatment of human remains associated with archaeological deposits. Furthermore, this goal and policies would protect historical resources in the Study Area by providing for the early detection of potential conflicts between development and resource protection, and by preventing or minimizing the material impairment of the ability of archaeological deposits to convey their significance through excavation or preservation.

Open Space and Conservation Element

- Policy OSC1.15: Heritage Trees: Protect Heritage Trees, including during construction activities through enforcement of the Heritage Tree Ordinance (Chapter 13.24 of the Municipal Code).
- Goal OSC3: Protect and Enhance Historic Resources: Protect and enhance cultural and historical resources for their aesthetic, scientific, educational, and cultural values.
- Policy OSC3.1: Prehistoric or Historic Cultural Resources Investigation and Preservation. Preserve historical and cultural resources to the maximum extent practical.
- Policy OSC3.2: Prehistoric or Historic Cultural Resources Protection. Require significant historic or prehistoric artifacts be examined by a qualified consulting archaeologist or historian for appropriate protection and preservation, and to ensure compliance with local, state and federal regulations.
- Policy OSC3.3: Archaeological or Paleontological Resources Protection. Protect prehistoric or historic cultural resources either on-site or through appropriate documentation as a condition of removal. Require that when a development project has sufficient flexibility, avoidance and preservation of the resource shall be the primary mitigation measure, unless the City identifies superior mitigation. If resources are documented, undertake coordination with descendants and/or stakeholder groups, as warranted.

- Policy OSC3.4: Prehistoric or Historic Cultural Resources Found During Construction. Require that if cultural resources, including archaeological or paleontological resources, are uncovered during grading or other on-site excavation activities, construction shall stop until appropriate mitigation is implemented.
- Policy OSC3.5: Consultation with Native American Tribes: Consult with those Native American tribes with ancestral ties to the Menlo Park city limits regarding General Plan Amendments and land use policy changes.
- Policy OSC3.6: Identification of Potential Historic Resources: Identify historic resources for the historic district in the Zoning Ordinance and require design review of proposals affecting historic buildings.

Land Use and Circulation Element

- Policy IA-2: New residential developments shall be designed to be compatible with Menlo Park's residential character.
- Policy IA-7: Development of secondary residential units on existing developed residential lots shall be encouraged consistent with adopted City standards.

2007-2014 Housing Element

- Policy IH-11: Buildings, objects, and sites of historic and/or cultural significance should be preserved.
- Policy H4.3: The City will review proposed new housing in order to achieve excellence in development design through an efficient process and will encourage infill development on vacant and underutilized sites that is harmonious with the character of Menlo Park residential neighborhoods. New construction in existing neighborhoods shall be designed to emphasize the preservation and improvement of the stability and character of the individual neighborhood.

The City will also encourage innovative design that creates housing opportunities that are complementary to the location of the development. It is the City's intent to enhance neighborhood identity and sense of community by ensuring that all new housing will (1) have a sensitive transition with the surrounding area, (2) avoid unreasonably affecting the privacy of neighboring properties, or (3) avoid impairing access to light and air of structures on neighboring properties.

Implementation of the goal and policies identified above, as well as compliance with federal and State laws, would reduce potential impacts to historical resources to a *less-than-significant* level.

b) *Would the project cause a substantial adverse change in the significance of an archaeological resource pursuant to Section 15064.5?*

Archaeological deposits that meet the definition of unique archaeological resources under CEQA could be damaged or destroyed by ground disturbing activities associated with future potential development under the proposed Project.¹⁴ Should this occur, the ability of the deposits to convey their significance, either as con-

¹⁴ If the cultural resource in question is an archaeological site, CEQA Guidelines Section 15064.5(c)(1) requires that the lead agency first determine if the site is a historical resource as defined in CEQA Guidelines Section 15064.5(a). If the site qualifies as a historical resource, potential adverse impacts must be considered through the process that governs the treatment of historical resources. If the archaeological site does not qualify as a historical resource but does qualify as a unique archaeological site, then it is treated in accordance with PRC Section 21083.2 (CEQA Guidelines Section 15064.5(c)(3)). In practice, most archaeological sites that meet the definition of a unique archaeological resource will also meet the definition of a historical resource.

taining information important in prehistory or history, or as possessing traditional or cultural significance to Native American or other descendant communities, would be materially impaired. In addition to the likely presence of unrecorded Native American archaeological sites, it is highly improbable that significant archaeological deposits exist in the Study Area.

However, as described above in Section V.a, the General Plan includes a goal and several policies that would address potential impacts to archaeological deposits. Any potential future development would provide for the identification of archaeological deposits prior to actions that may disturb such deposits; the preservation and protection of such deposits; the evaluation of unanticipated finds made during construction; and the protection and respectful treatment of human remains associated with archaeological deposits.

Compliance with General Plan policies would provide for the protection of archaeological deposits in the Study Area by providing for the early detection of potential conflicts between development and resource protection, and by preventing or minimizing the material impairment of the ability of archaeological deposits to convey their significance through excavation or preservation. Implementation of the goal and policies identified above, as well as compliance with federal and State laws, would reduce potential impacts to archaeological deposits to a *less-than-significant* level.

c) *Would the project directly or indirectly destroy a unique paleontological resource or site or unique geologic feature?*

No known fossils or unique paleontological resources or unique geologic features are present in the Study Area; however, geological formations underlying Menlo Park have the potential for containing paleontological resources (i.e. fossils). There could also be fossils of potential scientific significance in other geological formations that are not recorded in the database. It is possible that ground-disturbing construction associated with potential future development under the proposed Project could reach significant depths below the ground surface. Should this occur, damage to, or destruction of, paleontological resources could result, which would prevent the realization of their scientific data potential through documentation and analysis.

The General Plan Open Space and Conservation Element includes two policies that will provide for the mitigation of impacts to paleontological resources. Policy OSC3.3 protect prehistoric or historic cultural resources either on-site or through appropriate documentation as a condition of removal and Policy OSC3.4 requires that if cultural resources, including archaeological or paleontological resources, are uncovered during grading or other on-site excavation activities, construction shall stop until appropriate mitigation is implemented.

The policies described above provide for the protection of paleontological resources in the Study Area by providing for work to stop to prevent additional disturbance of finds discovered during construction, and providing for the recovery of scientifically consequential information that would offset the loss of the resource. Implementation of the policies identified above, as well as compliance with federal and State laws, would reduce potential impacts to paleontological resources to a *less-than-significant* level.

d) *Would the project disturb any human remains, including those interred outside of formal cemeteries?*

Human remains associated with pre-contact archaeological deposits could exist in the Study Area, and could be encountered during at the time potential future development occurs. The associated ground-disturbing activities, such as site grading and trenching for utilities, have the potential to disturb human remains interred outside of formal cemeteries. Descendant communities may ascribe religious or cultural significance to such remains and may view their disturbance as an unmitigable impact. Disturbance of unknown human remains would be a significant impact.

However, any human remains encountered during ground-disturbing activities are required to be treated in accordance with California Health and Safety Code Section 7050.5, Public Resources Code Section 5097.98 and the California Code of Regulations Section 15064.5(e) (CEQA), which state the mandated procedures of conduct following the discovery of human remains. According to the provisions in CEQA, if human remains are encountered at the site, all work in the immediate vicinity of the discovery shall cease and necessary steps to ensure the integrity of the immediate area shall be taken. The San Mateo County Coroner shall be notified immediately. The Coroner shall then determine whether the remains are Native American. If the Coroner determines the remains are Native American, the Coroner shall notify the Native American Heritage Commission (NAHC) within 24 hours, who will, in turn, notify the person the NAHC identifies as the Most Likely Descendant (MLD)¹⁵ of any human remains. Further actions shall be determined, in part, by the desires of the MLD. The MLD has 48 hours to make recommendations regarding the disposition of the remains following notification from the NAHC of the discovery. If the MLD does not make recommendations within 48 hours, the owner shall, with appropriate dignity, reinter the remains in an area of the property secure from further disturbance. Alternatively, if the owner does not accept the MLD's recommendations, the owner or the descendent may request mediation by the NAHC. Through mandatory regulatory procedures described above impacts to human remains would be *less than significant*.

GEOLOGY AND SOILS	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:				
a) Expose people or structures to potential substantial adverse effects, including the risk of loss, injury or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
iv) Landslides, mudslides or other similar hazards?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Result in substantial soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on expansive soil, as defined in Section 1803.5.3 of the California Building Code, creating substantial risks to life or property?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

¹⁵ "Native American Most Likely Descendant" is a term used in an official capacity in *CEQA Guidelines* Section 15064.5(e), and other places, to refer to Native American individuals assigned the responsibility/opportunity by NAHC to review and make recommendations for the treatment of Native American human remains discovered during project implementation. Section 5097.98 of the Public Resources Code and Section 7050.5 of the Health and Safety Code also reference Most Likely Descendants.

GEOLOGY AND SOILS	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:				
e) Have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a) *Would the project expose people or structures to potential substantial adverse effects, including the risk of loss, injury or death involving: i) rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42; ii) strong seismic ground shaking; iii) seismic-related ground failure, including liquefaction; iv) landslides, mudslides, or other similar hazards?*

There are no Alquist-Priolo Earthquake Fault Zones that have been mapped within the Study Area and the potential for ground rupture is therefore considered low for any potential future housing in the Study Area. However, in the event of a large, magnitude 6.7 or greater seismic event, much of the Study Area is projected to experience “strong” to “very strong” ground shaking, with the most intense shaking forecast for the northeastern part of the Study Area.¹⁶ Similarly, certain northeastern parts of the Study Area, particularly those areas underlain by Bay Muds, are judged to have a very high potential for seismically-induced liquefaction. However, all future residential development would be subject to existing federal, State, and local regulations and the following General Plan policies and programs:

Safety Element

- Goal S-1: Assure a Safe Community. Minimize risk to life and damage to the environment and property from natural and human-caused hazards, and assure community emergency preparedness and a high level of public safety services and facilities.
- Policy S1.3: Hazard Data and Standards. Integrate hazard data (geotechnical, flood, fire, etc.) and risk evaluations into the development review process and maintain, develop and adopt up-to-date standards to reduce the level of risk from natural and human-caused hazards for all land use.
- Policy S1.7: California Building Standards Code. Encourage the reduction of seismically vulnerable buildings and buildings susceptible to other hazards through enforcement of the California Building Standards Code and other programs.
- Policy S1.13: Geotechnical Studies. Require site-specific geologic and geotechnical studies for land development or construction in areas of potential land instability as shown on the State and/or local geologic hazard maps or identified through other means.
- Policy S1.14: Potential Land Instability. Prohibit development in areas of potential land instability identified on State and/or local geologic hazard maps, or identified through other means, unless a geologic investigation demonstrates hazards can be mitigated to an acceptable level as defined by the State of California.

¹⁶ California Seismic Safety Commission (CSSC), California Geological Survey (CGS), California Emergency Management Agency (CalEMA), and United States Geological Survey (USGS), *Earthquake Shaking Potential for the San Francisco Bay Region*, 2003, <http://quake.abag.gov/earthquakes/sanmateo/>, accessed on November 11, 2013.

- Policy S1.5: New Habitable Structures. Require that all new habitable structures to incorporate adequate hazard mitigation measures to reduce identified risks from natural and human-caused hazards.

Compliance with existing federal, State, and local regulations and the goals and policies listed above would ensure that the impacts associated with seismic hazards are minimized to the maximum extent practicable. Consequently, overall, associated seismic hazards impacts would be *less than significant*.

b) *Would the project result in substantial soil erosion or the loss of topsoil?*

Unstable geologic units are known to be present within the Study Area. The impacts of such unstable materials include, but may not be limited to, subsidence in the diked baylands, where the underlying fill has been described as highly compressible. Such subsidence has been exacerbated by historical groundwater overdraft. Areas underlain by thick colluvium or poorly engineered fill as well as low-lying areas along the Bay margins may also be prone to subsidence. Potential housing locations that lie in the northeastern part of the Study Area atop mapped artificial fill, could be at greater risk for subsidence. However, compliance with General Plan Policy S1.13, which requires site-specific geologic and geotechnical studies for land development or construction in areas of potential land instability as shown on the State and/or local geologic hazard maps or identified through other means, would reduce the potential impacts to future development from an unstable geologic unit or soil to a *less-than-significant* level.

c) *Would the project be located on a geologic unit or soil that is unstable, or that would become unstable as a result of the project, and potentially result in on- or off-site landslide, lateral spreading, subsidence, liquefaction or collapse?*

Unstable geologic units are known to be present within the Study Area. The impacts of such unstable materials include, but may not be limited to subsidence in the diked baylands, where the underlying fill has been described as highly compressible. Such subsidence has been exacerbated by historical groundwater overdraft. Areas underlain by thick colluvium or poorly engineered fill as well as low-lying areas along the Bay margins may also be prone to subsidence. Substantial soil erosion or loss of topsoil during construction could undermine structures and minor slopes, and this could be a concern of nearly all future development under the proposed Project. However, compliance with existing regulatory requirements, such as implementation of erosion control measures as specified in the City of Menlo Park Engineering Division's Grading and Drainage Control Guidelines, would reduce impacts from erosion and the loss of topsoil. Examples of these control measures include hydroseeding or short-term biodegradable erosion control blankets; vegetated swales, silt fences, or other inlet protection at storm drain inlets; post-construction inspection of drainage structures for accumulated sediment; and post-construction clearing of debris and sediment from these structures. Furthermore, the future development permitted by the proposed Project would be concentrated on highly urban sites, where development would result in limited soil erosion or loss of topsoil. In addition, compliance with General Plan Policy S1.13, which requires site-specific geologic and geotechnical studies for land development or construction in areas of potential land instability as shown on the State and/or local geologic hazard maps or identified through other means, would reduce the potential impacts to future development from an unstable geologic unit or soil to a less-than-significant level. Therefore, adherence to existing regulatory requirements would ensure that impacts associated with substantial erosion and loss of topsoil during the future development of the housing sites would be *less than significant*.

d) *Would the project be located on expansive soil, as defined in Section 1803.5.3 of the California Building Code, creating substantial risks to life or property?*

The pattern of expansive soils within the Study Area is such that expansive soils (denoted by soils with high linear extensibility and plasticity index) are most prevalent in the northeastern part of the Study Area, in the neighborhoods that lie closest to San Francisco Bay. However, development of housing would be subject to

the California Building Code (CBC) regulations and provisions, as adopted in Chapter 12.04 of the City’s Municipal Code and enforced by the City during plan review prior to building permit issuance. The CBC contains specific requirements for seismic safety, excavation, foundations, retaining walls, and site demolition, and also regulates grading activities, including drainage and erosion control. Furthermore, requirements for geologic/geotechnical reports at development locations identified as “potential problem areas” are bolstered by various goals, programs, and policies within the Seismic Safety and Safety Element of the General Plan as listed under Section VI.a above. Thus, compliance with existing regulations and policies would ensure impacts to the future development permitted under the proposed Project would be reduced to a *less-than-significant* level.

e) *Would the project have soils incapable of adequately supporting the use of septic tanks or alternative wastewater disposal systems where sewers are not available for the disposal of wastewater?*

Potential future development under the proposed Project would occur in the existing built environment. Connection to the sewer system is available in these areas; therefore, *no impact* regarding the capacity of the soil in the area to accommodate septic tanks or alternate wastewater disposal systems would occur.

GREENHOUSE GAS EMISSIONS				
Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable plan, policy, or regulation of an agency adopted for the purpose of reducing the emissions of GHGs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) *Would the project generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the environment?*

In 2006, California adopted Assembly Bill 32 (AB 32), the Global Warming Solutions Act of 2006. AB 32 established a statewide GHG emissions reduction goal to reduce statewide GHG emissions levels to 1990 levels by 2020. Assembly Bill 32 established a legislative short-term (2020) mandate for State agencies in order to set the State on a path toward achieving the long-term GHG reduction goal of Executive Order S-03-05 to stabilize carbon dioxide (CO₂) emissions by 2050. The City of Menlo Park adopted a 2011 *Climate Action Plan Assessment Report* to ensure consistency with statewide efforts to reduce GHG emissions under AB 32 in 2011.

The General Plan Housing Element and the Zoning Ordinance are regulatory documents that establish goals and polices that guide development, as well as outline various districts within the boundaries of the city and restrictions for erecting, constructing, altering, or maintaining certain buildings, identifying certain trades or occupations, and makes certain uses of lands. The proposed Project does not directly result in development in and of itself. Before any development can occur in the city, all such development is required to be analyzed for conformance with the General Plan, Zoning Ordinance, and other applicable local and State requirements; comply with the requirements of CEQA; and obtain all necessary clearances and permits.

Future development in Menlo Park could contribute to global climate change through direct and indirect emissions of GHG from transportation sources, energy (natural gas and purchased energy), water/wastewater

use, waste generation, and other off-road equipment (e.g. landscape equipment, construction activities). Potential future development under the proposed Project would not increase development potential in Menlo Park beyond what was considered in the General Plan and the current Housing Element (2007-2014). Consequently, implementation of the proposed Project would result in a *less-than-significant* impact related to contributing to GHG emissions that could have a significant effect on the environment and conflicting with an applicable plan adopted for the purpose of reducing GHG emissions.

b) *Would the project conflict with an applicable plan, policy, or regulation of an agency adopted for the purpose of reducing the emissions of GHGs?*

See Section VII.a above.

HAZARDS & HAZARDOUS MATERIALS				
Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
a) Create a significant hazard to the public or the environment through the routine transport, use or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous materials, substances or waste within one-quarter mile of an existing or proposed school?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Be located on a site which is included on a list of hazardous material sites compiled pursuant to Government Code Section 65962.5 and, as a result, create a significant hazard to the public or the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within 2 miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h) Expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are inter-mixed with wildlands?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) *Would the project create a significant hazard to the public or the environment through the routine transport, use or disposal of hazardous materials?*

State-level agencies, in conjunction with the U.S. EPA and Occupational Safety and Health Administration (OSHA) regulate removal, abatement, and transport procedures for asbestos-containing materials. Asbestos-

containing materials (ACMs) are materials that contain asbestos, a naturally-occurring fibrous mineral that has been mined for its useful thermal properties and tensile strength. Releases of asbestos from industrial, demolition, or construction activities are prohibited by these regulations and medical evaluation and monitoring is required for employees performing activities that could expose them to asbestos. Additionally, the regulations include warnings that must be heeded and practices that must be followed to reduce the risk for asbestos emissions and exposure. Finally, federal, State, and local agencies must be notified prior to the onset of demolition or construction activities with the potential to release asbestos.

Lead-based paint (LBP), which can result in lead poisoning when consumed or inhaled, was widely used in the past to coat and decorate buildings. Lead poisoning can cause anemia and damage to the brain and nervous system, particularly in children. Like ACMs, LBP generally does not pose a health risk to building occupants when left undisturbed; however, deterioration, damage, or disturbance will result in hazardous exposure. In 1978, the use of LBP was federally banned by the Consumer Product Safety Commission. Therefore, only buildings built before 1978 are presumed to contain LBP, as well as buildings built shortly thereafter, as the phase-out of LBP was gradual.

The U.S. EPA prohibited the use of polychlorinated biphenyls (PCBs) in the majority new electrical equipment starting in 1979, and initiated a phase-out for much of the existing PCB-containing equipment. The inclusion of PCBs in electrical equipment and the handling of those PCBs are regulated by the provisions of the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq. (TSCA). Relevant regulations include labeling and periodic inspection requirements for certain types of PCB-containing equipment and outline highly specific safety procedures for their disposal. The State of California likewise regulates PCB-laden electrical equipment and materials contaminated above a certain threshold as hazardous waste; these regulations require that such materials be treated, transported, and disposed accordingly. At lower concentrations for non-liquids, regional water quality control boards may exercise discretion over the classification of such wastes.

The California Division of Occupational Safety and Health's (Cal OSHA) Lead in Construction Standard is contained in Title 8, Section 1532.1 of the California Code of Regulations. The regulations address all of the following areas: permissible exposure limits (PELs); exposure assessment; compliance methods; respiratory protection; protective clothing and equipment; housekeeping; medical surveillance; medical removal protection (MRP); employee information, training, and certification; signage; record keeping; monitoring; and agency notification.

Potentially hazardous building materials (i.e. ACM, lead-based paint, PCBs, mercury) may be encountered during the demolition of existing structures, if required under the proposed Project. The removal of these materials (if present) by contractors licensed to remove and handle these materials in accordance with existing federal, State, and local regulations would insure that risks associated with the transport, storage, use, and disposal of such materials would be less than significant.

Common cleaning substances, building maintenance products, paints and solvents, and similar items would likely be stored, and used, at the future housing and emergency shelter developments that could occur under the proposed Project. These potentially hazardous materials, however, would not be of a type or occur in sufficient quantities to pose a significant hazard to public health and safety or the environment. Consequently, associated impacts from implementation of the proposed Project would be *less than significant*.

b) *Would the project create a significant hazard to the public or the environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?*

As described in Section VIII.a above, the storage and use of common cleaning substances, building maintenance products, and paints and solvents in the potential development planned for under the proposed Project could likely occur; however, these potentially hazardous substances would not be of a type or occur in sufficient quantities on-site to pose a significant hazard to public health and safety or the environment. Consequently, overall, associated hazardous materials impacts would be *less than significant*.

Furthermore, compliance with the following General Plan goals, policies, and programs would ensure impacts would be minimized.

Safety Element

- Goal S1: Assure a Safe Community. Minimize risk to life and damage to the environment and property from natural and human-caused hazards, and assure community emergency preparedness and a high level of public safety services and facilities.
- Policy S1.3: Hazard Data and Standards. Integrate hazard data (geotechnical, flood, fire, etc.) and risk evaluations into the development review process and maintain, develop and adopt up-to-date standards to reduce the level of risk from natural and human-caused hazards for all land use.
- Policy S1.5: New Habitable Structures. Require that all new habitable structures to incorporate adequate hazard mitigation measures to reduce identified risks from natural and human-caused hazards.
- Policy S1.16: Hazardous Materials Regulations. Review and strengthen, if necessary, regulations for the structural design and/or uses involving hazardous materials to minimize risk to local populations. Enforce compliance with current State and local requirements for the manufacturing, use, storage, transportation, and disposal of hazardous materials, and the designation of appropriate truck routes in Menlo Park.
- Policy S1.19: Disposal of Existing Hazardous Materials on Sites Planned for Housing. Require that sites planned for housing be cleared of hazardous materials (paint, solvents, chlorine, etc.) and the hazardous materials disposed in compliance with State and Federal laws.
- Policy S1.18: Potential Hazardous Materials Conditions Investigation. Require developers to conduct an investigation of soils, groundwater and buildings affected by hazardous-material potentially released from prior land uses in areas historically used for commercial or industrial uses, and to identify and implement mitigation measures to avoid adversely affecting the environment or the health and safety of residents or new uses.
- Policy S1.17: Potential Exposure of New Residential Development to Hazardous Materials. Minimize risk associated with hazardous materials by assessing exposure to hazardous materials of new residential development and sensitive populations near existing industrial and manufacturing areas. Minimize risk associated with hazardous materials.

c) *Would the project emit hazardous emissions or handle hazardous materials, substances or waste within one-quarter mile of an existing or proposed school?*

While the majority of schools in Menlo Park are within ¼-mile of a zone affected by the proposed Project, the implementation of the proposed Project allows for new special-needs housing and secondary dwelling units in Res-

idential zoning districts where residential uses currently exist and are accounted for in the 2007-2014 Housing Element. Furthermore, the Emergency Shelter for the Homeless Overlay Zone would be located in the highly urbanized areas within the **XX** areas/properties. As such there would be no increase in the risk of hazardous emissions as discussed above in Sections VIII.a and VIII.b above. As a result impacts to schools would be *less than significant*.

d) *Would the project be located on a site which is included on a list of hazardous material sites compiled pursuant to Government Code Section 65962.5 and, as a result, create a significant hazard to the public or the environment?*

It is assumed that any secondary dwelling unit that could be permitted under the proposed Project would occur on a site where existing residential uses currently exist, and therefore would not be located on a site with hazardous materials and no impact would occur. However, records searches of the Envirostor database identify that there are locations within the City that are listed under the Spills, Leaks, Investigation, and Cleanups (SLIC) program and as locations of former Leaking Underground Fuel Tanks (LUFTs) **[Note to Reader: To be confirmed once areas/properties are selected]**.¹⁷ Continued compliance with applicable federal, State, and local regulations, (see Section VIII.a) and implementation of the following General Plan goal and policies would ensure that associated impacts are reduced to the maximum extent practicable. Therefore, any potential future development that could occur under the proposed Project would not create a significant hazard to the public or the environment by virtue of being identified as a hazardous materials site and impacts related to existing hazardous material sites would be *less than significant*.

Safety Element

- Goal S1: Assure a Safe Community. Minimize risk to life and damage to the environment and property from natural and human-caused hazards, and assure community emergency preparedness and a high level of public safety services and facilities.
- Policy S1.3: Hazard Data and Standards. Integrate hazard data (geotechnical, flood, fire, etc.) and risk evaluations into the development review process and maintain, develop and adopt up-to-date standards to reduce the level of risk from natural and human-caused hazards for all land use.
- Policy S1.5: New Habitable Structures. Require that all new habitable structures to incorporate adequate hazard mitigation measures to reduce identified risks from natural and human-caused hazards.
- Policy S1.16: Hazardous Materials Regulations. Review and strengthen, if necessary, regulations for the structural design and/or uses involving hazardous materials to minimize risk to local populations. Enforce compliance with current State and local requirements for the manufacturing, use, storage, transportation and disposal of hazardous materials, and the designation of appropriate truck routes in Menlo Park.
- Policy S1.17: Potential Exposure of New Residential Development to Hazardous Materials. Minimize risk associated with hazardous materials by assessing exposure to hazardous materials of new residential development and sensitive populations near existing industrial and manufacturing areas. Minimize risk associated with hazardous materials.
- Policy S1.18: Potential Hazardous Materials Conditions Investigation. Require developers to conduct an investigation of soils, groundwater and buildings affected by hazardous-material potentially released from prior land uses in areas historically used for commercial or industrial uses, and to identify and implement

¹⁷ City of Menlo Park, 2013, Environmental Assessment for the Housing Element Update, General Plan Consistency Update, and Zoning Ordinance Amendments, approved by the City Council on May 21, 2013.

mitigation measures to avoid adversely affecting the environment or the health and safety of residents or new uses.

- Policy S1.19: Disposal of Existing Hazardous Materials on Sites Planned for Housing. Require that sites planned for housing be cleared of hazardous materials (paint, solvents, chlorine, etc.) and the hazardous materials disposed in compliance with State and federal laws.

- e) *For a project within an airport land use plan or, where such a plan has not been adopted, within two miles of a public airport or public use airport, would the project result in a safety hazard for people residing or working in the project area?*

The Study Area is located approximately 2 miles from Palo Alto Airport, but no portions of the city are within the airport safety zones established by the Palo Alto Airport Comprehensive Land Use Plan.¹⁸ The Study Area is more than 2 miles from the San Francisco International and San Carlos Airports to the north and Moffett Federal Airlifted to the south. Given the distances from the nearest public use airports, the Study Area would not be subject to any airport safety hazards. The proposed Project would also not have an adverse effect on aviation safety or flight patterns. Thus, there would be *no impact* related to public airport hazards.

- f) *For a project within the vicinity of a private airstrip, would the project result in a safety hazard for people residing or working in the project area?*

The Stanford University Hospital operates one heliport, which is located approximately 0.4-mile to the southeast of border with Menlo Park. Due to limited and sporadic heliport use for medical emergencies, and distance to Menlo Park, there would be *no impact* related to safety hazards for people residing or working in zoning districts affected by the proposed Project. Thus, there would be *no impact* related to private airstrip hazards.

- g) *Would the project impair implementation of or physically interfere with an adopted emergency response plan or emergency evacuation plan?*

The proposed Project does not include potential land use changes that would impair or physically interfere with the ability to implement the City's Emergency Operation Plan (adopted in 2011) or the City's Disaster Preparedness Manual. Implementation of the following General Plan policies and programs would ensure that new development in the Study Area would not conflict with emergency operations in the Study Area.

Safety Element

- Goal S1: Assure a Safe Community. Minimize risk to life and damage to the environment and property from natural and human-caused hazards, and assure community emergency preparedness and a high level of public safety services and facilities.
- Policy S1.5: New Habitable Structures. Require that all new habitable structures incorporate adequate hazard mitigation measures to reduce identified risks from natural and human-caused hazards.
- Policy S1.11: Visibility and Access to Address Safety Concerns. Require that residential development be designed to permit maximum visibility and access to law enforcement and fire control vehicles consistent with privacy and other design considerations.

¹⁸ Santa Clara County Airport Land Use Commission, 2008, Palo Alto Airport Comprehensive Land Use Plan, Figure 7, <http://www.sccgov.org/sites/planning/Plans%20-%20Programs/Airport%20Land-Use%20Commission/Documents/PAO-adopted-11-19-08-CLUP.pdf>, accessed on September 6, 2012.

- Policy S1.29: Fire Equipment and Personnel Access. Require adequate access and clearance, to the maximum extent practical, for fire equipment, fire suppression personnel, and evacuation for high occupancy structures in coordination with the Menlo Park Fire Protection District.
- Policy S1.38: Emergency Vehicle Access. Require that all private roads be designed to allow access for emergency vehicles as a prerequisite to the granting of permits and approvals for construction.
- Policy S1.30: Coordination with the Menlo Park Fire District. Encourage City-Fire District coordination in the planning process and require all development applications to be reviewed and approved by the Menlo Park Fire Protection District prior to project approval.

Therefore, implementation of the listed policies and programs, and compliance with the provisions of the California Fire Code (CFC) and the CBC would ensure that potential future development under the proposed Project would result in a *less-than-significant* impact with respect to interference with an adopted emergency response plan or emergency evacuation plan.

b) *Would the project expose people or structures to a significant risk of loss, injury or death involving wildland fires, including where wildlands are adjacent to urbanized areas or where residences are intermixed with wildlands?*

The Study Area is located in a highly urbanized area and is not surrounded by woodlands or vegetation that would provide fuel load for wildfires. As determined by CAL FIRE’s Wildlife Urban Interface Fire Threat data, the Study Area is not designated as having high, very high, or extreme fire threat. All housing sites are currently developed, containing limited amount vegetation, and are neither located on or directly adjacent to forested areas that could contribute to hazardous fire conditions.

All development in the Study Area would be constructed pursuant to the CBC, CFC, and the Menlo Park Fire Protection District (MPFPD) Code. In addition, the MPFPD conducts a weed-abatement program throughout its jurisdiction to minimize fire risk on empty or unmaintained parcels. As noted above in Section VIII.g, the General Plan goals and policies would reduce the risk of loss, injury, or death resulting from wildland fire and impacts would be *less than significant*.

HYDROLOGY AND WATER QUALITY				
Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
a) Violate any water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a significant lowering of the local groundwater table level?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding on- or off-site?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

HYDROLOGY AND WATER QUALITY				
Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
e) Create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f) Otherwise substantially degrade water quality?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g) Place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h) Place within a 100-year flood hazard area structures which would impede or redirect flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i) Expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
j) Expose people or structures to a significant risk of inundation by seiche, tsunami, or mudflow?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) *Would the project violate any water quality standards or waste discharge requirements?*

As previously stated in the Project Description, no specific projects have been identified or are proposed as part of the Project. However, potential future development, redevelopment, or modifications associated with development permitted by the proposed Project could affect drainage patterns and increase the overall amount of impervious surfaces, thus creating changes to stormwater flows and water quality. Increasing the total area of impervious surfaces can result in a greater potential to introduce pollutants to receiving waters. Urban runoff can carry a variety of pollutants, such as oil and grease, metals, sediments, and pesticide residues from roadways, parking lots, rooftops, and landscaped areas and deposit them into an adjacent waterway via the storm drain system. New construction could also result in the degradation of water quality with the clearing and grading of sites, releasing sediment, oil and greases, and other chemicals to nearby water bodies. However, future development permitted by the proposed Project would be located in the urbanized areas of Menlo Park, all of which have already been developed and currently have a high percentage of impervious surfaces.

Water quality in stormwater runoff is regulated locally by the San Mateo Countywide Water Pollution Prevention Program (SMCWPPP), which include the C.3 provisions set by the San Francisco Bay Regional Water Quality Control Board (RWQCB). Adherence to these regulations requires new development or redevelopment projects to incorporate treatment measures, an agreement to maintain them, and other appropriate source control and site design features that reduce pollutants in runoff to the maximum extent practicable. Many of the requirements consider Low Impact Development (LID) practices such as the use of on-site infiltration through landscaping and vegetated swales that reduce pollutant loading. Incorporation of these measures can even improve on existing conditions.

In addition, the potential housing will be required to comply with the National Pollutant Discharge Elimination System (NPDES) Permit and implementation of the construction Storm Water Pollution Prevention Plan (SWPPP) that require the incorporation of Best Management Practices (BMPs) to control sedimentation, erosion, and hazardous materials contamination of runoff during construction. Additionally, the City of Menlo Park Public Works Department requires development or redevelopment projects that replace or introduce more than 10,000 square feet of impervious surfaces to prepare a Hydrology Report that requires site

design measures to maximize pervious areas, source control measures to keep pollutants out of stormwater, use of construction BMPs, and post construction treatment measures.

The following policies identified in the Land Use and Circulation Element would further ensure potential impacts to water quality would not occur with the implementation of the proposed Project.

Land Use and Circulation Element

- Policy IG-10: Extensive landscaping should be included in public and private development, including greater landscaping in large parking areas. Where appropriate, the City shall encourage placement of a portion of the required parking in landscape reserve until such time as the parking is needed. Plant material selection and landscape and irrigation design shall adhere to the City's Water Efficient Landscaping Ordinance.

While the proposed Project would permit special-needs housing, secondary dwelling units and emergency shelters to occur in Menlo Park, it does not contain any policies that would directly or indirectly result in violations of water quality standards. Therefore, implementation of the proposed Project would have a *less-than-significant* impact on water quality.

- b) *Would the project substantially deplete groundwater supplies or interfere substantially with groundwater recharge such that there would be a net deficit in aquifer volume or a significant lowering of the local groundwater table level?*

Potential future development under the proposed Project would have a significant environmental impact if it would result in a net deficit in aquifer volume or a lowering of the local groundwater table level. Other physical changes that could occur as a result of implementing the proposed Project would occur within the existing built environment in areas where existing development occurs and would not interfere with groundwater recharge. The proposed Project would not result in any additional development potential in the city beyond what was considered in the current Housing Element (2007-2014) and no additional water demand would occur. Consequently, impacts would be *less than significant*.

- c) *Would the project substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial erosion or siltation on- or off-site?*

The proposed Project would result in a significant environmental impact if it would require modifications to drainage patterns that could lead to substantial erosion of soils, siltation, or flooding. Such drainage pattern changes could be caused by grade changes, the exposure of soils for periods of time during which erosion could occur, or alterations to creekbeds. Potential future development as a result of the proposed Project would occur within the built environment and would not involve the direct modification of any watercourse. If unforeseen excessive grading or excavation were required, then pursuant to the State Water Quality Control Board (SWQCB) Construction General Permit, a SWPPP would be required to be prepared and implemented for the qualifying projects under the proposed Project, which would ensure that erosion, siltation, and flooding is prevented to the maximum extent practicable during construction. Overall, construction associated with potential future development permitted under the proposed Project would not result in substantial erosion, siltation, or flooding either on- or off-site, and associated impacts would be *less than significant*.

- d) *Would the project substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial flooding on- or off-site?*

See Section IX.c above.

- e) *Would the project create or contribute runoff water which would exceed the capacity of existing or planned stormwater drainage systems?*

Physical changes that could occur as a result of implementing the proposed Project could increase impervious surfaces that could create or contribute to runoff water that would exceed the City's stormwater drainage systems. However, the type of anticipated development associated with the proposed Project would be restricted to the existing built environment. The impacts related to stormwater drainage runoff would be *less than significant*.

- f) *Would the project provide otherwise substantially degrade water quality?*

A principal source of water pollutants is stormwater runoff containing petrochemicals and heavy metals from parking lots and roadways. Given that the proposed Project would not create such surfaces or increase vehicular use of existing parking lots and roadways, implementation of the proposed Project would not contribute to these types of water pollutants. As discussed under Section IX.c and IX.d, where excessive construction related grading or excavation is required, pursuant to the SWQCB Construction General Permit, a SWPPP would be required to be prepared and implemented for the qualifying projects under the proposed Project, which would reduce polluted runoff to the maximum extent practicable during construction phases. Furthermore, implementation of the proposed Project would be subject to the oversight and review processes and standards outlined in Section IX.a. As such, compliance with these existing regulations would result in *less-than-significant* water quality impacts.

- g) *Would the project place housing within a 100-year flood hazard area as mapped on a federal Flood Hazard Boundary or Flood Insurance Rate Map or other flood hazard delineation map?*

The areas/properties affected by implementing the proposed Project could be within the identified FEMA-designated 100-year Special Flood Hazard Areas (SFHAs). The type of anticipated development associated with special-needs housing, secondary dwelling units and emergency shelters would be restricted to the existing built environment in areas where development currently exists.

The City of Menlo Park and San Mateo County have adopted local standards for construction in floodplain areas in Municipal Code Chapter 12.42, Flood Damage Prevention. Construction within SFHAs is governed by the City's Municipal Code Chapter 12, Section 12.42.51, Standards of Construction, which sets forth standards for development that would minimize flood hazard risks, including anchoring and flood-proofing; limitations on use for structures below the base flood elevation; use of materials and utility equipment resistant to flood damage; the requirement that electrical, heating, ventilation, plumbing, and air conditioning equipment and other service facilities be designed and/or located to prevent water from entering or accumulating within the components during flood conditions; and the requirement that all new and replacement water supply and sanitary sewage systems be designed to minimize or eliminate infiltration of floodwaters into the system and discharge from systems into floodwaters. Compliance with these City Municipal Code requirements would reduce potential flood hazards.

Furthermore, the following General Plan policies protect housing within the 100-year Flood Zone and restrict the placement of structures, which would impede or redirect flood flows:

Land Use and Circulation Element

- Policy IH-10: The City shall continue to participate in the National Flood Insurance Program. To this end, the City shall work to keep its regulations in full compliance with standards established by the Federal Emergency Management Agency.

Safety Element

- Policy S1.5: New Habitable Structures. Require that all new habitable structures to incorporate adequate hazard mitigation measures to reduce identified risks from natural and human-caused hazards.
- Policy S1.22: Flood Damage Prevention. Apply standards for any construction projects (new structures and existing structures proposed for substantial improvement) in areas of special flood hazard in accordance with FEMA and the Flood Damage Prevention Ordinance, including the use of flood-resistant construction materials and construction methods that minimize flood damage. Locate new essential public facilities outside of flood zones, such as City operations facilities, police and fire stations, and hospitals, to the extent feasible.
- Policy S1.28: Sea Level Rise. Consider sea level rise in siting new facilities or residences within potentially affected areas.

Potential future development under the proposed Project would be required to comply with these existing regulations. Consequently, implementation of the proposed Project would result in *less-than-significant* impacts.

b) *Would the project place within a 100-year flood hazard area structures which would impede or redirect flood flows?*

See Section IX.g above.

i) *Would the project expose people or structures to a significant risk of loss, injury, or death involving flooding, including flooding as a result of the failure of a levee or dam?*

According to mapping compiled by ABAG, portions of Menlo Park are within the Searsville and Felt Dam inundation zones. Dam inundation zones are based on the highly unlikely scenario of a total catastrophic dam failure occurring in a very short period of time. Existing State and local regulations address the potential for flood hazards as a result of dam failure. The Searsville and Felt dams are under the jurisdiction of the California Department of Water Resources, Division of Safety of Dams (DSOD), which conducts annual inspections and reviews all aspects of dam safety.

The inundation maps for the Searsville and Felt Dams were prepared in 1974.¹⁹ Therefore, the currently mapped inundation zones may no longer be valid. The Searsville Dam has lost over 90 percent of its original water storage capacity due to sedimentation and there are current proposals for its removal.²⁰

In addition, the following General Plan policies and program would further reduce potential impacts due to dam inundation to a *less-than-significant* level.

¹⁹ Stanford University, 1974. *Guide to the Flood (inundation) Studies for Searsville, Lagunita, and Felt Dams. SCM0331.*

²⁰ Stanford University, 2007. *Searsville Lake: Position of the Jasper Ridge Advisory Committee. – October 2007.*

Safety Element

- Policy S1.23: Potential Dam Inundation. Consider potential risks from dam inundation in the development approval process.
- Policy S1.24: Dam Safety. Support programs by the California Division of Safety of Dams to retrofit or replace dams or to increase earthquake resistance of dams and mitigate impacts of dam failures. State efforts to inspect dams and evaluate dam safety requirements shall also be supported.

Given, the unlikely nature of dam failure, the regulatory oversight by the DSOD, and City policies to address the impact of flooding from dam inundation during the development process, the impact of flooding as a result of the failure of a dam or levee is considered to be *less than significant*.

j) *Would the project potentially be inundated by seiche, tsunami, or mudflow?*

According to the CalEMA tsunami inundation map for emergency planning, Redwood Point Quadrangle, only the most northern portion of Menlo Park that consists mainly of sloughs and undeveloped land, is within the tsunami inundation zone.²¹ No areas/properties affected by the proposed Project are within the tsunami inundation zone [Note to Reader: To be confirmed once areas/properties are selected]. Because there are no large bodies of water, such as reservoirs or lakes, within Menlo Park and only a very small portion of the City is within the tsunami inundation zone, there is no risk of tsunamis or seiches impacting the potential future development under the proposed Project. In addition, the city is outside of the impacted zones for earthquake-induced landslides or rainfall-induced landslides.²² Therefore, there is no expectation of mudflows or debris slides to occur within Menlo Park or at the potential housing sites. In addition, the following General Plan policies and programs would further reduce potential impacts due to tsunamis to a *less-than-significant* level.

Safety Element

- Policy S1.21: Flood and Tsunami Hazard Planning and Mapping. Consider the threat of flooding and tsunamis in planning and management practices to minimize risk to life, environment and property and maintain up-to-date tsunami hazard zones maps and flood maps as new information is provided by FEMA and other regional agencies. Modify land use plans in areas where tsunamis and flooding are hazards, and permit only uses that will sustain acceptable levels of damage and not endanger human lives in the event of inundation
- Policy S1.28: Sea Level Rise. Consider sea level rise in siting new facilities or residences within potentially affected areas.

²¹ CalEMA, 2009. *Tsunami Inundation Map for Emergency Planning, State of California – County of San Mateo, Redwood Point Quadrangle, Palo Alto Quadrangle*.

²² Association of Bay Area Governments (ABAG). *Landslide Maps and Information: Earthquake Induced Landslides and Rainfall Induced Landslides*. Accessed on January 17, 2013 at <http://quake.abag.ca.gov/landslides/>.

LAND USE		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:					
a) Physically divide an established community?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Conflict with any applicable land use plan, policy, or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Conflict with any applicable habitat conservation plan or natural community conservation plan?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a) *Would the project physically divide an established community?*

Implementation of the proposed Project would not involve any structures, land use designations, or other features (i.e. freeways, railroad tracks) that would physically divide an established community. The type of anticipated development associated with the proposed Project would be restricted to the existing built environment in areas and would not physically divide an established community; thus, *no impact* would occur.

b) *Would the project conflict with any applicable land use plan, policy or regulation of an agency with jurisdiction over the project (including, but not limited to, the general plan, specific plan, local coastal program or zoning ordinance) adopted for the purpose of avoiding or mitigating an environmental effect?*

The General Plan and Zoning Ordinance are the primary planning documents for the City of Menlo Park. The proposed Project would enable the City of Menlo Park to meet its housing needs required by State law and facilitate future development to meet the needs of at-risk populations by providing housing types designed for these groups consistent with the City's 2007-2014 General Plan Housing Element. Future potential development permitted under the proposed Project does not include any land use or zoning changes that would re-designate land uses or zoning districts. As previously described in the Project Description above, the purpose of the proposed Project is to permit future development that would allow for secondary dwelling units, special-needs housing and the Emergency Shelter for the Homeless Overlay Zone consistent with the City's 2007-2014 General Plan Housing Element. Therefore, impacts regarding conflicts with applicable plans, policies, or regulations would be *less than significant*.

c) *Conflict with any applicable habitat conservation plan or natural community conservation plan?*

As discussed above in Section IV.f above, there are no habitat conservation plans or natural community conservation plans within the city limits, therefore implementation of the proposed Project will not conflict with any such plans. Consequently, there would be *no impact*.

MINERAL RESOURCES		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:					
a) Result in the loss of availability of a known mineral resource that would be of value to the region or the state?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

MINERAL RESOURCES		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:					
b) Result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
a) <i>Would the project result in the loss of availability of a known mineral resource that would be of value to the region or the state?</i>					

While the proposed Project would permit development in the Study Area, it would not result in the loss of known mineral resources or substantially limit the availability of mineral resources over the long term. Industrial-scale solar salt production from sea water has occurred in the vicinity of Menlo Park since the 1800s. The salt ponds nearest to the Study Area are the Ravenswood and Redwood City Plant sites. The Ravenswood site has undergone restoration to wildlife habitat as part of the South Bay Salt Pond Restoration project, and is no longer in industrial operation. The Redwood City Plant site is owned by Cargill Salt and remains in production.²³ Implementation of the proposed Project would not affect ongoing production at the Redwood City Plant salt ponds. Therefore, there would be *no impact* to known mineral resources.

b) *Would the project result in the loss of availability of a locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?*

See Section XI.a above.

NOISE		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project result in:					
a) Exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or other applicable standards of other agencies?		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Exposure of persons to or generate excessive groundborne vibration or groundborne noise levels?		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d) Result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e) For a project located within an airport land use plan or, where such a plan has not been adopted, within 2 miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?		<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

²³ San Francisco Bay Conservation and Development Commission, 2005, "Salt Ponds" Staff Report, Figure 3, http://www.bcdc.ca.gov/pdf/planning/reports/salt_ponds.pdf, accessed on September 25, 2013.

NOISE	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project result in:				
f) For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a) <i>Would the project result in exposure of persons to or generation of noise levels in excess of standards established in the local general plan or noise ordinance, or other applicable standards of other agencies?</i>				

The type of anticipated development associated with special-needs housing, secondary dwelling units and an emergency shelter would be restricted to the existing built environment in areas where residential and non-residential uses are currently permitted. The current Housing Element (2007-2014) and its Environmental Assessment anticipated and directly stipulated the proposed amendments to the Zoning Ordinance. The provisions of the proposed Project would not contravene any aspects of the General Plan, including land use designations, noise limits, or other restrictions that address noise impacts. Though future potential development permitted under the proposed Project may potentially be noise-generating during construction phases, all potential future development pursued under the proposed Project would be subject to the oversight and review processes and standards that are envisioned by the General Plan, established within the City Municipal Code, and/or otherwise required by the State and federal regulations.

Title 8 (Peace, Safety and Morals), Chapter 8 (Noise) of the City Municipal Code regulates excessive sound and vibration in residential areas of the City of Menlo Park. Additionally, the General Plan Land Use and Circulation Element and Noise Element includes the following goals, policies, and programs to guide public and private planning to attain and maintain acceptable noise levels.

Noise Element

- Goal N1: Achieve Acceptable Noise Levels. It is the goal of Menlo Park to have acceptable noise levels. Excessive noise is a concern for many residents of Menlo Park. These concerns can be managed with proper mitigation or through the implementation of the City’s noise ordinance. The City of Menlo Park recognizes the issue of noise and has standards to protect the peace, health, and safety of residents and the community from unreasonable noise from any and all sources in the community and to strive to locate uses compatible to the area to minimize escalation of noise from mobile and stationary sources.
- Policy N1.1: Compliance with Noise Standards. Consider the compatibility of proposed land uses with the noise environment when preparing or revising community and/or specific plans. Require new projects to comply with the noise standards of local, regional, and building code regulations, including but not limited to the City's Municipal Code, Title 24 of the California Code of Regulations, the California Green Building Code, and subdivision and zoning.
- Policy N1.3: Exterior and Interior Noise Standards for Residential Use Areas. Strive to achieve acceptable interior noise levels and exterior noise levels for backyards and/or common usable outdoor areas in new residential development, and reduce outdoor noise levels in existing residential areas where economically and aesthetically feasible.
- Policy N1.6: Noise Reduction Measures. Encourage the use of construction methods, state-of-the-art noise abating materials and technology and creative site design including, but not limited to, open space, earthen berms, parking, accessory buildings, and landscaping to buffer new and existing development

from noise and to reduce potential conflicts between ambient noise levels and noise-sensitive land uses. Use sound walls only when other methods are not practical or when recommended by an acoustical expert.

- Policy N1.8: Potential Annoying or Harmful Noise. Preclude the generation of annoying or harmful noise on stationary noise sources, such as construction and property maintenance activity and mechanical equipment.

Compliance with these existing regulations would ensure that the proposed Project would neither cause new noise impacts nor exacerbate any existing ones. Accordingly, noise impacts associated with implementing the proposed Project would be *less than significant*.

b) *Would the project result in exposure of persons to or generate excessive groundborne vibration or groundborne noise levels?*

Potential future development associated with the proposed Project would not include any new roads or transportation infrastructure and therefore would not itself result directly in any new transportation-related sources of vibration. The construction of special-needs housing, secondary dwelling units and emergency shelters would not include vibration-generating equipment and would not result in long-term operational vibration impacts. *No impact* related to long-term vibration would occur. Any impacts associated with construction would be temporary and short-term. General Plan policies to reduce potential vibration impacts are listed below.

Noise Element

- Policy N1.6: Noise Reduction Measures. Encourage the use of construction methods, state-of-the-art noise abating materials and technology, and creative site design including, but not limited to, open space, earthen berms, parking, accessory buildings, and landscaping to buffer new and existing development from noise and to reduce potential conflicts between ambient noise levels and noise-sensitive land uses. Use sound walls only when other methods are not practical or when recommended by an acoustical expert.
- Policy N1.3: Exterior and Interior Noise Standards for Residential Use Areas. Strive to achieve acceptable interior noise levels and exterior noise levels for backyards and/or common usable outdoor areas in new residential development, and reduce outdoor noise levels in existing residential areas where economically and aesthetically feasible.
- Policy N1.7: Noise and Vibration from New Non-Residential Development. Design non-residential development to minimize noise impacts on nearby uses. Where vibration impacts may occur, reduce impacts on residences and businesses through the use of setbacks and/or structural design features that reduce vibration to levels at or below the guidelines of the Federal Transit Administration near rail lines and industrial uses.

Methods to reduce vibration during construction would include the use of smaller equipment, use of static rollers instead of vibratory rollers, and drilling piles as opposed to pile driving. Compliance with these General Plan policies together with no long-term vibration impacts would ensure impacts would be *less than significant*.

- c) *Would the project result in a substantial permanent increase in ambient noise levels in the project vicinity above levels existing without the project?*

Potential impacts from future residential development would stem mainly from the addition of vehicles along roadways in the city. However, no additional vehicles are anticipated under the proposed Project beyond what was previously analyzed under the current Housing Element (2007-2014). The type of development envisioned under the proposed Project would be compatible with nearby residential land uses and are either already developed and/or in close proximity to existing residential and residential-serving development. As discussed above in Section XII.a, because residential uses are not typically associated with high levels of stationary noise generation and would be largely developed and near other residential uses, it is unlikely that any developments subsequent to the future development under the proposed Project would directly contribute to greater increase in ambient noise levels in their surrounding areas. Therefore, the impact would be *less than significant*.

In addition, implementation of the following General Plan policies as well as those listed under Section XII.a and XII.b would ensure the impacts identified above would be *less than significant*.

Noise Element

- Policy N1.10: Nuisance Noise. Minimize impacts from noise levels that exceed community sound levels through enforcement of the City's Noise Ordinance. Control unnecessary, excessive, and annoying noises within the City where not preempted by Federal and State control through implementation and updating of the Noise Ordinance.
- Policy N1.5: Planning and Design of New Development to Reduce Noise Impacts. Design residential developments to minimize the transportation-related noise impacts to adjacent residential areas and encourage new development to be site planned and architecturally designed to minimize noise impacts on noise-sensitive spaces. Proper site planning can be effective in reducing noise impacts.

- d) *Would the project result in a substantial temporary or periodic increase in ambient noise levels in the project vicinity above levels existing without the project?*

Based on applicable criteria stipulated by the Menlo Park noise ordinance, a significant impact would occur if construction of the future potential development under the proposed Project would:

- Occur outside the hours of 8:00 a.m. and 6:00 p.m. Monday through Friday; and
- Utilizes equipment that results in noise levels exceeding 85 dBA at a distance of 50 feet.

Development of the future potential development associated with the proposed Project could cause temporary noise impacts during construction at adjacent land uses. The future special-needs housing, secondary dwelling units and emergency shelter(s) could be located in proximity of noise-sensitive residential areas. Specific site plans and construction details have not been developed. Construction would be localized and would occur intermittently for varying periods of time. Because specific project-level information is not available at this time, it is not possible to quantify the construction noise impacts at specific sensitive receptors.

Construction is performed in distinct steps, each of which has its own mix of equipment, and, consequently, its own noise characteristics. However, despite the variety in the type and size of construction equipment, similarities in the dominant noise sources and patterns of operation allow construction-related noise ranges to be categorized by work phase. The highest noise impacts during construction would occur from operation of heavy earthmoving equipment and truck haul that would occur with construction. The City restricts the hours

of construction activities²⁴ to the least noise-sensitive portions of the day (i.e. between 8:00 a.m. and 6:00 p.m. for Monday through Friday).

Prior to construction of each future development under the proposed Project, for projects that are not subject to separate environmental review, construction noise impacts would be addressed through compliance with the City’s General Plan and Zoning Ordinance through the City’s building permitting process. Several methods can be implemented to reduce noise during construction such as equipment selection, selecting staging areas as far as possible from nearby noise sensitive areas and temporary construction walls.

Implementation of the General Plan goals, policies, and programs listed in Section XII.a through XII.c would ensure these impacts identified above are *less than significant*.

e) *For a project located within an airport land use plan or, where such a plan has not been adopted, within 2 miles of a public airport or public use airport, would the project expose people residing or working in the project area to excessive noise levels?*

There are no areas of Menlo Park which fall within an airport land use plan for any of the airports located in close proximity to the Study Area. Although a small portion of Menlo Park falls within 2 miles of the Palo Alto Airport, this area is not covered by the airport’s influence area.²⁵ All other airports are located 4 miles or more away from the Study Area. Therefore, implementation of the proposed Project would not result in exposure to excessive aircraft noise levels and the impact would be *less than significant*.

f) *For a project within the vicinity of a private airstrip, would the project expose people residing or working in the project area to excessive noise levels?*

There are no private airstrips located within Menlo Park. The Stanford University Hospital does operate one heliport, which is located approximately 0.4-mile to the southeast of border with Menlo Park. Due to limited and sporadic heliport use for medical emergencies, and distance to Menlo Park, there would be *no impact* related to excessive noise levels related to private airstrips.

POPULATION AND HOUSING	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:				
a) Induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing housing units, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c) Displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

²⁴ Except for emergency work of public service utilities or by variance.

²⁵ Santa Clara County Airport Land Use Commission, 2008. Palo Alto Airport Comprehensive Land Use Plan, Figure 7, <http://www.sccgov.org/sites/planning/Plans%20-%20Programs/Airport%20Land-Use%20Commission/Documents/PAO-adopted-11-19-08-CLUP.pdf>, accessed on September 25, 2013.

- a) *Would the project induce substantial population growth in an area, either directly (for example, by proposing new homes and businesses) or indirectly (for example, through extension of roads or other infrastructure)?*

The proposed Project would be considered to result in a substantial and unplanned level of growth if estimated buildout exceeded local and regional growth projections (e.g. by proposing new homes or businesses). Implementation of the proposed Project would not result in any additional housing beyond what was considered in the current Housing Element (2007-2014) and thus would not directly induce substantial population growth. Additionally, the proposed Project would not extend roads or other infrastructure, and thus would not indirectly induce substantial population growth. Thus, a *less-than-significant* impact would occur in relation to population growth.

- b) *Would the project displace substantial numbers of existing housing units, necessitating the construction of replacement housing elsewhere?*

Because the proposed Project only involves changes to the permitting of uses and in no way increases the restrictiveness of the Zoning Ordinance, nothing in the Zoning Ordinance would serve to displace housing or people. The proposed Project prescribes standards, but does not mandate the exact use of the land. Therefore, market conditions and a variety of other factors will be the primary determinates of the increase or decrease in the number of housing units and residents in Menlo Park. Consequently, impacts with respect to displacing housing units or residents would be *less than significant*.

- c) *Would the project displace substantial numbers of people, necessitating the construction of replacement housing elsewhere?*

See Section XIII.a above.

PUBLIC SERVICES	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:				
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:				
Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

- a) *Would the project result in substantial adverse physical impacts associated with the provision of new or physically governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times or other performance objectives for any of the public services:*

The primary purpose of a public services impact analysis is to examine the impacts associated with physical improvements to public service facilities required to maintain acceptable service ratios, response times or oth-

er performance objectives. Public service facilities need improvements (i.e. construction of new, renovation or expansion of existing) as demand for services increases. Increased demand is typically driven by increases in population. The proposed Project would have a significant environmental impact if it would exceed the ability of public service providers to adequately serve the residents of the city, thereby requiring construction of new facilities or modification of existing facilities. As discussed in Section XII, Population and Housing, above, the proposed Project would not directly or indirectly result in population growth. The proposed Project does not include the construction of any new public service facilities or expansion of existing facilities. The proposed Project would not increase development potential beyond what was considered in the current Housing Element (2007-2014). Further, the provisions of the proposed Project would not contravene any aspects of the General Plan, including land use designations and allowed building intensities that could impact demand for City services. Implementation of the proposed Project would therefore neither cause new impacts in regard to provision of City services nor exacerbate any existing ones; thus, *no impact* would occur.

RECREATION	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
a) Increase the use of existing neighborhood and regional parks or other recreational facilities, such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse effect on the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
a) <i>Would the project increase the use of existing neighborhood and regional parks or other recreational facilities, such that substantial physical deterioration of the facility would occur or be accelerated?</i>				

Because implementation of the proposed Project would not directly or indirectly result in population growth as discussed in Section XII, Population and Housing, above, it also would not increase the use of existing parks or facilities. Additionally, implementation of the proposed Project does not include nor require the construction or expansion of recreational facilities. For these reasons, implementation of the proposed Project would have *no impact* on recreation.

b) *Does the project include recreational facilities or require the construction or expansion of recreational facilities which might have an adverse effect on the environment?*

See Section XV.a above.

TRANSPORTATION/TRAFFIC	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:				
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit??	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

TRANSPORTATION/TRAFFIC		Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:					
b) Conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures or other standards established by the county congestion management agency for designated roads or highways?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Substantially increase hazards due to a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in inadequate emergency access?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
a) <i>Would the project conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?</i>					

The proposed Project would have no effect on the circulation system of Menlo Park as it would not increase development potential and would not directly or indirectly result in population growth. As such, implementation of the proposed Project would not conflict with any applicable plan, ordinance, or policy which establishes measures of effectiveness for the performance of the circulation system. Consequently, impacts would be *less than significant*.

b) *Would the project conflict with an applicable congestion management program, including, but not limited to level of service standards and travel demand measures, or other standards established by the county congestion management agency for designated roads or highways?*

See Section XVI.a above.

c) *Would the project result in a change in air traffic patterns, including either an increase in traffic levels or a change in location that results in substantial safety risks?*

The proposed Project does not include any strategy or measure that would directly or indirectly affect air traffic patterns. Therefore, *no impact* would result.

d) *Would the project substantially increase hazards due to a design feature (e.g. sharp curves or dangerous intersections) or incompatible uses (e.g. farm equipment)?*

The proposed Project does not include any strategy that would promote the development of hazardous road design features or incompatible uses. Therefore, *no impact* would occur.

e) *Would the project result in inadequate emergency access?*

No part of the proposed Project would result in the development of uses or facilities that would degrade emergency access. Therefore, there would be *no impact*.

f) *Would the project conflict with adopted policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities, or otherwise decrease the performance or safety of such facilities?*

The proposed Project will have no impact on policies, plans, or programs regarding public transit, bicycle, or pedestrian facilities. While the proposed Project (i.e. the Emergency Shelter for the Homeless Overlay Zone) does include provisions that are dependent on the location of public transit stops, potential future development permitted as a result of the proposed Project will only be reactive to the location of bus stops and will have no effect on the placement of bus stops or any other aspect of the public transportation system. Therefore, *no impact* will occur.

UTILITIES & SERVICE SYSTEMS	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
Would the project:				
a) Exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Require or result in the construction of new stormwater drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Have insufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Comply with federal, state, and local statutes and regulations related to solid waste?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

a) *Would the project exceed wastewater treatment requirements of the applicable Regional Water Quality Control Board?*

The West Bay Sanitary District (WBSD) provides wastewater collection and conveyance services to Menlo Park. Wastewater from the City of Menlo Park is treated by the South Bayside Systems Authority (SBSA). Sanitary wastewater treatment requirements are established in the NPDES Permit issued by the San Francisco Bay RWQCB, which currently allows for the expansion to 29 million gallons per day (MGD) of average dry

weather flow.²⁶ Based on its demand projection, the SBSA does not anticipate that this expansion would be required before the year 2030.²⁷ The NPDES Permit also sets out a framework for compliance and enforcement. As the discharger named in the NPDES Permit (Order No. R2-2012-0062), the SBSA implements and enforces a pretreatment program for effluent discharged into San Francisco Bay. SBSA proposes its waste water treatment plant (WWTP) upgrade through its Stage 2 Program, and the upgrade is expected to comply with RWQCB requirements as well as State standards. The proposed Project would not increase development potential beyond what was anticipated in the current Housing Element (2007-2014). Therefore, construction and operation resulting from potential future development permitted under the proposed Project would have *no impact* with regard to the wastewater treatment requirements of the San Francisco Bay RWQCB and the capacity of the SBSA WWTP to serve the projected General Plan demand in addition to its existing commitments.

b) *Would the project require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?*

Given the proposed Project would not increase development potential beyond what was anticipated in the current Housing Element (2007-2014) it would not result in new population that would require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant environmental effects; thus, *no impact* would occur.

c) *Would the project require or result in the construction of new stormwater drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects?*

Given the proposed Project would not increase development potential beyond what was anticipated in the current Housing Element (2007-2014) it would not result in new population that would require or result in the construction of new stormwater drainage facilities or expansion of existing facilities, the construction of which could cause significant environmental effects; thus, *no impact* would occur.

d) *Would the project have insufficient water supplies available to serve the project from existing entitlements and resources, or are new or expanded entitlements needed?*

The proposed Project would not increase development potential beyond what was anticipated in the current Housing Element (2007-2014). Given no additional demand to water supply would occur there would be *no impact* to water supply as a result of implementing the proposed Project.

e) *Would the project result in a determination by the wastewater treatment provider which serves or may serve the project that it has adequate capacity to serve the project's projected demand in addition to the provider's existing commitments?*

See Section XVII.a and XVII.b above.

Would the project be served by a landfill with sufficient permitted capacity to accommodate the project's solid waste disposal needs?

The proposed Project would not increase development potential beyond what was anticipated in the current Housing Element (2007-2014). Given the fact that no additional solid waste generation is anticipated under the proposed Project, *no impact* to the Ox Mountain Landfill as a result of implementing the proposed Project would occur.

²⁶ South Bayside Systems Authority, Teresa Herrera, personal correspondence with The Planning Center | DC&E, January 21, 2013.

²⁷ South Bayside Systems Authority, Teresa Herrera. Personal correspondence with The Planning Center | DC&E, January 21, 2013.

f) *Would the project comply with federal, state, and local statutes and regulations related to solid waste?*

The proposed Project will have no effect on the solid waste disposal and recycling system of Menlo Park as it will not increase development potential and would not directly or indirectly result in population growth. As such, implementation of the proposed Project would not conflict with any applicable plan, ordinance, or policy which establishes measures of effectiveness for the performance of the solid waste disposal and recycling system.

In compliance with State Law Senate Bill 1016, the City would continue to aim for the California Integrated Waste Management Board (CIWMB) target of 7.5 pounds of waste per person per day through the source reduction, recycling, and composting programs coordinated by RethinkWaste. Menlo Park’s disposal rate in 2011 was 5.5 pounds of waste per person per day, which was well below the CIWMB target of 7.5 pounds of waste per person per day.²⁸ Compliance with various waste reduction policies and programs in place, the City would continue to meet or perform better than the State mandated target.

Additionally, Menlo Park has adopted a Source Reduction and Recycling Element (SRRE), a Household Hazardous Waste Element (HHWE), and a Non-Disposal Facility Element (NDFE) in compliance with the California Integrated Waste Management Act. Implementation of strategies and programs from these plans allowed the City to meet the State mandated waste diversion goal of 50 percent in 2011. In addition, when the City adopts a Zero Waste Policy, future development under the proposed Project would be required to meet a 75-percent diversion rate by 2020 and a 90-percent diversion rate by 2030 through various CAP strategies. These programs are sufficient to ensure that any potential future development in Menlo Park would not compromise the ability to meet or perform better than the State-mandated target.

There would be *no impact* to solid waste as a result of implementing the proposed Project.

MANDATORY FINDINGS OF SIGNIFICANCE	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
a) Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

²⁸ Rebecca Fotu, City of Menlo Park. Email correspondence with The Planning Center |DC&E, January 2, 2013.

MANDATORY FINDINGS OF SIGNIFICANCE	Potentially Significant Impact	Less Than Significant With Mitigation Incorporated	Less Than Significant	No Impact
c) Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

a) *Does the project have the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal or eliminate important examples of the major periods of California history or prehistory?*

The Housing Element (2007-2014) and its Environmental Assessment anticipated and directly stipulated the proposed amendments to the Zoning Ordinance. The provisions of the proposed special-needs housing, secondary dwelling units and the Emergency Shelter for the Homeless Overlay Zone would not contravene any aspects of the General Plan, including land use designations and allowed building intensities, that would lead to increased population or development, impacts to wildlife, cumulative effects, or other substantial adverse effects on human beings. All structures, programs, and projects pursued under the proposed Project would adhere to the vision established within the General Plan and all subsequent land use designations and zoning districts. Furthermore, the proposed Project does not result in any new development potential beyond what was considered in the 2013 Environmental Assessment. Implementation of the proposed Project would therefore neither cause new impacts in regard to these issues nor would it exacerbate any existing impacts. Therefore, through mandatory regulatory compliance and consistency with General Plan policies, implementation of the proposed Project would have a *less-than-significant* impact with regards to the potential to degrade the quality of the environment, substantially reduce the habitat of a fish or wildlife species, cause a fish or wildlife population to drop below self-sustaining levels, threaten to eliminate a plant or animal community, reduce the number or restrict the range of a rare or endangered plant or animal, or eliminate important examples of the major periods of California history or prehistory, nor have impacts that are individually limited, but cumulatively considerable, nor does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly.

b) *Does the project have impacts that are individually limited, but cumulatively considerable? (“Cumulatively considerable” means that the incremental effects of a project are considerable when viewed in connection with the effects of past projects, the effects of other current projects, and the effects of probable future projects)?*

See Section XVIII above.

c) *Does the project have environmental effects which will cause substantial adverse effects on human beings, either directly or indirectly?*

See Section XVIII above.



PUBLIC WORKS DEPARTMENT

Council Meeting Date: December 10, 2013

Staff Report #: 13-193

Agenda Item #: F-2

REGULAR BUSINESS: **Approve Laurel Street Parking Restrictions
Adjacent to Nativity School**

RECOMMENDATION

Staff recommends that the City Council approve parking restrictions on northbound Laurel Street between Oak Grove Avenue and Glenwood Avenue after the conclusion of the 2013-2014 school year. Staff also recommends that a leading pedestrian improvements, including right-turn on red restriction when children are present be implemented at the Laurel Street and Oak Grove Avenue intersection.

BACKGROUND

The City received a complaint from a Menlo Park resident in 2012 that noted concern with the use of the northbound bicycle lane on the eastern side of Laurel Street between Oak Grove Avenue and Glenwood Avenue for vehicle parking. This complaint reiterated past comments from residents during development of the Encinal and Valparaiso Safe Routes to Schools studies that noted similar concerns. Specifically, vehicles parked in the bicycle lane introduce conflicts and challenges for bicyclists who must weave into the adjacent vehicle lane when the on-street parking is occupied.

Bicycle Lane Mitigation Study

The City Council recommended the *Bike Lane Mitigation Study* for inclusion in the 2009-2014 Capital Improvement Program (CIP). The purpose of this study was to review existing parking restrictions, appraise bike lane hazards in the most traveled bicycle routes and recommend additional parking restrictions when appropriate. Due to staff turnover and constraints, this project was not completed and is ongoing.

Nativity School Permitting and Entitlement Background

Concerns with parking on the eastern side of Laurel Street were first voiced in 2006 during Nativity School's Use Permit application for expanded student enrollment and facility renovation. At that time, the Planning Commission directed that all student drop-off and pick-up activity for the School occur off of Oak Grove Avenue to minimize the impact of the School expansion on Laurel Street neighbors. The Planning Commission required a condition of approval requiring drop-off and pick-up of passengers occur only in the designated loading and unloading zones. At that time, the School agreed that all

drop-off and pick-up activity and parking demand could be accommodated within the proposed on-site parking areas. The minutes from the September 11, 2006 Planning Commission review of the project are included as Attachment A.

The Planning Commission approved the Use Permit application to allow the School's expansion and renovation. The first phase of renovations was completed in 2008, with construction of the new Sobrato Pavilion (multi-use) and kindergarten classroom. Since then, the School has been granted subsequent permits under the 2006 approval to proceed with site renovations and facility renewals, including a permit to demolish the existing convent in December 2012.

Most recently, on September 12, 2013, Nativity School submitted an application for a Use Permit to add a junior kindergarten class of 12 to 18 students plus associated faculty and staff as well as Architectural Control for a new building to replace those demolished in 2012. The additional students are allowed under their current Use Permit enrollment limits; however, the expansion is a new age group on-site, which requires modification to their current Use Permit. This application is anticipated to be reviewed by the Planning Commission in early 2014.

In general, the City does not allow on-street parking to be dedicated for a specific use. No other schools in Menlo Park, public or private have on-street parking adjacent to the school for drop-off and pick-up. Phillips Brooks School, German American International School, Menlo School and Saint Raymond, as well as Encinal School, Hillview School, and Oak Knoll School, all have parking on streets immediately adjacent to the school restricted during drop-off and pick-up times or all day; additionally these parking areas are not within marked bicycle lanes.

Safe Routes to Schools Background

The City of Menlo Park has a Safe Routes to School program to improve safety on walking and bicycling routes to schools and to encourage students and their families to travel between home and school by walking or biking. Since program initiation in 2008, Safe Routes to School studies have been prepared for only some of the schools within Menlo Park due to limited annual funding for the program. Studies have been prepared for routes serving both public and private schools located in the City, including Encinal School, Laurel School, Belle Haven Elementary, Willow Oaks/East Palo Alto Stanford High, and Oak Knoll School.

The Encinal Safe Routes to School Plan developed in 2008 identified concerns with vehicles parking in the bicycle lane on Laurel Street. The staff report and pages from the draft Plan are included in Attachment B. Parking along Laurel Street was restricted from 7:00 – 9:00 am, Monday through Friday, between Oak Grove Avenue and the City's northern border. Within the Town of Atherton, parking was restricted 24 hours a day, 7 days a week. Additional targeted enforcement was recommended to reduce speeding and parking violations.

The City conducted the Valparaiso Avenue Safe Routes to School study in 2011-2012; the first evaluation of a “corridor” which included recommendations for improvements to Valparaiso Avenue-Glenwood Avenue, which serves many schools: Nativity, Sacred Heart, Menlo, Hillview, Saint Raymond, Encinal, and Oak Knoll. This study also identified concerns with vehicles parking in the bicycle lane on Laurel Street. Based on this feedback, the study recommended replacing the current signs on Laurel Street with “No Stopping Anytime” signs. The Transportation Commission recommended removing this recommendation from the Valparaiso Safe Routes to School study at its October 10, 2012 meeting due to concerns raised with Nativity School pick-up. The relevant pages of the draft Valparaiso Safe Routes to School Plan are included in Attachment C.

ANALYSIS

Laurel Street and Middlefield Road are the only two north-south streets between El Camino Real and US 101 that provide a continuous route from Willow Road to the northern City limit (Encinal Avenue), and are therefore desirable travel routes for bicyclists and motorists providing connections to Menlo Park Civic Center, Nativity School, Encinal School, Laurel School, Menlo-Atherton High School, several neighborhoods and many residents. Both Laurel Street and Middlefield Road are striped with existing bicycle lanes; however, Laurel Street, with slower speeds and lower traffic volumes, is a more desirable bicycle travel route than Middlefield Road for beginner bicyclists, students, and many parents and is designated as a Safe Route to Encinal School. Regardless of a bicyclist’s comfort riding in or adjacent to vehicular traffic, the weaving around parked vehicles represents a hazard to bicyclists and the motor vehicle traffic they merge into, since drivers may not anticipate a bicyclist merging into the vehicle lane.

Laurel Street is a two-lane (one-lane in each direction) collector street with a posted speed of 25 miles per hour (mph) that serves approximately 3,900 vehicles per day (vpd) on an average weekday. Laurel Street is designated in the City’s Comprehensive Bicycle Development Plan (2005) and El Camino Real/Downtown Specific Plan (2012) as an existing Class II bicycle lane between Burgess Drive and Encinal Avenue (see Figures D-1 and D-2 in Attachment D). Most of Laurel Street has residential uses (single- and multi-family units) fronting the street, with the exception of Trinity Church, located on the northeast corner of Laurel Street and Ravenswood Avenue intersection at 330 Ravenswood Avenue and Nativity School, located on the northeast corner of Laurel Street and Oak Grove Avenue at 1250 Laurel Street.

North of Ravenswood Avenue, time-of-day parking restrictions for vehicles parking on Laurel Street vary as shown in Attachment E. Along the Nativity School frontage on the eastern side of Laurel Street, parking is restricted between 7:00 am – 9:00 am, Monday through Friday, which accommodates Encinal School’s commute times.

Laurel Street Travel Patterns

Laurel Street provides direct access to Nativity School, with ingress and egress to the existing staff-only parking area provided adjacent to Laurel Street. Parents of Nativity School students also utilize the bicycle lane for on-street parking during daily afternoon school dismissal at 3:00 pm. Residents of the nearby multi-family apartment units and their visitors also park in the bicycle lane in front of Nativity School, mostly during the evening and weekend hours. Staff observations have documented that parking in the bicycle lane is mostly concentrated from 2:45 pm until 3:15 pm during Nativity School's dismissal period, when approximately 13 to 15 vehicles (depending on size) regularly park along the Nativity School frontage, representing full occupancy of the parking area. This location provides convenient access to the kindergarten, where parents must pick up their children in the classroom.

Consideration of potential parking restrictions on Laurel Street was previously brought to the Transportation Commission on October 10, 2012. The Commission voted unanimously to continue the item to a later meeting, recommending that staff collect additional data and coordinate with the Nativity School administration to develop an alternative proposal that would serve the needs of bicyclists and Nativity School. The staff report and minutes from the October 10, 2012 meeting are included in Attachment F.

Based on the Transportation Commission's request for bicycle counts, intersection turning movement counts (the number of vehicles, bicyclists, and pedestrians) at the Oak Grove Avenue and Laurel Street intersection were reviewed. Data from May 2012, collected during typical commute peak periods (morning and evening) for the City's bi-annual traffic count collection, was reviewed. This data did not include Nativity School's dismissal period; therefore, a new intersection turning movement count was collected in October 2013 and compared to the May 2012 data. The October 2013 counts showed 33 bicyclists riding on Laurel Street between 2:45 and 3:45 pm; 16 of these ride northbound on Laurel Street adjacent to Nativity School. During this same time, 188 vehicles travel on Laurel Street. This equates, on average, to one vehicle approximately every 20 seconds. Even at a relatively moderate bicycling speed of 12 miles per hour, it would take a bicyclist on average 30 seconds to travel the 540 feet along Nativity's school frontage. Therefore, most bicyclists during this time will be forced into the travel lane with vehicle traffic adjacent to them or approaching from behind. Platooning (grouping) of vehicles and bicyclists from the Oak Grove Avenue and Laurel Street intersection increases the frequency of these conflicts, since the signal meters when vehicle and bicycle traffic progress through the intersection. Based on staff's observations, many students from Menlo-Atherton High School travel westbound on Oak Grove Avenue and make a right-turn onto northbound Laurel Street, after their dismissal at 3:15 pm.

Over the entire duration of the afternoon count, from 2:00 to 6:00 pm, 69 bicyclists ride on Laurel Street, 32 of whom are traveling northbound. Overall, the October 2013 data was generally consistent with the May 2012 counts, with a negligible difference in

vehicle volumes (5 percent decrease) during morning and evening commute periods. However, significant changes were observed in pedestrian and bicycle volumes:

- Pedestrian volumes increased significantly during the evening peak (64%, from 22 to 36 pedestrians)
- Bicycle volume increased significantly during the morning peak hour (42%, from 60 to 85 bicycles)

Negligible changes in pedestrian and bicycle volumes during the other peak hours available for comparison were observed.

Summary of October 3, 2013 Neighborhood Meeting

A neighborhood outreach meeting was held at Nativity School on Thursday, October 3, 2013 from 6:00 – 8:00 pm to review the proposed No Parking restrictions on Laurel Street. Approximately 70 persons attended the meeting, with the majority being Nativity School parents (including residents of Menlo Park and surrounding communities). Several bicyclists that frequently ride on Laurel Street also attended. Notes from the meeting are provided in Attachment G.

The majority of the feedback received at the meeting voiced Nativity School parents' concerns about eliminating the parking, forcing parents and students to walk farther from the School during pick-up. Concerns about safety of pedestrians crossing at the Laurel Street and Oak Grove Avenue intersection were also raised, as parking elimination on Laurel Street may induce more parking on southbound Laurel Street and Oak Grove Avenue, requiring parents to escort children across the street. One attendee voiced support for parking restrictions, noting that her children ride from their home in Atherton to school in Palo Alto along Laurel Street. Due to a recent incident with a vehicle, they now walk their bikes on the sidewalk along this block of Laurel Street. Written feedback in advance and following the October 3 meeting was also received by staff, highlighting similar concerns as those voiced during the meeting. In addition, several written commenters expressed support for the parking restrictions. One comment was received from a property owner of 17 units on Noel Drive expressing opposition to the parking restrictions due to the potential impact on her tenants. Comments from approximately 25 persons (7 for restrictions and 18 against) have been received, as of Thursday, November 7, 2013 at noon. Copies of written comments are included in Attachment H.

Alternatives Analysis

The following section summarizes the potential alternatives developed to eliminate the bicycle-parking conflicts along Laurel Street. A summary of each alternative, followed by an assessment of benefits and impacts, is provided in the following section. A sketch of each conceptual design is provided in Attachment I. Table I-1 in Attachment I also is provided as a summary, including respective potential impacts, benefits, and costs of each alternative.

Alternative 1: No Stopping on Eastern Side of Laurel Street between Oak Grove Avenue and City of Menlo Park/Town of Atherton border (Along 1250 Laurel Street)

This alternative would restrict parking on the eastern side of Laurel Street by placing “No Stopping” signs between Oak Grove Avenue and the northern City limit. This proposal would require replacement of the seven existing “No Parking 7:00 – 9:00 am” signs.

Benefits:

- Provide clear path of travel for bicyclists in the bike lanes on Laurel Street all day
- Potential to increase bicycle ridership with elimination of the conflicts
- Minimal cost for installation

Impacts:

- Displaces approximately 13-15 vehicle parking spaces adjacent to Nativity School, which are used during School dismissal at 3:00 pm and at other times of day by residents and visitors
- May see increased parking on adjacent streets, such as southbound Laurel Street, Oak Grove Avenue, and side streets, such as Pine Street and Mills Street

Cost:

- Approximately \$700 for replacing “No Parking 7:00 – 9:00 am” signs with “No Stopping” signs

Feedback from the neighborhood meeting on October 3, 2013 raised potential alternatives to accommodate parking and a separate bike lane, as well as pedestrian safety concerns crossing at Oak Grove Avenue and Laurel Street. Based on this feedback, staff has evaluated five additional alternatives to eliminate parking-bicycle conflicts.

Alternative 2a: Provide a parking pull-out along Laurel Street, Nativity School frontage along staff parking lot (between the driveways)

This alternative would widen the eastern side of Laurel Street by eliminating the existing landscape buffer and shifting the existing sidewalk towards Nativity School, in order to provide a bicycle lane and separate vehicle parking area. On-street parking would be available 24 hours per day, 7 days per week. This alternative includes a portion of Laurel Street between the driveways of the existing staff lot. It includes relocation of the two utility poles within this section, plus one on either side; under existing agreements, the cost of relocating these poles would be borne by PG&E and is not included in the cost estimate below, but a longer schedule for project implementation would be needed.

Benefits:

- Provide clear path of travel for bicyclists riding in the bike lanes on Laurel Street all day

- Potential to increase bicycle ridership with elimination of the conflicts
- Maintains on-street parking (approximately 7 spaces)

Impacts:

- Displaces approximately 2-3 on-street parking spaces (due to required curb returns on each end of the new parking area)
- Requires removal of 13 non-heritage trees and existing landscape buffer between the sidewalk and proposed parking lane
- Requires relocation of up to four utility pole
- Introduces car door opening directly onto the sidewalk conflicting with pedestrians that does not exist with the landscape buffer
- High Cost

Cost:

- Approximately \$207,000

Alternative 2b: Provide a parking pull-out along Laurel Street, Nativity School frontage between Oak Grove and southern staff lot driveway

This alternative would widen the eastern side of Laurel Street by eliminating the existing landscape buffer and shifting the existing sidewalk towards the Nativity School property line, in order to provide a bicycle lane and separate vehicle parking area. On-street parking would be available 24 hours per day, 7 days per week. This alternative includes a portion of Laurel Street between Oak Grove Avenue and the southerly staff lot driveway. It includes relocation of the single utility pole within this section; under existing agreements, the cost of relocating this pole would be borne by PG&E and is not included in the cost estimate below, but a longer schedule for project implementation would be needed.

Benefits:

- Provide clear path of travel for bicyclists riding in the bike lanes on Laurel Street all day
- Potential to increase bicycle ridership with elimination of the conflicts
- Maintains on-street parking (approximately 3 spaces)

Impacts:

- Displaces approximately 1-2 on-street parking spaces (due to required curb returns on each end of the new parking area)
- Requires removal of one heritage tree and existing landscape buffer between the sidewalk and proposed parking lane
- Requires relocation of one utility poles

- Introduces car door opening directly onto the sidewalk conflicting with pedestrians that does not exist with the landscape buffer
- Cost

Cost:

- Approximately \$130,000

Since this alternative would require removal of a heritage tree, staff does not recommend this alternative as a feasible option.

Alternative 2c: Combination of Alternatives 2a and 2b

This alternative represents a combination of Alternatives 2a and 2b, parking pull-outs on Laurel Street along Nativity School's frontage.

Benefits:

- Provide clear path of travel for bicyclists riding in the bike lanes on Laurel Street all day
- Potential to increase bicycle ridership with elimination of the conflicts
- Maintains on-street parking (approximately 10 spaces)

Impacts:

- Displaces approximately 3-5 on-street parking spaces (due to required curb returns on each end of the new parking area)
- Requires removal of 13 non-heritage trees and one heritage tree
- Requires relocation of up to four utility poles
- Introduces car door opening directly onto the sidewalk conflicting with pedestrians that does not exist with the landscape buffer
- High Cost

Cost:

- Approximately \$329,000

Since this alternative would require removal of a heritage tree, staff does not recommend this alternative as a feasible option.

Alternative 3a: Alternative 2a (parking pull-out along Laurel Street, Nativity School frontage along staff parking lot (between the driveways)) without relocation of utility poles

This alternative would result in a similar overall configuration as Alternative 2a, installation of a parking pull-out along Laurel Street between the staff lot driveways; but, the utility poles would not be relocated. A new parking pull-out would be created, but the poles would be surrounded by concrete curbs with spaces delineated around the

existing poles. Allowing the poles to remain would reduce the number of parking spaces that would be accommodated in this section.

Benefits:

- Provide clear path of travel for bicyclists riding in the bike lanes on Laurel Street all day
- Potential to increase bicycle ridership with elimination of the conflicts
- Maintains on-street parking (approximately 5-6 spaces)

Impacts:

- Displaces approximately 3-5 on-street parking spaces (due to required curb returns on each end of the new parking area and maintaining existing utility poles)
- Requires removal of 13 non-heritage trees
- Introduces car door opening directly onto the sidewalk conflicting with pedestrians that does not exist with the landscape buffer
- High Cost

Cost:

- Approximately \$210,000

Alternative 3b: Alternative 2b (parking pull-out along Laurel Street, Nativity School frontage between Oak Grove and southern staff lot driveway) without relocation of utility poles

This alternative would result in a similar overall configuration as Alternative 2b, installation of a parking pull-out along Laurel Street between Oak Grove Avenue and the southerly staff lot driveway; but, the utility poles would not be relocated. A new parking pull-out would be created, but the poles would be surrounded by concrete curbs with spaces delineated around the existing poles. Allowing the poles to remain would reduce the number of parking spaces that would be accommodated in this section.

Benefits:

- Provide clear path of travel for bicyclists riding in the bike lanes on Laurel Street all day
- Potential to increase bicycle ridership with elimination of the conflicts
- Maintains on-street parking (approximately 2-3 spaces)

Impacts:

- Displaces approximately 2-3 on-street parking spaces (due to required curb returns on each end of the new parking area and maintaining existing utility poles)
- Requires removal of one heritage tree

- Introduces car door opening directly onto the sidewalk conflicting with pedestrians that does not exist with the landscape buffer
- Cost

Cost:

- Approximately \$131,000

Since this alternative would require removal of a heritage tree, staff does not recommend this alternative as a feasible option.

Alternative 3c: Combination of Alternatives 3a and 3b

This alternative represents a combination of Alternatives 3a and 3b, parking pull-outs on Laurel Street along Nativity School's frontage. It is similar to Alternative 2c, except without relocation of the utility poles.

Benefits:

- Provide clear path of travel for bicyclists riding in the bike lanes on Laurel Street all day
- Potential to increase bicycle ridership with elimination of the conflicts
- Maintains on-street parking (approximately 7-9 spaces)

Impacts:

- Displaces approximately 5-8 on-street parking spaces (due to required curb returns on each end of the new parking area and maintaining existing utility poles)
- Requires removal of 13 non-heritage trees and one heritage tree
- Requires relocation of up to four utility poles
- Introduces car door opening directly onto the sidewalk conflicting with pedestrians that does not exist with the landscape buffer
- High Cost

Cost:

- Approximately \$333,000

Since this alternative would require removal of a heritage tree, staff does not recommend this alternative as a feasible option.

Alternative 4: Shared-use path along eastern side of Laurel Street, adjacent to Nativity School at 1250 Laurel Street

Alternative 4 includes development of a shared-use (bicycle and pedestrian) path along the eastern side of Laurel Street adjacent to Nativity School. It would require widening

the existing sidewalk to meet shared-use pathway standards for a Class I bicycle facility according to Caltrans' *Highway Design Manual* (HDM, 2012): a minimum 10-foot path for bicyclists and pedestrians, plus width for shoulders (2 feet), and a minimum 5-foot landscape buffer between the roadway and path OR a physical vertical barrier if a 5-foot buffer cannot be accommodated. Based on preliminary conceptual designs prepared, the 5-foot buffer cannot be accommodated without additional right-of-way. Therefore, a vertical barrier would be required based on Caltrans' standards; this barrier would prohibit access to the pathway from the adjacent on-street parking which would not serve the on-street parking areas for loading and unloading.

The purpose of a shared-use path would be to shift northbound bicycle traffic from the existing on-street bicycle lane to the path. While on-street parking would remain, the path would introduce bicycle traffic to the path, mixing with pedestrians on the sidewalk, including loading and unloading of Nativity School students.

Additionally, bicyclists would experience conflicts with crossing driveways and transitions to and from the on-street bicycle lane, which introduces safety concerns with provision of a pathway. The HDM and other best practice bicycle facility design guidance cautions against provision of a shared-use path immediately adjacent to roadways, since bicyclists expect to be "protected" when riding on a path, but in actuality, experience increased collision risk due to driveway and intersection crossings where drivers do not expect bicyclists to be traveling. The on-street parking will also limit visibility between drivers on Laurel Street and bicyclists on the proposed pathway. In these cases, bicycle traffic is typically best served by on-street bike lanes.

Benefits:

- Separates bicycle traffic and on-street parking conflicts
- Maintains on-street parking area

Impacts:

- Requires removal of one heritage tree and 13 non-heritage trees
- Requires removal, possible replacement, of existing landscape buffer (depending on available street width)
- Requires relocation of up to four utility poles
- Introduces significant safety concerns with pathway conflicts at driveways and transitions to and from on-street bike lanes
- Increases impermeable surface area due to widening pathway, which may increase stormwater runoff
- Prohibits passengers from parked vehicles from entering the sidewalk, except at the driveway or corner of Oak Grove and Laurel
- Cost

Cost:

- Approximately \$129,000

Given the safety concerns of a shared-use pathway in this location plus the necessary removal of the heritage tree, staff does not recommend a shared-use pathway for this location.

Other Considerations

Pedestrian Crossing Improvements at Oak Grove Avenue and Laurel Street

Based on feedback from the October 3 meeting and staff observations of traffic and behavior at Oak Grove Avenue and Laurel Street intersection, staff included an evaluation of pedestrian safety enhancements at the intersection, including installation of a leading pedestrian interval (LPI). A LPI provides a 3- to 10-second advance, dedicated pedestrian crossing signal that gives pedestrians a “head start” crossing the street, before motorists get a green signal. At intersections with high volume of turning traffic, where drivers may not be aware of crossing pedestrians, LPIs have been shown to reduce the frequency of vehicle-pedestrian conflicts.¹ In suburban locations, installation of an LPI should be complemented by a right-turn on red prohibition.

Based on preliminary analysis of the operations of the Laurel Street and Oak Grove Avenue intersection, installation of a 5-second LPI and accompanying right-turn on red prohibition when children are present would have minimal effects on the traffic operations at the intersection. During morning, afternoon, and evening peak periods, the increase in delay to motorists, on average, is less than 5 seconds. The intersection is projected to continue to operate at level of service (LOS) B or better during each peak hour. A 10-second LPI would have minor impacts to traffic operations; the intersection would operate at LOS C during the morning peak hour; LOS B or better during the mid-day and evening peak hours.

A pedestrian-only scramble phase, where pedestrians can cross any direction during an all-red vehicle phase, was also evaluated at the intersection. The operations analysis shows that the intersection would operate at LOS D during the morning peak hour; LOS C or better during the mid-day and evening peak hours. Since the morning peak hour degrades to LOS D, considered unacceptable conditions based on the City’s level of service standards for this intersection, additional traffic analysis and environmental review would need to be conducted for a pedestrian scramble phase before such an improvement could be further considered.

¹ Van Houten, R., Retting, R.A., Farmer, C.M., Van Houten, J., Malenfant, J.E.L. Field evaluation of a leading pedestrian interval signal phase at three urban Intersections. Transportation Research Record. No 1734, 2000, p. 86-91.

Nativity School On-Site Parking Modifications

Staff has worked with the school to investigate possible provision of on-site parking in two different areas. The first would shift some staff parking from the lot along Laurel Street to behind the Sobrato Pavilion, freeing the existing staff lot to provide parking for visitors and parents during drop-off and pick-up. Nativity School's preliminary investigations show that potentially eleven (11) additional spaces may be provided along this area. This area is designated for emergency vehicle access (EVA), so a minimum aisle width of 20 feet is needed to meet the Menlo Park Fire Protection District's (MPFPD) requirements, based on preliminary input from MPFPD.

Secondly, Nativity School has identified possible provision of additional spaces at the northern edge of the site, near the property line and Town of Atherton boundary. This parking would also be limited to use by staff, to free capacity in the existing staff lot for visitors and parents during drop-off and pick-up. The number of spaces that can be provided in this area is limited to three (3) by an existing heritage oak tree, removal of which is not feasible at this time.

The School may pursue such on-site parking modifications, if needed or desired, through their current Use Permit application.

Transportation Commission Recommendation

The Transportation Commission reviewed the item at their November 13, 2013 meeting, and voted to support staff's recommendations with the following amendments:

1. Defer installation of the no stopping restrictions on the east side of Laurel Street until after the 2013-2014 school year has ended
2. Modify the proposed Right-Turn on Red restriction at Laurel Street and Oak Grove Avenue to all-day, instead of "when children are present"
3. Encourage Nativity School to develop a carpool, walking and bicycling encouragement program
4. Work with Nativity School to evaluate the modifications after the start of the 2014-2015 school year, and if necessary, bring the items back to the Transportation Commission for further review
5. Require Nativity School to install green bicycle lane treatments (specific design to be determined) as part of a condition of approval for their pending Use Permit

Bicycle Commission Recommendation

The Bicycle Commission reviewed the item at their November 18, 2013 meeting, and voted to support the Transportation Commission's recommendations, with the exception of item 2 (all day Right-Turn on Red restriction).

Conclusions

Based on the evaluation of the alternatives described above, staff recommends implementation of the following combination of alternatives, which provides compromise to serve bicyclists and the Nativity School community, and address pedestrian safety concerns crossing the Oak Grove Avenue and Laurel Street intersection:

- Alternative 1: No Stopping restriction on eastern side of Laurel Street between Oak Grove Avenue and Glenwood Avenue. Installation deferred until the 2013-2014 school year has ended.
- Pedestrian crossing improvements at Laurel Street and Oak Grove Avenue intersection:
 - Installation of a leading pedestrian interval
 - Right-turn on red restrictions when children are present

Staff will work with Nativity School on the following:

- Encourage Nativity School to develop a carpool, walking and bicycling encouragement program
- Work with Nativity School to evaluate the modifications after the start of the 2014-2015 school year, and if necessary, bring the items back to the Transportation Commission for further review
- Require Nativity School to install green bicycle lane treatments within the vehicle-bicycle interaction points as part of a condition of approval for their pending Use Permit

IMPACT ON CITY RESOURCES

Alternative 1: To restrict parking in the bicycle lane, signs indicating “No Parking” must be placed along northbound Laurel Street. Signs that limit parking between 7:00 – 9:00 am are already posted, thus, only the sign plaques must be replaced. The cost of replacing these four signs would be \$700.

The costs to install a leading pedestrian interval and accompanying right-turn on red restrictions would be approximately \$2,000 to modify the signal controller and install right-turn on red restriction signs.

POLICY ISSUES

The recommendation does not represent a change to existing City policy.

ENVIRONMENTAL REVIEW

Alternative 1 the pedestrian crossing improvements at the Oak Grove Avenue and Laurel Street intersection are Categorically Exempt as existing facilities under the California Environmental Quality Act (CEQA), Section 15301(e).

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. [September 11, 2006 Planning Commission Minutes](#)
- B. [December 4, 2008 Staff Report and Excerpted Pages from Encinal Safe Routes to School Plan](#)
- C. [Excerpt of Pages from Valparaiso Corridor Safe Routes to School Plan](#)
- D. [Comprehensive Bicycle Development Plan and El Camino Real/Downtown Specific Plan, Existing and Proposed Bicycle Facility Maps](#)
- E. [Maps of Existing Parking Conditions on Laurel Street between Ravenswood Avenue and Glenwood Avenue](#)
- F. [October 10, 2012 Transportation Commission Staff Report and Minutes](#)
- G. [October 3, 2013 Neighborhood Outreach Meeting at Nativity School](#)
- H. [Written Comments Submitted Regarding Potential Parking Restrictions on Laurel Street between Oak Grove Avenue and Laurel Street](#)
- I. [Graphical Depiction of Alternatives and Tabular Summary of Alternatives, Costs, Potential Impacts and Benefits](#)

Report prepared by:
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**MENLO PARK PLANNING COMMISSION
MINUTES**

**Regular Meeting
September 11, 2006
7:00 p.m.
City Council Chambers
701 Laurel Street, Menlo Park, CA 94025**

CALL TO ORDER – 7:00 p.m.

ROLL CALL – Bims (Chair), Deziel, Keith (Vice-chair), O'Malley, Pagee, Riggs, Sinnott

INTRODUCTION OF STAFF – Deanna Chow, Senior Planner, Justin Murphy, Development Services Manager, Thomas Rogers, Assistant Planner

A. PUBLIC COMMENTS

There were none.

B. CONSENT

There were no items on the consent calendar.

C. REGULAR BUSINESS #1

1. **Conditional Development Permit Revision/Elizabeth Cullinan/1330 University Drive:**
Request for a conditional development permit revision to reduce the off-street parking requirement from 122 spaces to 94 spaces, in order to allow for the removal of 33 parking lifts, in an existing 60-unit multi-family residential building in the R-3-X (Apartment - Conditional Development) zoning district.

Commissioner Sinnott recused herself due to a potential conflict of interest as she owns property within 500-feet of the subject property.

Staff Comment: Planner Rogers said staff had no information to add to the written report.

Questions of Commission: Commissioner Keith said she understood that it was not possible to park an SUV on the upper part of the parking lift but wondered if a larger vehicle could be parked on the bottom of the lift and a smaller size vehicle on the top of the lift. Planner Rogers said with the lift up that a larger size vehicle would neither fit in the upper or lower space. He said the lift could be lowered and not be used as a lift and while some larger vehicles could be parked into that space the lift sides created a space smaller than the edges of the parking space and according to the applicants and other residents this was not functional for certain individuals and vehicles.

Chair Bims said the staff report indicated that no additional parking spaces could be provided without architectural control review, but a letter included in the report had noted previous

discussion about possible alternatives including the use of some landscaped area as reserve parking. He asked about the process of architectural control review to mitigate parking. Planner Rogers said that an arrangement to provide additional parking at the surface level would require architectural control review. He said the applicants in their discussion of ways to address the issue had considered architectural control review as one option but ultimately decided that would not address the core issues and cause negative aesthetic impacts.

Public Comment: Ms. Elizabeth Cullinan, Neal Martin and Associates, said they previously came before the Commission on August 14, 2006 to request an amendment to the existing Conditional Development Permit (CDP) to reduce the number of parking spaces at the site from 122 to 94 parking spaces. She said since the continuance that they had consulted with the City Attorney regarding options that would not require an amendment to the existing CDP or architectural review and there were no other options that would allow the reduction of parking spaces legally. She said they obtained a quote of \$4,000 for an engineering study that would potentially not have conclusive findings and would still need to be approved by emergency services companies such as the Fire District. She said they had obtained an opinion from a professional engineering firm that indicated the rear yard area could be used for regular vehicle parking, but not emergency service vehicles. She said the original permit plans for the project seemed to show that the rear yard area had been constructed similarly to the surface parking area which indicated that parking could be supported in this area to the rear. She said the constraints to completing a full engineering study were the residents' opposition to using the rear yard area as a parking area and that the neighbors might be opposed to that as well because of noise impacts after hours. She said a study conducted now could become outdated as to structural and neighborhood parking needs in 10 to 15 years. She said there were future options that might be preferable and more aesthetically pleasing to the City such as a shared parking arrangement between neighboring property owners, contribution to a shuttle and those types of things rather than the elimination of landscaping. She said the video, photographs and complaint log they had provided demonstrated the difficulty and the danger of operating the parking lifts. She said that retrofitting was difficult and this was needed because of market forces (i.e. larger vehicles) and not because of lack of maintenance. She said that there were assurances stated by staff as conditions of approval that should there be future neighborhood parking problems there were alternatives that could be addressed. She requested that the Commission make a recommendation of approval to the Council.

Commissioner O'Malley asked how the parking issues would be brought to the attention of future homebuyers at the site. Ms. Cullinan said they were proposing a "Market Parking Policy," which was a condition of approval that would require full disclosure of future buyers of these condominium units.

Commissioner Riggs said that the action of the Homeowners Association (HOA) Board seemed to imply that the responsibility for maintenance and repair for the parking lifts for property owners who wanted them would fall to those property owners. He asked whether those responsibilities were currently listed in the CC&Rs as belonging to the Homeowners Association. Ms. Cullinan said that was correct.

Mr. Cassius Kirk said he was a property owner at the subject property and was against the proposed amendment. He noted that he had previously sent written comments and would not repeat those comments. He said he thought that Menlo Towers Association had the burden of establishing that it would be in the long-range best interests for Menlo Towers and the City of Menlo Park to lose 33 secure, underground off-street parking spaces, but he did not think that they had done that. He said if the parking lifts were removed, Menlo Towers would be in

noncompliance not only with the original CDP but also with the existing Zoning Ordinance for Menlo Park. He said if the parking lifts were removed there would be no feasible way of providing alternative off-street parking. He said he did not know if it was logistically possible to construct a second underground parking structure under the existing level but if it were it would cost a couple of million dollars and would not be done. He said another alternative would be to convert the terrace on the east side into an aboveground parking lot. He said the units on the east side of the building look out over a terrace, which is the roof of the underground garage. He said he did not think the owners on the east side would allow the terrace to be converted to a parking lot and even if they were in agreement the cost would be very substantial and in the hundreds of thousands of dollars, so that would not be done. He said the parking in the area had become congested because of the amount of in-fill construction that had occurred in the vicinity of the subject property. He said that single-family residences have become three-, four-, and five-unit townhouses. He said Menlo School was also across the street and there was considerable overflow parking from that during the school season. He requested that the Commission recommend denial of the application to the City Council.

Commissioner Deziel asked if Mr. Kirk was interested in keeping the lifts or the parking spaces if there was another alternative. Mr. Kirk said he liked the lifts and having a backup parking space; he said without the lifts there was only one parking space per unit. He said the smallest unit was over 1,500 square feet and the penthouses were over 4,000 square feet. He said the subject property was the only high-rise building in Menlo Park and it seemed anomalous for Menlo Towers to ask to be exempted from the Zoning Ordinance that applied to all comparably-sized condominiums.

Mr. Gregory Rubens, Aaronson, Dickerson, Cohn and Lanzone, said he was the attorney representing Menlo Towers Homeowners Association. He said Commissioner Riggs had asked about responsibility for the lifts and referred to the "Parking Space Market Policy." He said indemnity would be a condition for a lease if a homeowner were to enter into a sublease for parking as part of the policy to maximize the parking in the project. He said neither this policy nor the Commission's action to recommend approval would change the CC&Rs for the project and the responsibilities stated there. He said with a sublease there would be an indemnity provision to protect the Board from liability related to the sublease.

Commissioner Riggs asked if the staff report was in error in its conclusion that property owners would accept a transfer of responsibility for the maintenance of the lifts. Mr. Rubens said that had to be drawn from the "Parking Space Market Policy" as that was the only part of their application that spoke about "indemnity." He said the staff report was correct for a sublease situation, but when it was a general situation of the governance of the project that was not changed by the Commission's action to recommend approval. Commissioner Riggs said the staff report stated that "The Homeowners Association proposes to allow individual residents to retain their lifts in exchange for the assumption of maintenance and liability obligations." He asked whether or not that was a correct statement by staff. Mr. Rubens said it was not completely correct as the application would not change the internal responsibilities. He said the action requested would only relieve the applicant of the lift requirement. He said as part of the conditions of approval that the applicant agreed to develop a "Market Policy" that would help alleviate some of the problems that might come up and to maximize the parking as well as disclose parking issues. Commissioner Riggs said his question related to financial responsibility and liability and asked if it was correct to say that the phrase he read from the staff report did not apply except in a sublet situation. Mr. Rubens said that was correct.

Commissioner Keith said that the staff report noted a desire that the survey be extended to all of the residents and asked whether that had happened. Mr. Rubens said that the Board President was indicating the survey had been already extended to all of the residents. Commissioner Keith asked about the response. Ms. Kathleen Mehigan, current HOA Board President, said that 22 residents who have lifts want them removed and five or six residents who have lifts do not want them removed. She said that they did not hear from a couple of homeowners and many of those who do not have lifts felt like the lifts should be removed because they are dangerous. Commissioner Keith said she would like to know the total of respondents.

Commissioner Deziel asked about the pool of parking spaces available for lease, if there were only 66 parking stalls underground and the lifts were removed. Mr. Rubens said the survey indicated that there were only 59 vehicles currently in the whole project and there were surplus spaces that could be made available. He said they were also trying in the policy to address a future, general shortfall. He said there were restrictions in the policy as it was not desired to have surface spaces used as a substitute parking space by residents. Commissioner Deziel asked if the applicants were allowed the reduction in the parking number whether the HOA would be able to force the removal of lifts against the will of property owners. Mr. Rubens said that the only reason the Board would want to remove the lift would be if the lift had failed, and that was stated in the disclosure policy. He said lifts had been removed in the past at the request of a property owner because of safety concerns, but at this point because of the existing CDP lifts would have to be replaced. He said the current Board had no plans to remove the lifts and the only statement in the "Market Policy" about the removal of lifts was in the situation that the lift failed.

Commissioner Keith said currently if the lifts were to fail it would be the HOA's responsibility to repair or replace those to which Mr. Rubens agreed. Commissioner Keith said Mr. Rubens' understanding was that the current Board had no intent to remove all of the lifts, but it would be within a future Board's purview to do so. Mr. Rubens said he had written a letter that gave his opinion that the governing documents of the HOA give the authority to govern the lifts and the use of the spaces to the Board of Directors. He said that was the mechanism under which the Board could possibly remove all of the lifts, but there were no plans by this Board to do so. Commissioner Keith asked about the term of a Board member. Ms. Mehigan said the term was a minimum of three years and usually there was a turnover of two members annually. She said that they had extended the survey to all of the homeowners; six respondents indicated that they wanted very much to keep their lifts; 29 said that they had no lift or had the lift removed; 22 said that they had lifts but wanted them removed; and three did not respond. Commissioner Keith asked if the survey had asked those who did not have lifts if they wanted the lifts kept. Ms. Mehigan said it had not.

Chair Bims said there had been discussions regarding the use of parking areas other than the lifts such as the terrace. Ms. Mehigan said that she thought the homeowners would not like that at all mainly because of the noise and the loss of an aesthetically pleasing area.

Ms. Jane Zuker, Menlo Park, said the use of the patio for parking would probably not be desirable as there was currently a large room available for recreation and parties that opened onto the terrace. She said that Mr. Kirk and his attorney, Mr. Knapp, had told her that the HOA had had a fund for the lifts and from 1973 to about 1983 the lifts were maintained by them, but that had since ceased. She said she understood that in another six years the fund would have enough money in it to pay for the repair or replacement of all of the remaining lifts. She said that the lifts were supposed to have been kept up over the years but they had not been, but in six years there would be money to do the maintenance on the lifts. She said that the survey

was given to the homeowners about a week before the first Commission meeting and it only asked whether or not the homeowner had a lift and if they did whether they wanted it. She said that she did not feel the homeowners had been represented by Ms. Cullinan.

Chair Bims closed the public hearing.

Commission Comment: Commissioner Keith questioned the finding of staff for approval as that was based on current demographics and parking needs and those could change. Planner Rogers said that changes in demographics had entered into staff discussion and the mechanism that they added, which was not part of the applicant's original application, was the condition "7.d" that gave the City the right to issue a new CDP revision to address any future parking problem. He said the parking space disclosure statement would provide full knowledge of the parking situation at the site to future buyers of the units. He said that staff's position was driven by the unique conditions present on the subject property and as stated in the staff report. Commissioner Keith asked if those unique conditions were the demographics and number of vehicles owned. Planner Rogers said that was correct but included also the equipment as parking spaces are provided on a mechanical device that did not meet current vehicle dimensions. Commissioner Keith said regarding "7.d" that if staff found there was a lack of parking in the future whether that would require Menlo Towers to reinstall lifts that had been removed. Planner Rogers said that was definitely one of the possibilities and staff had informed the applicants of this possibility.

Commissioner Pagee said it was the height of the cars and not the wheel dimension that was the issue and asked if staff had looked at slab to slab heights, available open space and heights of cars to reach their conclusion. Planner Rogers said that staff had relied on the Hexagon Transportation Study regarding the size of vehicles and the slab-to-slab distance.

Commissioner Riggs said he was trying to keep the proposal in perspective with other denser housing projects the Commission had considered in the last year. He noted the developers of the Linfield Project had asserted that they would be selling to people with fewer cars and fewer residents than would be normally expected in the size residence that they were proposing, yet the developer was held to the parking count by the City. He said in the case of the Derry project and the El Camino project that those developers received a small reduction in parking as those projects have the benefit of being close to the train station. He said he had a problem establishing parking ratio for the subject property based on current usage. He asked if staff had considered those other projects. Development Services Manager Murphy said that the consideration for this project was based on the unique conditions of the site as outlined by Planner Rogers. He said that there were not any projects that could be exactly equated to this proposal but those other projects mentioned by Commissioner Riggs had been considered within the recommendation. Commissioner Riggs asked if the issues for this variance were deferred maintenance and vehicle dimensions. Development Services Manager Murphy clarified that it was not a variance request but an application for a CDP Revision that required a recommendation from the Planning Commission and approval by the City Council. He said regarding deferred maintenance that it was hard to revisit that issue; he said there were other lifts that could potentially replace lifts in the same exact spaces but that was not what the applicant was requesting. He said the Board of the HOA had gone through a certain process to make this request and staff was recommending approval of the request. Commissioner Riggs said that the key issues appeared to be deferred maintenance and vehicle size. Development Services Manager Murphy said those were the key issues.

Commissioner Deziel thanked the applicant for obtaining the scoping for an engineering study. He said that the property had a unique situation, but if the parking number was simply reduced that would stand in the future and would allow a project to have just a little over 1.5 parking spaces with no extra guest parking per unit. He said this unique circumstance merited a unique response. He said possibly if all the units could be deed restricted to senior housing due to the finding that there was less vehicle ownership among seniors, but he did not think that was viable. He said he would like something stronger than what was proposed to bring in extra parking.

Commissioner Keith said she had similar concerns and was concerned with setting a precedent by reducing the parking to almost 1.5 spaces per condo unit.

Chair Bims moved to allow the applicants to have the removal of the lifts on the condition that they come back under architectural control review with landscape reserve for uncovered parking spaces in the rear. Commissioner Keith said that did not sound like a viable solution for many of the homeowners on the east side. Commissioner Deziel said that there would be an impact on the units on the first floor but there was plenty of room to have a landscaping buffer between parking and the recreation room; the structure under the terrace was the same as that under the current deck parking; there were no plantings on the terrace, planters had been capped off and plants were on the balconies of the units; and there was also a yard and a pool beyond that terrace area. He asked if landscape reserve would mean removing the planters and installing a wall now or if that would happen later. Chair Bims said he did not want to design the layout specifically just that removal of the lifts would require the parking to be somewhere else. He said if those spaces were designated through architectural control review as landscape reserve that identified a solution to a parking problem in the event the demographics changed. Commissioner Deziel asked whether parking in landscape reserve could be tapped for parking on demand by staff. Chair Bims asked staff to respond. Planner Rogers said that could vary dependent upon conditions and the Commission could indicate how that would be implemented. Commissioner Deziel said that perhaps there could be a requirement for a public hearing and Commission approval or for staff review. Planner Rogers said there were options.

Commissioner Riggs said he felt the City should have more flexibility than it does to address different parking situations but the Commission had to reflect the Zoning Ordinance in its decisions. He seconded Chair Bims' motion noting that architectural control review was an ample way to allow the applicant to work through staff to identify where parking would be on the terrace. He said he thought condition "7.d" was potentially arguable in the future if the applicant were to indicate that there were no feasible solutions.

Commissioner Pagee said she had a problem with a HOA that could by a majority vote decide to not maintain lifts currently there. She said she was not sure if the City could require that same amount of maintenance money in the same proportion for lifts go into a fund to be used in the future to put in parking spaces. She said she wanted something that would require the HOA to maintain and/or replace those lifts for those property owners who found it necessary or convenient to have the lifts. Commissioner Riggs suggested adding a requirement with the architectural control review or with the recommendation for the revision that the applicant demonstrate that the parking interest of all the owners is not prejudiced by this action. He said this was to put the burden on the applicant so that Mr. Kirk among others would not lose current parking options. Chair Bims asked if Commissioner Riggs was suggesting a one-to-one replacement so that if a lift was removed that would be replaced with a parking space in the landscape reserve. Commissioner Riggs said he would leave that up to the applicant to come back and demonstrate to the City that Mr. Kirk and others' parking interests were not harmed.

Chair Bims said Commissioner Riggs was saying that homeowners who wanted to keep their lifts were not responsible for the maintenance of the lifts rather that those should be maintained by the HOA. Commissioner Riggs said also that the lifts could not be removed without the homeowners' acquiescence. Commissioner Keith asked whether it could be stated more specifically that homeowners who wanted to keep their lifts would have those maintained and repaired by the HOA. Planner Rogers said it depended upon where Commission was heading with the motion as to whether the CDP amendments could be structured in such a way that they were recommending to the City Council to approve the CDP Revision with these extra things, or if, as he thought he was beginning to hear, the idea of reducing the required number of off-street parking spaces if parking spaces were provided in landscape reserve. He said the idea of reducing the number of off-street parking spaces in the CDP, if going down the architectural control review path, might be better served by recommending a denial to the City Council based upon those factors and suggesting that the applicant take a different path. He said that architectural control review was a different application and could not necessarily be shoehorned into a CDP condition. Chair Bims asked if Planner Rogers was saying that the Commission could not recommend approval with a condition for architectural control review because that was a separate process altogether. Development Services Manager Murphy said the Commission could recommend a revision to the CDP with some architectural control revision for landscape parking if the parking requirement was reduced to a number lower than what was outlined in the current CDP. He said that if the parking was to be replaced one-to-one there would be another application process. He said that if the Commission did not want to reduce the parking requirement to a number lower than what was outlined in the current CDP he would recommend that they recommend denial and list the reasons why.

Commissioner Deziel said they had discussed preserving equity for the property owners who had lifts and wanted to keep them. He said however for a new comprehensive plan that was currently being called landscape reserve that if it had hypothetically 20-some potential spaces then he did not think the one-to-one protection was needed for the people who wanted the lifts. He said Mr. Kirk made an excellent point that the parking number could not just be reduced and that 33 parking spaces could not just be eliminated as that would harm property values for those in the building. He said if 20 parking stalls were added hypothetically to the terrace area and those went into some assignable/unassigned program based on the leasing that was an excellent substitute for 33 stalls. He said that would equate to 111 spaces total with 66 underground, the deck with 25 spaces, and 20 rather than 22 spaces on the terrace area to allow comfortable pedestrian circulation to the pool and yard area. He said he could see recommending a CDP Revision with a condition that prior to removal of the lifts, the applicant would have to get an architectural control review plan that showed the 20 spaces in landscape reserve with an engineering study. Chair Bims said he did not think engineering study would be needed to put the spaces in landscape reserve. Commissioner Deziel asked if the applicant came forward with an architectural control review if there was an expiration date for when they had to apply for a building permit. Planner Rogers said there was no expiration date for architectural control review approvals. Commissioner Deziel said that 20 unassigned stalls were far more valuable than 33 assigned stalls in particular on lifts as those were provided in tandem. He said he could see allowing the applicant to remove all of the lifts and use the maintenance funds to develop 20 new parking spaces in the landscape reserve. Commissioner Riggs asked if there were units that had two deeded spaces. Commissioner Deziel said there were six such units and that those that had lifts were deeded only one space. Commissioner Riggs said in the future logically vehicles would be smaller, but if the majority of the property owners did not want to deal with the lifts then they should have the option to have them removed as long as someone whose dedicated space was a lift and who wanted the lift

received maintenance and repair of the lift by the HOA. He said he wanted the burden to be on the applicant that the minority of owners who wanted to keep the lifts were allowed to do so.

Commissioner Keith said she agreed the property owners should be allowed to keep the lifts and that the lifts would be maintained and repaired by the HOA. She said that everyone seemed to have the same intent to protect people's rights to have the lifts. Commissioner Deziel said that he disagreed as he thought a comprehensive parking plan and the need for parking overshadowed any of the estimated five or six people with residual attachment to the parking lifts. He said the lifts impacted neighboring spaces and were most unattractive. He said that anyone who wanted a second parking stall could get it out of a lease program if there were some 20 parking stalls. He said the maintenance fund for the lifts would probably pay for the construction of the parking stalls.

Chair Bims said that 22 people who responded to the survey indicated they wanted the lifts removed and the homeowners did not want to see uncovered parking in the rear provided as a replacement for the lifts to be removed. He said thus there were 22 people who were willing to see a reduction in their parking. Commissioner Deziel said that there was nothing on the survey regarding parking. Chair Bims said the general feeling they had heard was that the HOA and residents did not want the parking in the terrace thus at some point there was a rationalization by these individuals that they were willing to give up a lift space without the possibility for a replacement elsewhere. He said the landscape reserve spaces would not need then to equal the lift spaces.

Commissioner Pagee called for the vote. Commissioner Keith said she could support the reduction to 111 spaces with 20 spaces in landscape reserve on the eastern terrace if it included some provision to preserve the right for any property owner who did not want the lift removed to keep it with the repair and replacement of those lifts being the responsibility of the HOA. Chair Bims suggested an amendment to the motion for 20 parking spaces in landscape reserve in the eastern terrace area as part of an architectural control review process with the additional requirement that the residents who do not want to have their lifts removed would have the lifts maintained and repaired by the HOA. Commissioner Riggs as the maker of the second accepted the amendment. Commissioner Deziel said that meant the applicant could not remove any of the lifts until they had obtained architectural control review approval. Chair Bims said that was correct. Commissioner Deziel asked about the trigger to remove a parking space from reserve. Chair Bims said the Community Development Director would have to determine that the parking was insufficient as stated in condition "7.d." He said that if staff, the Director, determined that additional parking spaces were required that the landscape reserve plan could be accessed as a mechanism for adding those additional spaces. Commissioner Riggs said that condition "7.d" could be amended to remove the wording about feasibility and location of parking to read the required landscape reserve plan.

Commission Action: M/S Bims/Riggs to recommend to City Council revision of the Conditional Development Permit so that the parking requirement is reduced to 111 parking spaces with the addition of 20 spaces in landscape reserve that would need to be presented under architectural control review before the removal of any lifts which would reduce the number of parking spaces, and that property owners who want to retain the lifts are allowed to do so and that the Menlo Towers HOA is charged with the requirement to maintain and repair those lifts.

Motion carried 6-0-0-1 with Commissioner Sinnott recused and not in attendance.

D. PUBLIC HEARING

1. **Use Permit/Grace S. Chizar/1201 University Drive:** Request for a use permit to demolish an existing single-story, single-family residence and construct a new two-story, single-family residence on a substandard lot in regard to lot size and width in the R-1-U (Single-Family Urban) zoning district.

This item was continued to the meeting of September 18, 2006 prior to the meeting of September 11, 2006.

2. **VariANCES/Paul and Marcia Bever/699 Central Avenue:** Request for variances to encroach 7 feet 3 inches into the required front yard and to encroach 1 foot 9 inches into the required corner side yard for an addition to a single-story, single-family residence in the R-1-U (Single-Family Urban) zoning district.

Development Services Manager Murphy said that he had a potential conflict of interest as he owns property within 500 feet of the subject property and left the Council Chambers.

Staff Comment: Planner Rogers said the Commission had commented on another agenda item a few weeks prior involving a recommendation for denial of a project for which approval options were not provided within the packet that in response for this item that staff was ready to suggest approval options if a majority of the Commission directed approval of the requested variances.

Commissioner Deziel thanked staff for attending to that detail.

Commissioner Sinnott suggested moving the item regarding Nativity School prior to 699 Central Avenue.

Ms. Marcia Bever, the applicant for 699 Central Avenue, requested that the item remain on the agenda as it was because she needed to get her young children to bed and a number of neighbors were present who wanted to voice support.

Commissioner Riggs suggested moving the Nativity School item to immediately after 699 Central Avenue for which there was agreement.

Questions of Staff: Commissioner Keith said the staff report on page four indicated that the encroachment could negatively impact the visibility at the corner and asked for more detail. Planner Rogers said there was a specific regulation regarding visibility on a corner property by which a triangle was drawn and any fences within that triangle were required to be three feet in height. He said there were no similar restrictions for structures but the same reasoning applied. He said the corner of the house would encroach approximately 12 feet into the sight triangle. He said the Transportation Manager had indicated that it would not be his preference to allow structures to encroach into the sight triangle. He said with the current curb lines any impact was lessened, but the City could conduct right-of-way improvements in the future bringing that street intersection closer to the structure. In response to Commissioner Keith, Planner Rogers said that there have been instances recently wherein the City has widened a road in which property owners have occupied stretches of public right-of-way with fences or other improvements that created difficulties to the City in pursuing long-term objectives to reclaim that public right-of-way. He said that this occurred with the improvements along Hamilton Avenue.

Public Comment: Ms. Bever, the applicant, noted that some of her neighbors had left but had written comments. Chair Bims suggested those be given to staff. Ms. Bever said they were seeking an additional seven feet of building space. She said their home was a two-bedroom, one bath, 1200 square foot residence and their hope was to add 400 square foot of living space. She said the plans provided were the best option to provide an additional bedroom and bathroom. She said the defined best as ease of construction and a probable timeline; preserving the overall look and character of the home and the neighborhood; a common sense approach; dealing with a combination of restraints including large heritage oak on the property with an overhang over 60 percent of their roof, located in the flood plane and the current home's placement on the lot and the existing floor plan. She said staff had offered several building options, but she and her husband and 31 of their neighbors found staff's options to be objectionable and lacking in practical application. She said a partial second story over the garage which would require jacking the entire house up six inches and either replacing or reinforcing the foundation would also place the bedroom and bathroom the farthest distance away from the existing bedrooms would look unnatural and awkward in relation to her home and the neighbors' homes. She said the neighbors had responded to this particular option with a resounding "no." She said completely changing out the floor plan, converting the living room to the bedroom, the garage into a living room, and then constructing an entirely new garage seemed a huge project for lack of accommodation of seven feet, plus the option would reduce all of the sunlight into the yard and kitchen. She said the Building Department had told her a year prior that just finishing out their garage was not something that could easily, if ever be done because of issues related to walls and foundation. She said that she was told that a building permit could not be issued for the garage. She said the issue of corner visibility was inconsequential and their small addition would not interfere with current sight lines. She said that currently there was an existing four-foot fence and a large eight foot pittosporum tree on the corner property, and that cars come into view as they pass through their property line and past the eight foot pittosporum tree at which point their addition if built would not be in the way. She said the construction would mean the corner would be safer as they would remove and/or relocate the pittosporum tree. She said since 1993 there had only been one fender bender at the relevant intersection. She said that she had provided letters of support from 31 neighbors and there were other neighbors who were in attendance to voice their support. She asked that the Commission approve the request for variance.

Commissioner Sinnott said that the applicant wanted to preserve the yard certainly but there was a possibility to add a master bedroom to the other side of the kitchen. Ms. Bever said that they had asked the architect to look at that and several Commissioners had done a site visit. She said that would make the access to the backyard through the master bedroom.

Mr. Ken Bayne, Menlo Park, said his property that he had owned for 16 years was one door away from the applicants. He said he was interested in preserving the quality and character of the neighborhood as well as property rights. He said he fully supported building restrictions and limitations to maintain the quality and character of a neighborhood but that those rules should not be applied rigidly to every situation. He indicated that sometimes the better option required the issuance of a variance. He said the applicants' option would far better preserve the quality and character of the neighborhood than options recommended by staff. He said he was not concerned about safety on O'Keefe and he doubted that the street would ever be widened. He urged the Commission to approve the variance request.

Ms. Leslie Fine, Menlo Park, said she agreed with the Mr. Bayne's comments. She said other construction in the neighborhood recently had included several second-story additions as well

as homes being demolished and two-story homes built that did not preserve the character of the Willows. She said the applicants were proposing an incremental change that preserved the backyard and it was the most sensible option.

Chair Bims called Margaret Keller. Ms. Bever, the applicant, said that Ms. Keller, Menlo Park, was not in attendance, but Ms. Keller had wanted to add to the letter she had written previously that she rides her bike to work at USGS and walks her dog frequently and that the visibility at the applicants' corner was not a problem at all. Ms. Bever noted that on one side of O'Keefe the residents were bordered by a high-density neighborhood and her neighborhood was low density. She said that her neighborhood got a lot of pass-through traffic from the high-density neighborhood. She said the chances that her neighbors would ever let the street be widened so that high-density traffic could travel even faster down O'Keefe was minimal.

Ms. Sarah Miller, Menlo Park, said the proposal was a very practical and an elegant solution. She said she was a little puzzled with some of staff's recommendations and wondered when they proposed moving the living room to the garage if they had considered the fireplace.

Mr. Eric Sabelman, Menlo Park, said he has lived in the neighborhood since 1979 and had previously written a letter of support. He said his letter had not addressed the sight line at the corner. He said he thought it was a stretch to state that the addition to the house would cause an impediment to visibility at the intersection.

Chair Bims closed the public hearing.

Commission Comment: Commissioner Sinnott said she had to make the findings for a variance before she could approve it. She said looking at the plot map that the subject lot matched all of the others surrounding it. She said for the Commission to approve the variance just because it had neighbor support contained a lack of fairness as there were a number of people who had not chosen to go outside the rules. She said that in the law there had to be a hardship to grant a variance. She moved to deny the project. Commissioner Deziel seconded the motion. He said that staff notified the applicant they needed to make four separate findings in order for the variance to be granted. He said the applicant wrote a letter of their thoughts for the verification of the findings. After noting a large number who spoke in support of the project, he said granting a variance was not a popularity contest. He said the fact that there was no hardship came from the fact that a 400 square foot addition could be made at the single-story without discretionary review by simply placing the addition within the setbacks. He said that an architect could rework the space. He said the hardship cited by the applicants was that it would be expensive to try another approach because the lot was in the flood zone. He said in Section 16.82.340 (b) (1) of the zoning ordinance that the hardship finding could not be based on financial difficulties. He said he could not make the finding for the hardship. He said the second standard for a variance was such if there was a hardship that the relief desired to be granted was necessary so that the property owners could use their property as other conforming properties were allowed to use their property. He said if the applicants' lot was clipped at the corner and that created an adversity in the way the setback worked and required a 35-foot setback rather than a 20-foot setback then there was a hardship and a finding could be made for both of the first two standards for a variance. He said that there was not such a hardship with this property.

Commissioner O'Malley said if he supported the applicants' explanation of how their variance request met the four findings that he could vote to support the project. Commissioner Deziel said the standards were specified in the zoning ordinance. Commissioner O'Malley said he

visited the site and ignoring the four findings he found that the plan proposed by the applicants was far superior to anything staff was recommending as an option. He said the contention that the addition would impact visibility was substance-less. Commissioner Deziel said that if the corner house was allowed to extend forward seven feet that it would shadow the next two to three properties. Commissioner O'Malley said he would disagree.

Commissioner Riggs said as Commissioners Deziel and Sinnott pointed out that the Commission was required to make four findings for variance as established by law. He said while this project proposal made the most economic sense, most sense of continuous use of the house and the backyard, and construction simplicity that the Commission was not allowed to consider simplicity or logic of architectural design. He said if an applicant had to work within the lot without variances in a space that they did not really want to use that it could cost double or triple but that was the law. He said it was uncomfortable for him to say but he had to support the motion. He said that it was possible to revise a garage to living space and it was just a matter of revising the footing.

Commission Action: M/S Sinnott/Deziel to deny the request for variance.

Motion carried 5-2 with Commissioners O'Malley and Keith opposed.

Items D.3 and D.4 were heard after item D.5.

- 3. Use Permit/David Hettig/514 Pope Street:** Request for a use permit to demolish an existing single-story, single-family residence and detached accessory building, and construct a new two-story, single-family residence on a substandard lot with regard to lot width and lot area in the R-1-U (Single-Family Urban) zoning district.

Staff Comment: Planner Rogers said that he had no additional comments.

Questions of Staff: Commissioner Pagee asked about proposed tree removal. Planner Rogers said that there was no proposed removal of the heritage trees; there was one proposed removal of a non-heritage tree.

Public Comment: Mr. David Hettig, property owner and the applicant, said he was happy to answer any questions. Commissioner Keith asked about the front door on the side of the residence. Mr. Chris Volkamer, Volkamer Architects, said the layout in the design was based on the idea of keeping and using the large backyard, thus they placed the front door on the side. Commissioner Pagee said that she had some concerns with the location of the entry door including security and safety and possible noise impacts to the neighboring residence from people entering and leaving the subject property. Mr. Hettig said they planned to have good lighting and a well-defined path in the entry area. He said also that there was about a 20-foot between their home and their neighbors in which there would also be fencing and landscaping. Commissioner Pagee said that lighting on the second floor landing might overflow into the neighbors causing impact. She asked how that would be handled. Mr. Hettig said that there was even more setback for the second story and that the oak tree would block much of the light from the stairway tower.

Chair Bims closed the public hearing.

Commission Action: M/S Keith/Pagee to approve as recommended in the staff report.

1. Make a finding that the project is categorically exempt under Class 3 of the current State CEQA Guidelines.
2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
3. Approve the use permit subject to the following *standard* conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Volkamer Architecture, consisting of 18 plan sheets, dated received August 31, 2006, and approved by the Planning Commission on September 11, 2006, except as modified by the conditions contained herein.
 - b. Prior to building permit issuance, the applicants shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicants shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
 - d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval of the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
 - e. Prior to building permit issuance, the applicant shall submit plans indicating that the applicant shall remove and replace any damaged and significantly worn sections of frontage improvements. These revised plans shall be submitted for the review and approval of the Engineering Division.
 - f. Simultaneous with the submittal of a complete building permit application, the applicant shall submit a Grading and Drainage Plan for review and approval of the Engineering Division. The Grading and Drainage Plan shall be approved prior to issuance of a grading or building permit.
 - g. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance. Prior to the building permit issuance, the applicant shall implement the tree protection plan and technique recommendations in the Arborist Report for all applicable heritage trees.

Motion carried 7-0.

4. **Use Permit/Gary Ahern/1056 Cascade Court:** Request for a use permit to construct a lower story addition to an existing single-story, single-family nonconforming residence that would exceed 50 percent of the replacement value of the existing structure in a 12-month period in the R-1-S (Single Family Suburban) zoning district.

Staff Comment: Planner Rogers said he had no additional comments.

Questions of Staff: Commissioner Pagee said she was concerned with how soil and debris would be removed from the lot because of the tree protection needs. Planner Rogers said that the arborist recommendations would be enforced.

Commission Comment: Mr. William Beasley, property owner, said they were seeking more space for their family. He said because of the slope to the backyard they thought their architect's design was a good solution that accomplished that with minimal disruption. In response to Commissioner Pagee, Mr. Beasley said that they would not do anything to destabilize the hill or harm the trees. He said the architect could provide a more informative response. Mr. Gary Ahern, Focal Point Designs, said that tree protection fencing would be put in place and inspected by the City inspectors prior to the actual issuance of the building permit. He said tree protection fencing remained part of the ongoing inspection and if the fencing appeared to be damaged or pushed around the inspectors would question and possibly stop work on the project. Commissioner Pagee asked how the dirt would be hauled out from under the canopy of the trees. Mr. Ahern said they would have to lift the house some anyway and dig underneath so perhaps it would be as simple as hauling the dirt out to the front of the house.

Chair Bims closed the public hearing.

Commission Action: M/S Keith/Pagee to approve as recommended in the staff report.

1. Make a finding that the project is categorically exempt under Class 1 of the current State CEQA Guidelines.
2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
3. Approve the use permit subject to the following *standard* conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Focal Point Design, consisting of seven plan sheets, dated received September 5, 2006, and approved by the Planning Commission on September 11, 2006, except as modified by the conditions contained herein.
 - b. Prior to building permit issuance, the applicants shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicants shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
 - d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval of the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.

Motion carried 7-0.

5. **Use Permit and Architectural Control/Roman Catholic Archbishop of San Francisco/1250 Laurel Street:** Request for a use permit and architectural control to demolish the existing multi-use building and kindergarten and construct a new multi-use building of approximately 14,016 square feet and a new kindergarten of approximately 1,321 square feet at Nativity School. The project also involves modifications to the playgrounds, outdoor dining patio, on-site parking and circulation, the removal of ten heritage trees, and a revision to the use permit for the annual carnival to reflect the modified site plan.

Staff Comment: Planner Chow noted that the project consisted of an expansion of an existing school facility with the intent to make improvements to accommodate current programs and needs of the students and school. She said that the existing kindergarten and gymnasium would be rebuilt and enlarged for a net new square footage of 9, 821 square feet. She added that the proposed project would include reconfiguration of the parking lots with 19 new parking spaces, the removal of nine heritage trees, new landscaping and play area, and a revision to the existing use permit for the annual carnival to reflect changes to the site plan. She said that the applicant did not intend to change the scope or operations of the event.

Planner Chow said that staff wanted to make a few corrections and clarifications. She said that the existing square footage was 33,718 square feet and not 18,135 as was mistakenly listed on the data sheet in the staff report. She said also for purposes of this report that Laurel Street runs in the north and south direction, which was different than the true north shown on the plans.

Planner Chow said staff had distributed revised draft conditions of approval for the Commission's reference. She said that condition 4.k had been modified to allow the applicant up to 30 days to demolish the existing multi-purpose room once the occupancy permit was issued as the applicant wanted to maintain the hot lunch program at the school with disruptions. She said condition 4.l was added as the applicant would like to install a fence to provide an enclosed space for the students. She said the new fencing would be in lieu of closing the gates to the parking lot along Oak Grove Avenue during school hours. She said the location and design of the fence would be subject to review by the Planning Division.

Commissioner Deziel asked about the fencing design. Referred by staff, Chair Bims recognized Mr. Bill Gutsell, project architect. Mr. Gutsell said the fence could be extended behind the trash enclosure and to the building inside the drop off area. He said when the children are dropped off they were within the fence and in a secure area away from traffic. Commissioner Deziel asked if this was a request for change made by the City or proposed by the applicant. Planner Chow said that there was discussion in the staff report that there needed to be a gate open during school hours. The applicant was concerned with keeping the gate open and derived an alternative plan that would meet the City's and the applicant's needs. Commissioner Deziel said that drive-by traffic would then be closer to the children. Planner Chow said that the applicant could address their intent and there was a revised condition to look at the site plan.

Planner Chow said the next item with a change was condition 5.b in which staff attempted to identify the different types of activities that would occur onsite to help address concerns raised by neighbors regarding the expansion and allowing various uses. She said there were certain identified uses provided by the applicant and a re-occurring event, the annual Christmas tree sales. She said that the applicant had also indicated there might be one-time special events each year such as this year's Nativity's 50th anniversary event. She said there was an

allowance for five special events other than reoccurring events per year. She said that if there were other events that would re-occur then the applicant would need to request a revision to the use permit for those to be identified.

Commissioner Riggs asked whether the five events were meant to include the back-to-school dinner/night or was it additional. Planner Chow said the five events would be additional to those listed in the conditions of approval.

Planner Chow said condition 6.f contained a typographical error and should indicate 5 to 11 p.m. and not to 10 p.m. She said condition 6.k was added specifically to clarify that the noise ordinance exception was specifically for the carnival and no other special event.

Chair Bims asked about condition 6.d and what would trigger the need for the applicant to return to the Planning Commission for revisions to the permit. Planner Chow said she thought it would be complaint driven and the Community Development Director would determine whether the use permit should return to the Commission for revision.

Public Comment: Monsignor Steven Otellini said he was the Pastor of Nativity Church and in that capacity representing the Roman Catholic Archbishop of San Francisco, who owns Nativity School. He thanked the Commissioners for visiting the site. He said they were asking for the replacement of a multi-purpose building on their campus, a kindergarten classroom and various site improvements. He said Nativity School has been in existence since 1956 and was originally intended for grades 1 through 8. He said in 1960 the Father Ford Hall was purchased from Dibble Army Hospital and moved to the site. He said it was purchased for \$1.00 and had not appreciated in value. He said in 1972 a modular classroom was constructed for the kindergarten, which extended the educational institution to K, rather than 1, through 8. He said in 1975, a Library Science and Reading modular buildings were constructed and in 1991, a modular Computer Lab and Extended Care building were constructed. He said the current enrollment was 290 students. He said the absolute capacity would be 315 students and could not be exceeded given the Archdiocese's standards for the number of students in each classroom. He said the Father Ford Hall was used as their multi-purpose building, but it was too small to hold the entire student body for an assembly nor could it be used for indoor volleyball and basketball practices. He said currently the school spends \$18,000 annually to rent court facilities for their home games. He said the Hall also contains a kitchen that provides the hot lunch program for the school. He said the kindergarten classroom did not meet State requirements for the size of a kindergarten classroom. He said in 2003 he was appointed as the Pastor of Nativity Church and at that time requested a general needs assessment of all of the structures on the property. He said the School developed a "Wish List" that was shared with parents and multiple constituencies as well as with the only contiguous neighbor whose property is in Atherton. He said that the loop road from Oak Grove to Laurel was not something that neighbor supported. He said moving the student drop off on Oak Grove Avenue to Laurel Street was also opposed by neighbors. He said they then revised the plans without a loop road and the drop off from Oak Grove Avenue. He said in 2005 they prioritized all of the school's needs and identified what they could do financially. He said the estimated cost for the project is \$7,000,000.

Commissioner Pagee asked about the hours for athletic practice. Mr. Russ Castle, Athletics Director, indicated practices would conclude by 9 p.m. seven days a week.

Commissioner Deziel addressed condition 5.a regarding the limit for 315 students and asked whether it should be identified as enrolled students. Planner Chow and Monsignor Otellini said that was accurate.

Commissioner Keith asked about the five additional special events. Monsignor Otellini said the events would be non-repeating such as the 50th anniversary in October, teacher retirements, and special anniversaries. Commissioner Keith asked about timeframe maximums for such events. Monsignor Otellini said he thought most events would not continue past 10 p.m. Commissioner Keith confirmed with him that a condition regarding that would be acceptable.

Commissioner Riggs noted traffic issues related to other schools in the area and asked about the visitor population for games. Monsignor Otellini noted that games would be on the weekend. Mr. Russ Castle, Athletics Director, said that there would be one game played at a time with two teams, seven or eight children and their parents. He said potentially there would be a 15 to 20 minutes overlap between games and potentially could have 20 to 40 vehicles during that overlap.

Mr. Bill Gutsell, Keller and Daseking Architects, Menlo Park, said his firm had well-founded experience with architectural design for public and private schools. He said the proposed plan would serve the students and community as well as greatly enhance the appearance of the site. He said there a considerable number of right-of-way improvements to the benefit of the community including a sidewalk down Oak Grove Avenue, curb and gutter improvements, and the addition of a right-turn lane only into the site as suggested by the Transportation Division. He said that they were seeking the Commission's unanimous approval of the project. He said that Nativity has been a good neighbor and had solicited opinions of their neighbors during the project development and tried to address those concerns. He said the staff report contained his response to concerns; he noted that if there were additional concerns raised this evening, he would like to respond to those as well. He said regarding the plan development process that there had been a very preliminary plan of a gymnasium presented with the needs assessment study. He said his firm picked up from where the needs assessment left off and they looked at about 16 schemes. He said the gymnasium originally was sited to the center of the property but that had not taken into consideration parking or tree removal. He said the current proposal would require the removal of much fewer trees. He said all of the 16 schemes had been presented to staff for their review. He said design features they needed to look at included security, adequate turf areas, adequate staff and parent parking, the drop off loop, and minimal tree removal. He said they met with the neighbors on December 15, 2005 and those neighbors were not supportive of the drop off from Laurel Street. He said there were concerns regarding the play structure and that much of that sound was made by the equipment and those features had been replaced. He said the 12 trees to be removed would be replaced by 44 trees. He said there would be street trees on both Laurel Street and Oak Grove Avenue. He said they would replace fire hydrants as well.

Mr. Roger Wick, Menlo Park, said there was a State requirement of less than 10,000 of net increase of square footage for a project that could occur without environmental review. He said in this instance that the net increase was 10,525 square feet. He said the floor area for the hall was 3,649 square feet and the 4,391 square feet counted was the gross outside dimension. He said the proposed gym was stated in square footage of the floor area only. He said there were modular storage units in the setbacks that were being counted as square footage. He said he thought that the square footage should be measured in the floor area only. He noted that on page B.22 there were nine, 36-inch box trees designated, but the conditions indicated all should be 24-inch boxes. He requested that air conditioners be used during games in the gym and the

windows not be opened to mitigate noise impact. He requested that the air conditioners be the low-noise models. He said part of the use permit and the noise exception was for the school to do as much noise abatement as possible for the carnival such as putting the music inside. He suggested upgrading the transformer to supply power for the carnival to eliminate the need for generators. He said there was a note to cleanup during the carnivals and he would like another note to leave the area as clean as it was found. He said enforcement of the cleanup was an issue.

Commissioner Riggs suggested a time limit on comments. Chair Bims asked speakers to limit their comments to three minutes.

Mr. Kevin Gaffey, Menlo Park, Chaplain at Vallambrosa Center, 250 Oak Grove Avenue, said the Center was the nearest neighbor to the site improvements. He said they were in favor of the plan and that the improvements would greatly enhance the site and add benefit to the community.

Mr. Steve Castillo, Menlo Park, said his concern was with the traffic engendered by the additional events. He said that there would be considerably more traffic and he was concerned that parking was only being increased from 29 to 48 spaces. He said the applicant intended to remove 12 heritage oak trees which he felt conflicted with the City's branding as "Tree City USA."

Mr. John Conway, Menlo Park, said the project was imperative for the future of Nativity School as currently it was not competitive with other schools in the area. He said regarding Mr. Wick's concerns regarding the generator that the noise limits on the generator used were set by the State of California and OSHA. He said regarding cleanup and trash that the Carnival Committee hires Vietnam Vets, who do an excellent job keeping the school grounds and carnival area clean. He said they report Monday morning and cleanup the remaining trash in a half day. He urged the Commission to approve the project.

Mr. Brian Hamilton said he and his wife Kathleen live in Atherton and adjacent to Nativity. He said they wanted to go on record that they supported the project. He said however they felt strongly that the entrance and exit should remain on Oak Grove Avenue. He said the entrance currently has an area where cars pull over for the drop. He said that putting in a sidewalk and right-turn lane was great but the right-turn lane should be as long as possible to keep cars off of Oak Grove Avenue. He said he would like that the replacement trees be heritage trees. He said there would be new lighting for the gymnasium which could be intrusive to all neighboring buildings. He said the limit of 10 p.m. for all events was acceptable. He said he disagreed with the architect about the play structure as it was the children and not the equipment that caused the intense noise. He said their request would be for the play area to be moved away from the adjacent homes that are very close to the site. He said currently the Convent provided a noise buffer. He noted that there had not been any discussion about what would be done to abate noise and visual impacts when the Convent was torn down and the portables were removed. He said he and other neighbors would like to see this addressed.

Ms. Mary Pat Kelly, Menlo Park, said she was concerned with the traffic on Oak Grove Avenue. She said she thought if the traffic came into the site from Oak Grove Avenue that the exiting traffic should come out on Laurel Street. She said that there also needed to be a right-turn only out of the site. She asked the architect to describe the ingress/egress to the property.

Mr. Gutgsell said that the right-turn lane was about 175-feet in length and showed there were three stacking lanes for drop off of children. He said the drop off takes about 10 to 15 minutes in the morning. He said that additional lanes and parking were to improve the queuing of cars.

Commissioner Keith said neighbors had concerns with impacts to parking on Oak Grove Avenue because of activities in the gym, and asked Mr. Gutgsell if he wanted to address parking behind the gymnasium. Mr. Gutgsell said there were 46 spaces behind the gymnasium and there were a total of 86 stalls on the site. Commissioner Keith asked if cars leaving the site could go right or left. Mr. Gutgsell said that was the current situation, which they would like to maintain.

Commissioner Riggs asked about the parking lot lighting. Mr. Gutgsell said that they had not looked at the specific lighting they would use at the site, but they would keep lighting levels down and respect neighbors. He said that most schools do not light their properties at night. Commissioner Riggs asked whether natural ventilation would be used in the gym. Mr. Gutgsell said that one of the speakers had requested that the windows be kept shut during games, but they wanted to have the capacity for natural ventilation in the gym.

Commissioner Riggs addressed Planner Chow regarding the length of the right-turn lane and the possibility of left-turn traffic and asked whether Transportation Division had looked at these two issues. Planner Chow said the Transportation Division had reviewed the proposed project, the site circulation, and accessibility. She said the Division had directed the applicant to add a right-turn lane which was recommended at 175-feet in length.

Mr. Tom Naylor, Menlo Park, said that he was a graduate of Nativity School; his children had attended Nativity School, and he currently provides part-time maintenance and painting at the school. He said that Nativity was one of the first schools to install fire sprinklers. He said drop offs occurred in about 20 minutes and usually involved about 120 cars. He said that there were one-third less trees on campus now than in the past because trees have fallen over the years. He asked the Commission to approve the project.

Ms. Shirley Conley, Menlo Park, said while a right turn lane would improve traffic for someone making a right from Pine Street in the morning that at the same time there were about 30 vehicles coming from El Camino trying to make a left into the site. She said she really wanted the project to succeed and asked that the applicants remember that there are residences across the street that might be impacted visually when buildings are constructed.

Mr. Tom Hamilton, Menlo Park, said that they had supported several additions to public schools over the recent years. He said he trusted that the City would support the Nativity School's improvement.

A retired postman said he had driven a delivery truck in the area for many years and that there was enough room on the roads for all of the different uses.

Commission Action: M/S Deziel/Riggs to continue the meeting until midnight.

Motion carried 6-1 with Commissioner Sinnott opposed.

Mr. Daryl Hoffman, Menlo Park, said he strongly believed the project should move forward and that Nativity had been a good neighbor. He said that they appreciated Nativity's efforts to adjust

the traffic circulation to mitigate traffic on Oak Grove Avenue. He asked that the Commission look at screening for sound and lights.

Ms. Marie Moran, Menlo Park, said currently her view from her residence was of trees at Nativity School. She said that in rainy weather the children had to remain in their classrooms and that the teachers and the children needed space indoors during inclement weather. She said she and her homeowners' association hoped the parking situation and the access from the parking areas onto Oak Grove Avenue could be addressed so that it would not pose the problem it currently does.

Ms. Kathleen Hamilton, Atherton, said the proposal was a great project. She said her problem was the audible sound from the play structure. She asked that it be moved as the sound would intensify from siblings using the play structure when sports games and other events were occurring.

Ms. Fran Dehn, Chamber of Commerce, said that Menlo Park residents support education. She said that this project was very similar to what was being supported by the endorsement of Measure U and asked the Commission to approve it.

Chair Bims closed the public hearing.

Commission Comment: Commissioner Sinnott said she would move to approve as recommended by staff. She said she liked the improvement in the fencing and the landscaping; there was a valid need for the gymnasium; the parking would be increased and the circulation would be improved; and there was sensitivity to sound and lighting concerns. She said some of the issues raised would not be aggravated by the project. She encouraged residents to go to the Transportation Division regarding their traffic concerns. Commissioner Deziel seconded the motion.

Commissioner Keith asked that under condition 5.b a requirement be added for all events to end by 10 p.m. Commissioner Deziel said that he did not want that added as private schools were important to Menlo Park and they were always in fundraising mode. He said the school needed flexibility in the use of the interior of the building. Commissioner Keith said Monsignor Otellini had indicated the time was acceptable.

Commission Action: M/S Keith/Pagee to amend the motion to modify condition 5.b to include a requirement that all special events end by 10 p.m.

Commissioner Riggs said he would like to clarify that the new facility would not be used for third party events (rental) and the outdoor lighting would need to be reviewed and approved by staff. Commissioner Keith said that she would not support the restriction on rental.

Monsignor Otellini said that the liability was such that the facilities could not be rented to outside agencies.

Commissioner Riggs asked that the outdoor lighting be added as a condition for review and approval. There was consensus that the lighting review and language to 6.d to indicate the Community Development Director would be informed of problems related to the site's use was acceptable by all to be added to the original motion without a motion to amend.

Motion on the motion to amend to limit all events to 10 p.m. under condition 5.b carried 5-2 with Commissioners Deziel and O'Malley opposed.

Chair Bims restated that the motion was to approve as recommended by staff with the modifications that outdoor lighting would be reviewed and approved by staff, clarification to language in 6.d, addition of 10 p.m. limit under condition 5.b., and clarification in text of enrolled 315 students.

Commission Action: M/S Sinnott/Deziel to recommend with the following modifications.

1. Adopt a finding that the project is categorically exempt under Class 1 of the current State CEQA Guidelines.
2. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
3. Adopt the following findings, as per Section 16.68.020 of the Zoning Ordinance, pertaining to architectural control approval:
 - a. The general appearance of the structure is in keeping with the character of the neighborhood.
 - b. The development will not be detrimental to the harmonious and orderly growth of the City.
 - c. The development will not impair the desirability of investment or occupation in the neighborhood.
 - d. The development provides adequate parking as required in all applicable City Ordinances and has made adequate provisions for access to such parking.
4. Approve the architectural control and use permit revision subject to the following *construction-related* conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Keller and Daseking Architects, consisting of 22 plan sheets, dated received September 6, 2006, and approved by the Planning Commission on September 11, 2006, except as modified by the conditions contained herein.
 - b. Prior to building permit issuance, the applicants shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicants shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.

- d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval of the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
 - e. Prior to building permit issuance, the applicant shall submit plans indicating that the applicant shall remove and replace any damaged and significantly worn sections of frontage improvements. These revised plans shall be submitted for the review and approval of the Engineering Division.
 - f. Simultaneous with the submittal of a complete building permit application, the applicant shall submit a Grading and Drainage Plan for review and approval of the Engineering Division. The Grading and Drainage Plan shall be approved prior to issuance of a grading or building permit.
 - g. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance. Prior to the building permit issuance, the applicant shall implement the tree protection plan and technique recommendations in the Arborist Report for all applicable heritage trees.
 - h. Prior to building permit issuance, the applicant shall submit plans showing proper signage and striping for one-way circulation in both parking lots.
 - i. Prior to building permit issuance, the applicant shall work with Planning staff and the City Arborist to determine the appropriate street trees along Laurel Street and Oak Grove Avenue in front of the subject site. A revised comprehensive landscape plan shall be submitted to the Planning Division for review and approval.
 - j. Prior to building permit issuance, the landscaping plan shall comply with the Water Efficient Landscape Ordinance (Chapter 12.44) subject to the review and approval of the Planning Division. The applicant shall install and maintain landscaping in the parkstrip and within the campus per the approved plans.
 - k. ~~Prior to occupancy of the gymnasium building~~ **Within 30 days of issuance of the occupancy permit or the gymnasium building**, the applicant shall remove the existing Father Ford Hall.
 - l. Prior to building permit issuance, the applicant shall submit revised plans showing the location of the wrought iron fence, consistent with the new perimeter fencing, to be installed from the fencing along Oak Grove Avenue, around the trash enclosure towards the front entry area near the gym, in an effort to provide a secured area for the students. The parking lot along Oak Grove shall not restrict access, parking or circulation during school hours.***
 - m. Prior to building permit issuance, the applicant shall submit a lighting plan and photometric study, of existing and proposed lighting. The plan shall include the location and the proposed type of lighting fixtures. The plans are subject to review and approval of the Planning Division.***
5. Approve the use permit revision subject to the following *ongoing, project-specific* conditions:

- a. The maximum allowable **enrolled** student population on site shall be 315 students.
 - b. All student instruction and regular school activities shall continue to be limited to the hours between 7:45 a.m. and 3:15 p.m. on Mondays through Fridays. The following school activities are allowed to occur outside of these hours and days:
 - Before and after school extended care (7:00 a.m. drop-off; 5:45 p.m. pick-up)
 - Volleyball practice (September – November)
 - Basketball practice (December – February)
 - Volleyball games (four Saturdays **and/or Sundays** during September through November)
 - Basketball games (four Saturdays **and/or Sundays** during January through February)
 - Summer Camp (June through August, typically an average of 80 children/day from 7:00 a.m. to 5:00 p.m.)
 - Back to School Dinner (once per year)
 - Back to School Night (once per year)
 - Italian Catholic Federation dinners (four to six per year)
 - **Annual Christmas tree lot**
 - **Up to five additional one-time special time events each year, which shall end by 10:00 p.m.**
 - c. The applicant shall continue to communicate in writing the circulation plan for pick-up and drop-off to parents. The applicant shall require that drop-off and pick-up of passengers occur only in the designated loading and unloading zones, as specified on the plans dated received September 6, 2006. Compliance with this item shall be to the satisfaction of the Transportation Division.
 - d. The applicant shall modify or remove the ~~two~~ gates at the driveway entrances and exits to the site if the Transportation Division determines that the operation and/or location of the gates affects the traffic operation of ~~either Oak Grove Avenue or Laurel Street~~. The modification or removal of the gates is subject to review and approval by the Planning Division and the Transportation Division.
6. Approve the use permit revision subject to the following *project-specific* conditions related to the annual Carnival:
- a. Development of the Spring Carnival shall be substantially in conformance with the site plan prepared by Keller and Daseking Architects, consisting of 1 sheet (DD-2.4), dated received September 6, 2006, and approved by the Planning Commission on September 11, 2006, except as modified by the conditions contained herein.
 - b. All applicable City Codes, Building Division, Fire District, and Police Department requirements shall be complied with.
 - c. Cleanup will be the responsibility of the applicant.
 - d. If any problems arise in the future, **they will be brought to the attention of the Community Development Director.** † The Planning Commission may attach conditions to the Use Permit at a later date, and the Use Permit is subject to revocation if there is a failure to adhere to **the** conditions.

- e. The applicant shall notify the Community Development Department and Police Department of specific dates each year, at least a month prior to holding the event.
- f. The Spring Carnival occurs annually during the last weekend of school typically in June. The hours of operation for the annual Carnival shall be limited to the following hours:
 - Friday, 5:00 p.m. to 10:00 p.m.
 - Saturday, noon to 11:00 p.m.
 - Sunday, noon to 7:00 p.m.
- g. Vendors and equipment may arrive as early as Monday before the Friday start date of the Carnival.
- h. The ride vendors will cease patron activities at 7:00 p.m., and breakdown operations must cease at, or before, 10:00 p.m. the Sunday night of the carnival. Remaining breakdown shall be allowed to continue on Monday beginning at 8:00 a.m.
- i. The public address system shall not be directed towards the adjacent residences for sound transmittal. Announcements using the public address system shall cease at, or before, 10:00 p.m. on Friday and Saturday nights of the annual Carnival, but activities can occur until 11:00 p.m. In an emergency situation or if requested by the Menlo Park Police Department, the public address system may be used on a case-by-case basis.
- j. The applicant shall provide trash patrol at least once each day during the Carnival. The clean-up effort shall occur around the perimeter of the site and should extend down Pine Street to Ravenswood Avenue and along Laurel Street to Ravenswood Avenue.
- k. Per Planning Commission approval on April 4, 2000, the annual Carnival is allowed to exceed the Noise Ordinance limits. ***Unless otherwise permitted, the Annual Carnival is the only event that is allowed to exceed the Noise Ordinance limits.***

Motion carried 7-0.

- 6. **Use Permit and Architectural Control/R. Rapp & Company/64 Willow Road:** Request for a use permit and architectural control to alter and expand an existing two story office building from 26,190 square feet to 32,247 square feet and to make associated exterior modifications to the building, landscaping, and parking lot. The proposed project also requests a parking reduction from 5 spaces per 1,000 square feet to 3.3 spaces per 1,000 square feet for the proposed general office use.

Staff Comment: Planner Chow said staff had no additional comments.

Questions of Staff: Commissioner Deziel said he was concerned about the proposed fencing along Willow Road and that it might provide hiding places in the evening for individuals who might cause crime to pedestrians in the area or other criminal acts. .

Public Comment: Mr. Ken Hayes, Hayes Group Architects, said the existing site is at the corner of Willow Road and Willow Place. He said they were working with staff and Public Works on

creative ways to mitigate storm water runoff from the property. He said the owner wanted to renovate the building, increase the floor area by adding to the existing footprint, reconfigure the parking to create new landscaping and building opportunities, incorporate sustainable quality lasting materials and systems, use architecture that fit within the surrounding area, and attract a new, high-quality, low-impact, long-lease office tenant. He said they were looking primarily at venture capital firms. He said the architectural goals were to create a sense of place and arrival, respond to the site and the environmental forces, promote interaction between the building's interior and the landscaping, promote sustainable quality lasting materials and reference contemporary architectural vocabularies. He described and showed visual images of the proposed architectural details.

Commissioner Deziel expressed concern that the gate and fencing might be breached at night. Mr. R. Rapp, property owner, said he owned a similar project at 70 Willow Road and that security had not been needed. He said however if security issues arose with the subject project that he would provide security.

Chair Bims closed the public hearing.

Commission Action: M/S Keith/Pagee to approve as recommended in the staff report.

1. Make a finding that the project is categorically exempt under Class 3 of the current State CEQA Guidelines.
2. Adopt the following findings, as per Section 16.68.020 of the Zoning Ordinance, pertaining to architectural control approval:
 - a. The general appearance of the structure is in keeping with the character of the neighborhood.
 - b. The development will not be detrimental to the harmonious and orderly growth of the City.
 - c. The development will not impair the desirability of investment or occupation in the neighborhood.
 - d. The development provides adequate parking as required in all applicable City Ordinances and has made adequate provisions for access to such parking.
3. Make findings, as per Section 16.82.030 of the Zoning Ordinance pertaining to the granting of use permits, that the proposed use will not be detrimental to the health, safety, morals, comfort, and general welfare of the persons residing or working in the neighborhood of such proposed use, and will not be detrimental to property and improvements in the neighborhood or the general welfare of the City.
4. Approve the use permit request subject to the following conditions:
 - a. Development of the project shall be substantially in conformance with the plans prepared by Hayes Group Architects, dated received September 7, 2006, consisting of 19 plan sheets and approved by the Planning Commission on September 11, 2006 except as modified by the conditions contained herein.

- b. Prior to building permit issuance, the applicant shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility company's regulations that are directly applicable to the project.
 - c. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
 - d. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval of the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
 - e. Prior to building permit issuance, the applicant shall submit plans indicating that the applicant shall remove and replace any damaged and significantly worn sections of frontage improvements. These revised plans shall be submitted for the review and approval of the Engineering Division.
 - f. Simultaneous with the submittal of a complete building permit application, the applicant shall submit a Grading and Drainage Plan, including an up-to-date hydrology report, for review and approval of the Engineering Division. The Grading and Drainage Plan shall be approved prior to issuance of a grading or building permit.
5. Approve the use permit subject to the following *project specific* conditions:
- a. Administrative and Professional Office uses (except medical office) are the only permitted uses within the building. All other uses would require a revision to the Use Permit for the parking reduction.
 - b. Prior to building permit issuance, the applicant shall submit a revised arborist report identifying a tree protection plan and identify if any of the trees subject to pruning would require removal of more than 25% of the tree's canopy. A separate Heritage Tree permit is required for such pruning. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance. The applicant shall implement the tree protection plan and technique recommendations in the Arborist Report for all applicable heritage trees for review and approval by the Planning and Building Divisions.
 - c. Prior to building permit issuance, the applicant shall work with the City Arborist to determine the appropriate species and size for any proposed street replacements along Willow Road. The determination shall be incorporated into the project landscape plan.

- d. Prior to building permit issuance, the applicant shall submit a detailed landscape and irrigation plan prepared by a licensed landscape architect subject to review and approval of the City Arborist and the Planning Division. The landscaping plan shall comply with the Water Efficient Landscape Ordinance (Chapter 12.44) and shall provide details of the proposed sculptures and water features. The landscaping shall be installed prior to final building inspection.
- e. Prior to building permit issuance, the applicant shall pay the Middlefield Traffic Impact Fee of \$483.93 per average daily trip of the net increase in gross floor area. At 6,057 square feet, the fee would be \$32,423.31.

Motion carried 7-0.

7. **Zoning Ordinance Amendment Review/City of Menlo Park**: One-year review of Zoning Ordinance Amendments Relative to Single-Family Residential Developments.

Item was continued to the meeting of September 18, 2006 prior to tonight's meeting.

E. REGULAR BUSINESS #2

1. **Consideration of minutes from the July 31, 2006, Planning Commission meeting.**

Commission Action: Consensus was to approve as submitted, with Commissioner Deziel abstaining.

F. COMMISSION BUSINESS, REPORTS, AND ANNOUNCEMENTS

- **Review of upcoming planning items on the City Council agenda.**

Chair Bims noted that there was an appeal of 1981 Menalto Avenue to the City Council. He said that there seemed to be some confusion about the Commission's findings for the item and he suggested agendizing whether to make a Commission report to the City Council regarding the item. Commissioner Deziel said that the action minutes did not reflect the Commission's action accurately. He requested a transcript of the item for the next meeting. Planner Chow indicated that excerpt minutes would be made available at the next meeting.

Commission Action: M/S Deziel/Riggs to agendize an item to discuss whether to prepare a Commission report for the City Council's hearing of an appeal for 1981 Menalto Avenue and for a transcript of the item to be provided.

Motion carried 7-0.

ADJOURNMENT

The meeting adjourned at 11:50 p.m.

Staff Liaison: Justin Murphy, Development Services Manager

Prepared by: Brenda Bennett, Recording Secretary

Approved by Planning Commission on 12/11/06.

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TRANSPORTATION DIVISION

701 Laurel Street / Menlo Park, CA 94025-3483 / (650) 330-6770 / Fax (650) 327-5497

MEMORANDUM

DATE: December 4, 2008
 TO: Transportation Commission, Meeting of December 8, 2008
 FROM: Transportation Division

SUBJECT: Consideration and Recommendation to City Council of the Approval of the Draft Safe Routes to School Plan for Encinal Elementary School

RECOMMENDATION

Staff recommends that the Transportation Commission recommend to the City Council the approval of the draft Safe Routes to School Plan for Encinal Elementary School (Encinal School) per Attachment A.

BACKGROUND

During the Fiscal Year 2007-08 project priority-setting process, the City Council approved a project to develop a Safe Routes to School plan for Encinal School.

Encinal School currently is a Grades K, 3–5 elementary school located in the Town of Atherton, near the intersection of Middlefield Road and Encinal Avenue. Encinal School is part of the Menlo Park City School District and serves students from Atherton, San Mateo County, and Menlo Park. Encinal School is planning to reconfigure the campus from K, 3-5 to a K-5 grade school and increase enrollment capacity to approximately 700 students by 2010.

The Encinal School area has been identified as a location needing improvements to facilitate safe pedestrian and bicycle movements. At the City's Joint Transportation and Bicycle Commission meeting on November 16, 2005, the City received specific concerns from parents of students enrolled at Encinal School about the lack of safe routes to Encinal School, particularly on parts of Laurel Street and Middlefield Road. The City also received specific complaints that bicycle lanes were being blocked by parked cars on Laurel Street and that drivers were speeding on Encinal Avenue. Currently, a majority of the crosswalks of the streets surrounding the school are not easily accessible for pedestrians and not very apparent to drivers. Some sections of these streets have no or limited sidewalks and bikeways.

Public Outreach

On January 15, 2008, the City of Menlo Park entered into an agreement with DKS Associates to assist staff in developing a Safe Routes to School plan for Encinal School. A steering committee was formed to provide guidance to the consultant and ensure that the project goals and objectives

were being met during the process of developing a plan. The steering committee was comprised of the following members:

Ahmad Sheikholeslami (Menlo Park City School District)
Alison Liner (Encinal School)
Duncan Jones (Town of Atherton)
Diana Shu (San Mateo County)
Laure Laprais (Bicycle Commission)
Marcy Abramowitz (Felton Gables Neighborhood)
Ron Prickett (Menlo Park Police Department)
Robert Cronin (Transportation Commission)
Harold Schapelhouman (Menlo Park Fire Protection District)
Chip Taylor (City of Menlo Park)
Rene Baile (City of Menlo Park)

In line with the California and Federal Safe Routes to School Programs, the goals and objectives for the Safe Routes to Encinal School project are: 1) to identify safe routes to Encinal School for both bicyclists and pedestrians and the improvements that would facilitate safe pedestrian and bicycle movements, and 2) to encourage increased walking and bicycling among the Encinal School students.

The following neighborhood meetings were held for this project. There were morning and afternoon sessions for each neighborhood meeting to capture the parents of the Encinal School children as well as residents of the surrounding neighborhoods who might not have children that attend Encinal school and could only attend night meetings.

- April 10, 2008 (9:00 a.m. – 10:30 a.m.; 7:00 p.m. – 8:30 p.m.)
- June 11, 2008 (10:00 a.m. – 11:00 a.m.); June 12, 2008 (7:00 p.m. – 8:30 p.m.)
- November 19, 2008 (8:30 a.m. – 10:00 a.m.; 7:00 a.m. – 8:30 a.m.)

The surrounding neighborhoods were notified by mail of the first meetings and were also requested to e-mail the City if they wanted to be notified of the subsequent neighborhood meetings. At these neighborhood meetings, the neighborhoods were provided the opportunity to learn about the project and its goals and objectives, provide their comments, issues, concerns, and suggestions, evaluate the potential improvement alternatives, and ultimately review the draft Safe Routes to School plan for Encinal School.

A parent survey about the “Travel Characteristics for Encinal School” was also made available on hard copy and electronic format via Survey Monkey to parents of the Encinal School students. There were 80 surveys received between April and June 30, 2008. The questions asked in the survey and results of the survey are shown on Attachment A.

In addition to the above, the public outreach process included three steering committee meetings and an on-campus tour at Encinal School held during the early stages of the project.

Draft Safe Routes to Encinal School Plan

While considering the comments, issues, concerns, and suggestions received from the steering committee, parents of the Encinal School students, and residents from the surrounding neighborhoods during the public outreach process, the Safe Routes to Encinal School Plan was developed around the five E’s for Safe Routes to School Plans: 1) Evaluation, 2) Education, 3) Encouragement, 4) Engineering, and 5) Enforcement, described as follows:

- Evaluation – Assessing the project needs through public outreach.
- Education – Teaching children and adults about the broad range of transportation choices, instructing them to important lifelong bicycling and walking safety skills, launching driver safety campaigns in the vicinity of the schools, and involving parents in safety programs.
- Encouragement – Using events and activities to promote walking and bicycling.
- Engineering – Creating operational and physical improvements to the infrastructure surrounding schools that reduce speeds and potential conflicts with motor vehicle traffic, and establish safer and fully accessible crossings, walkways, trails, and bikeways.
- Enforcement – Partnering with local law enforcement to ensure traffic laws are obeyed in the vicinity of schools.

For the engineering recommendations, the plan, in general, comprised of the following types of improvements.

- 1) Intersection improvements – improvements proposed to enhance pedestrian safety and accessibility at intersections such as installation of Portland concrete curbs.
- 2) Bicycle facility improvements – improvements consisting of installing bicycle lane markings and “Sharrow” pavement parking and widening of bicycle lanes.
- 3) Pedestrian facility improvements – improvements proposed to improve pedestrian safety and emphasize the recommended path for crossings at intersections such as the installation of high visibility crosswalks.
- 4) Roadway facility improvements – improvements consisting of landscaping abatement, speed tables, school zone signage and curb inlet modifications.

For the purpose of future grant applications, the plan included conceptual scenarios for the locations defined by the area bounded by Middlefield Road to the east, Laurel Street to the west, Linden Avenue to the south and Watkins Avenue to the north. The plan made engineering recommendations to create safe routes to school for the surrounding neighborhoods in the school attendance area (Felton Gables, Lindenwood, Lorelei Manor, Suburban, Flood Triangle, Seminary Oaks, Linfield Oaks, and Willows).

The plan is also designed to complement other planned transportation improvements at Encinal School, in the City of Menlo Park, at Menlo-Atherton High School, at the Caltrain railroad crossings, and along El Camino Real.

Attached, therefore, for your consideration and comment is the draft Safe Routes to School Plan for Encinal School per Attachment A.

Next Steps

- Approval of Draft Plan by the Atherton City Council – Due to improvements being proposed on roadways in Atherton, the plan needs the approval of the Atherton City Council.
- Approval of Draft Pan by the Menlo Park City Council
- Submission of joint Atherton/Menlo Park Safe Routes to School Grant Application to Caltrans.

Attachments

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FIGURE 1 PROPOSED COMMUTE ROUTES TO ENCINAL SCHOOL



- | Existing Facilities | | Recommended Walk/Bike Route to School | |
|---------------------|----------------|---------------------------------------|----------------------|
| | Traffic Signal | | Both sides of street |
| | Crosswalk | | One side of street |
| | Bike Facility | | Alternate Path |

TABLE 1 SITE AND NEIGHBORHOOD ISSUES AND RECOMMENDATIONS

Key Issues	Recommendations
<ul style="list-style-type: none"> ▪ Lack of sidewalks within the immediate neighborhoods ▪ Lack of connections to the school from other neighborhoods 	<p>Increase the pedestrian network. This includes facilitating pedestrian connections where none exist. In the Encinal School area, it involves regular maintenance of overgrown landscaping and regular maintenance of roadway shoulders. For example along Encinal Avenue and Laurel Street.</p>
<ul style="list-style-type: none"> ▪ Crossing the street at Laurel Avenue/Encinal Street is not safe 	<p>Work with the school district to make sure crossing guards are present during school arrival and dismissal periods.</p>
<ul style="list-style-type: none"> ▪ High vehicle speeds on Encinal Avenue ▪ Lack of enforcement ▪ Vehicles park on bike lane or block pedestrian paths 	<p>Work cooperatively with City of Menlo Park and Town of Atherton Police Department to monitor, enforce and report incidents of speeding, parking violations and other safety concerns within the school zone</p>

In an effort to increase awareness and safety related to biking and walking, the following measures are recommended:

- Classroom Activities
- Bike/Walk to School Day
- Walking School Bus and/or The Walk & Bike Across America Program
- Police Officer School Visit and Police Enforcement
- School Safety Zones
- Maintenance

Valparaiso

Safe Routes to School Plan

Draft Final SR2S Plan



Prepared for:



September 27, 2012

Prepared by:



Kimley-Horn
and Associates, Inc.

PAGE 487

Valparaiso Safe Routes to School Plan

Draft Final SR2S Plan (Version 4)

27 September 2012

**Prepared for:
City of Menlo Park, CA**

**Prepared by:
Kimley-Horn and Associates, Inc.**

project along Santa Cruz Avenue. Ultimately, the result of the Santa Cruz Sidewalk Study will determine the sidewalk repairs and installation along Santa Cruz Avenue but any plan that provides a contiguous walking area will help to promote Safe Routes.

21. **Install “Share the Road” signs:** The “Share the Road” sign is recommended along Santa Cruz Avenue to increase awareness of motorists that Santa Cruz Avenue also carries cycling traffic and that extra caution should be heeded during on-street parking maneuvers and other turning movements onto or exiting Santa Cruz Avenue.

Laurel Street:

22. **Install “No Stopping Any Time” signs:** It was observed routinely during field observations as well as through comments by residents that vehicles often park temporarily in the bike lanes on Laurel Street during pick-up and drop-off periods. Although this area is currently signed for No Parking, parents are using the area as an alternate drop-off zone. Vehicles idling in this area results in blocking the bike lane and cyclists having to leave the bike lane and enter the travel lane. These signs will help to reinforce no vehicles should be idling in the bike lane.

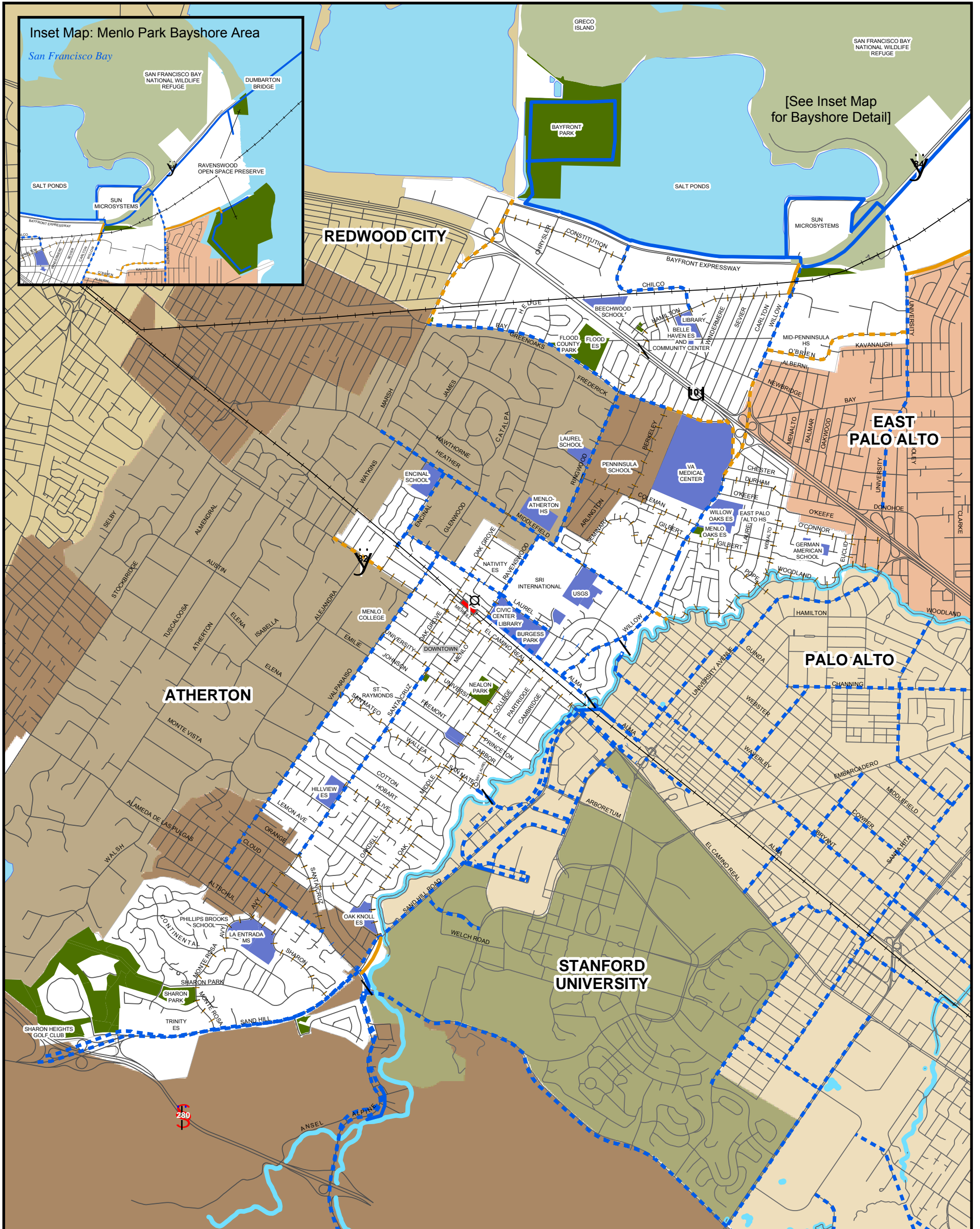
A tabular summary of the proposed SR2S elements listed above is included as **Table 5**, including the following details:

- Legal applicability of each element or standard engineering practice
- An illustration of each element
- Approximate dimensions of each element
- Typical purpose
- Typical approximate cost

To best understand the cost feasibility of installing each of the SR2S elements discussed above and to assure a competitive grant submittal for project funding, preliminary cost estimates were developed for the proposed SR2S elements. **Table 6** lists the preliminary cost estimate for the proposed elements. At this time, the potential traffic signal at the intersection of Valparaiso Avenue and Elena Avenue does not meet the requirements for installation and therefore that traffic signal is shown as an optional cost.

Based on the conceptual layout of the improvements included on the **Valparaiso SR2S Map**, 35% conceptual design plans will be created to illustrate each of the physical improvements recommended in the Plan subsequent to Menlo Park City Council Approval of the SR2S Plan.

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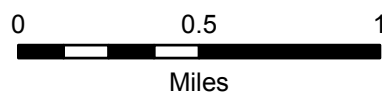
- EXISTING BIKeways**
- CLASS I BIKE PATH
 - - - CLASS II BIKE LANE
 - | | CLASS III BIKE ROUTE

- PROPOSED BIKeways**
- CLASS I BIKE PATH
 - - - CLASS II BIKE LANE
 - | | CLASS III BIKE ROUTE

- LAND USE**
- OPEN SPACE AND PARKS
 - SCHOOLS AND PUBLIC FACILITIES

- CITIES**
- MENLO PARK
 - EAST PALO ALTO
 - PALO ALTO
 - ATHERTON
 - REDWOOD CITY
 - COUNTY
 - STANFORD

- EXISTING BIKE/PED BRIDGE OR UNDERCROSSING
- SAN FRANCISCO BAY NATIONAL WILDLIFE REFUGE
- CALTRAIN STATION



MAP FOR REFERENCE PURPOSES ONLY.
 The information on this map is derived from a variety of reputable digital databases. However, there may be map errors or omissions. Please contact Menlo Park directly to verify map information. Notification of any errors would be appreciated.



SOURCES
 City of Menlo Park
 San Mateo County
 U.S. Fish and Wildlife Service

Figure 5-1

Existing and Recommended Bicycle Facilities

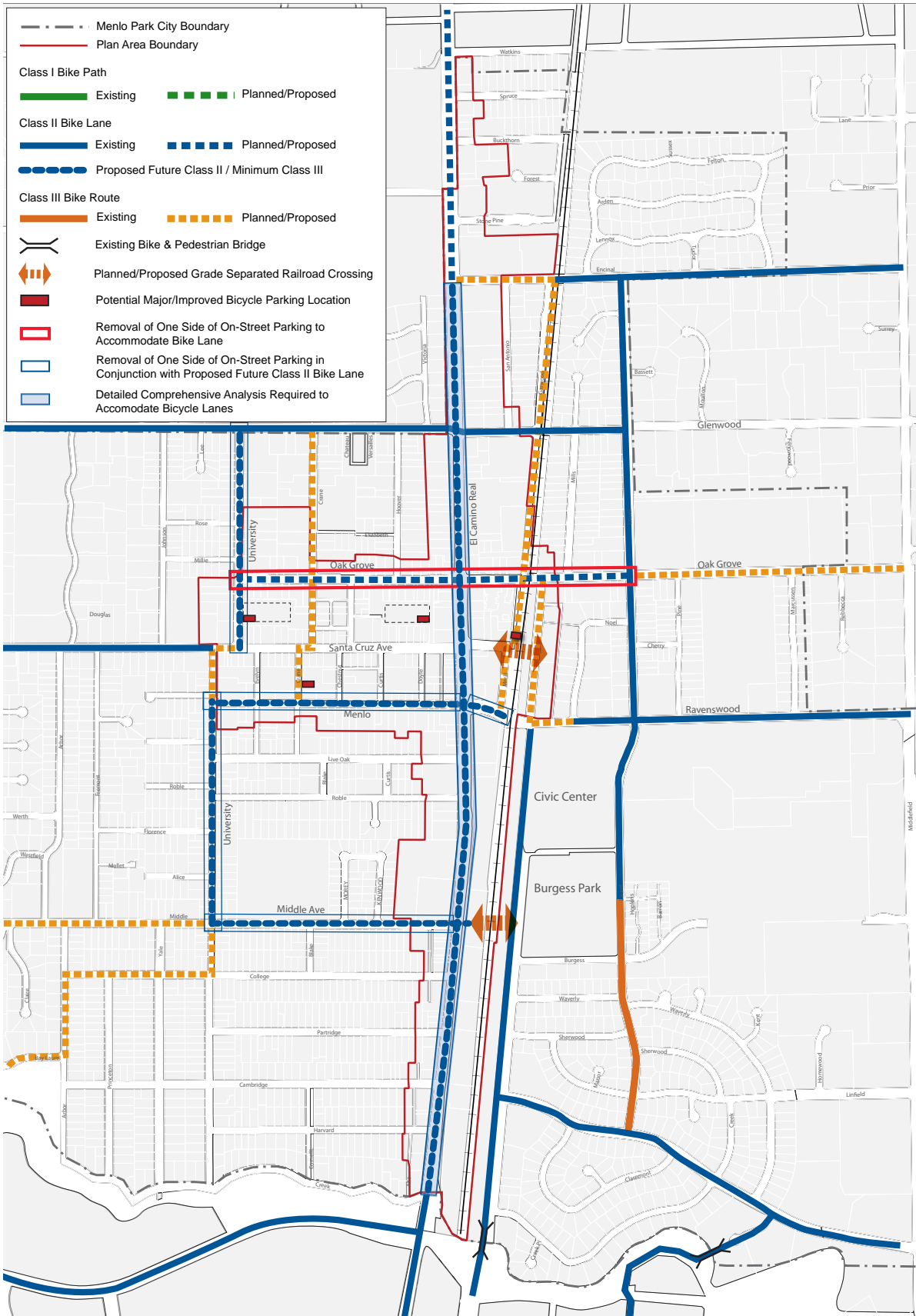
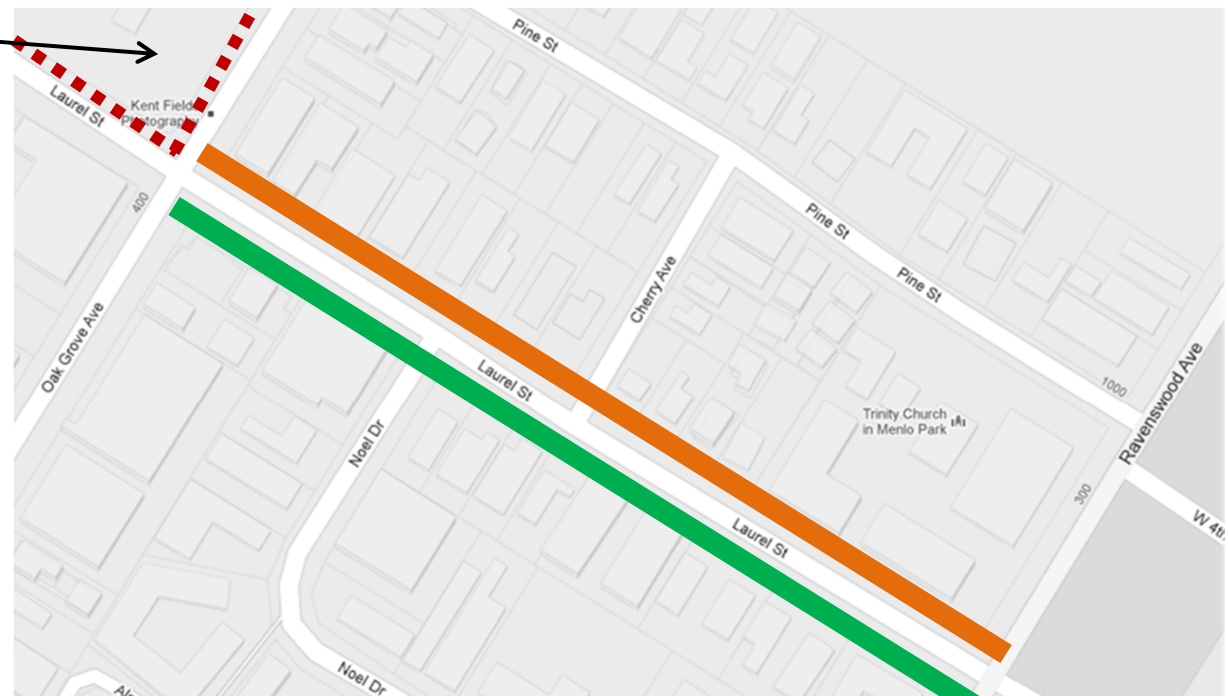


Figure F3. Bicycle Facilities

Existing Parking Conditions: Ravenswood to Oak Grove

- Shared Bike Lane and Parking Lane
- Northbound: NO PARKING from 7am-6pm, except SUN & holidays
- Southbound: 4HR LIMIT from 7am-6pm, except SUN & holidays

Nativity School



■ = NO PARKING BIKE LANE, 7AM-6PM EXCEPT SUN & HOLIDAYS

■ = 4 HOUR PARKING LIMIT, 7AM-6PM EXCEPT SUN & HOLIDAYS

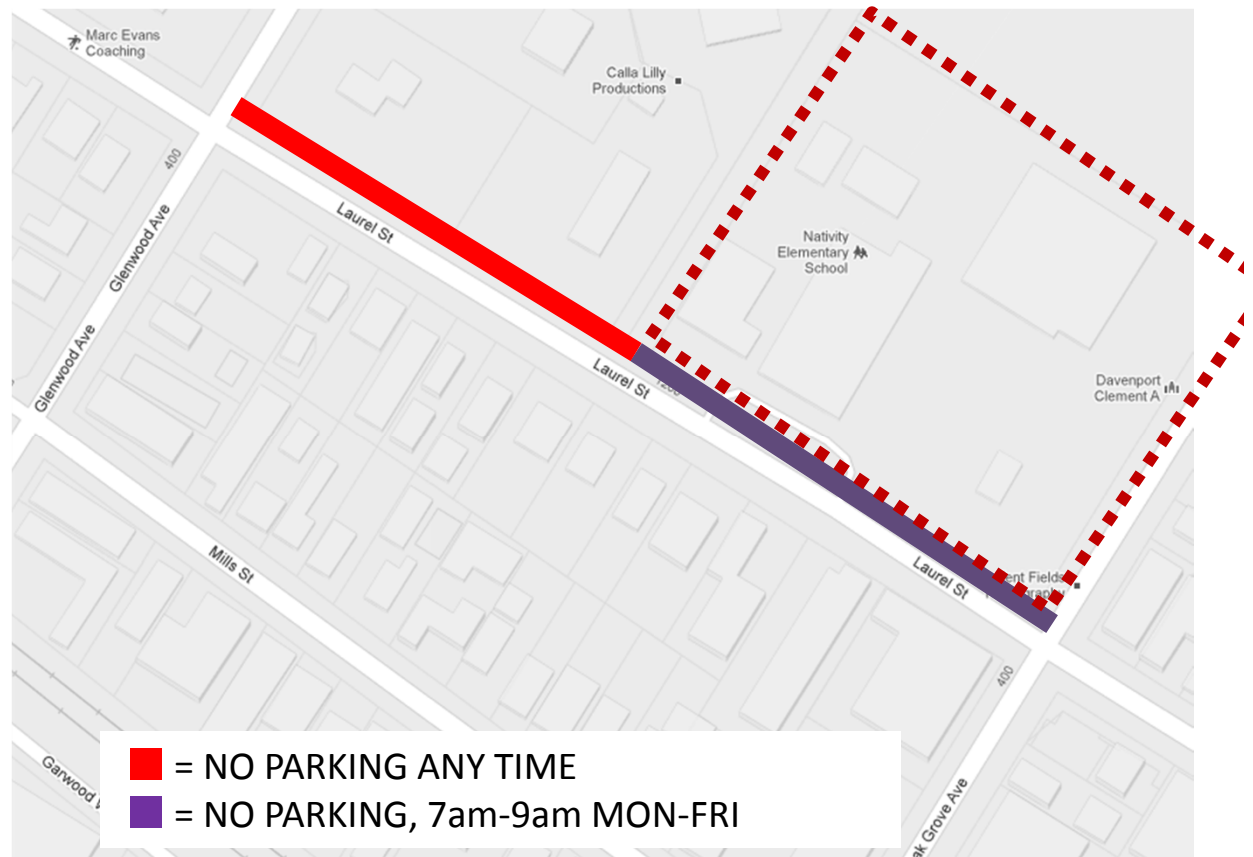
10/3/2013

Existing Parking Conditions: Oak Grove to Glenwood

- Shared Bike Lane and Parking Lane
- Northbound: NO PARKING from 7am-9am, MON-FRI
- Southbound: No Restrictions



10/3/2013



**ENGINEERING DIVISION**

701 Laurel Street / Menlo Park, CA 94025-3483
 (650) 330-6770 / Fax (650) 327-5497

MEMORANDUM

DATE: October 4, 2012

TO: Transportation Commission, Meeting of October 10, 2012

FROM: Transportation Division

SUBJECT: **Consideration of the Recommendation to City Council of the Approval of the No Stopping Restriction During School Drop-off and Pick-up Times on Laurel Street, Adjacent to Nativity School**

RECOMMENDATION

Staff recommends that the Transportation Commission recommend to Council the approval of the installation of a No Stopping restriction between 7:00 a.m. and 9:00 a.m. and between 1:15 p.m. and 3:30 p.m., during school days only, on the east side of Laurel Street, along the Nativity School frontage. This will replace the current parking restriction of No Parking between 7:00 a.m. and 9:00 a.m., Sundays and Holidays excepted.

BACKGROUND

The City of Menlo Park received an e-mail letter requesting the City to consider extending the No Parking restriction on the east side of Laurel Street adjacent to Nativity School to include the period between 2:00 p.m. and 3:30 p.m., to coincide with the Encinal school pick up times. According to the e-mail, parents who bike to pick up their children cannot ride on the existing bike lane because of parked cars on the bike lane. This, consequently, forces bikers to have to ride in the street along with vehicular traffic.

The Encinal School dismissal times are as follows:

<u>Grades</u>	<u>Days</u>	<u>Times</u>
K-2 nd	M,T,W,F	2:30 p.m.
3 rd -5 th	M,T,W,F	3:00 p.m.
K-2 nd	Th	1:40 p.m.
3 rd -5 th	Th	1:20 p.m.

The Nativity School dismissal times for all grades are as follows:

Monday: Typically, 2:30 p.m., and once a month, 12:30 p.m.
Tuesday-Friday: 3:00 p.m.

ANALYSIS:

Laurel Street is a designated Safe Route to Encinal School and has Class II bike lanes on both sides of the street from Burgess Drive to Encinal Avenue, approximately 1.10 miles in length.

The existing bike lane on the east side of Laurel Street, adjacent to Nativity School, was measured to be approximately 7 feet wide. Consequently, if there is a vehicle parked in the bike lane, a bicyclist has to go around the parked vehicle and into the travel lane. Attachment A illustrates the existing parking restrictions at this location.

The existing bike lane on the east side of Laurel Street between Oak Grove Avenue and Ravenswood Avenue, which is also approximately 7 feet wide, has No Parking restrictions between 7:00 a.m. and 6:00 p.m., Sundays and Holidays excepted.

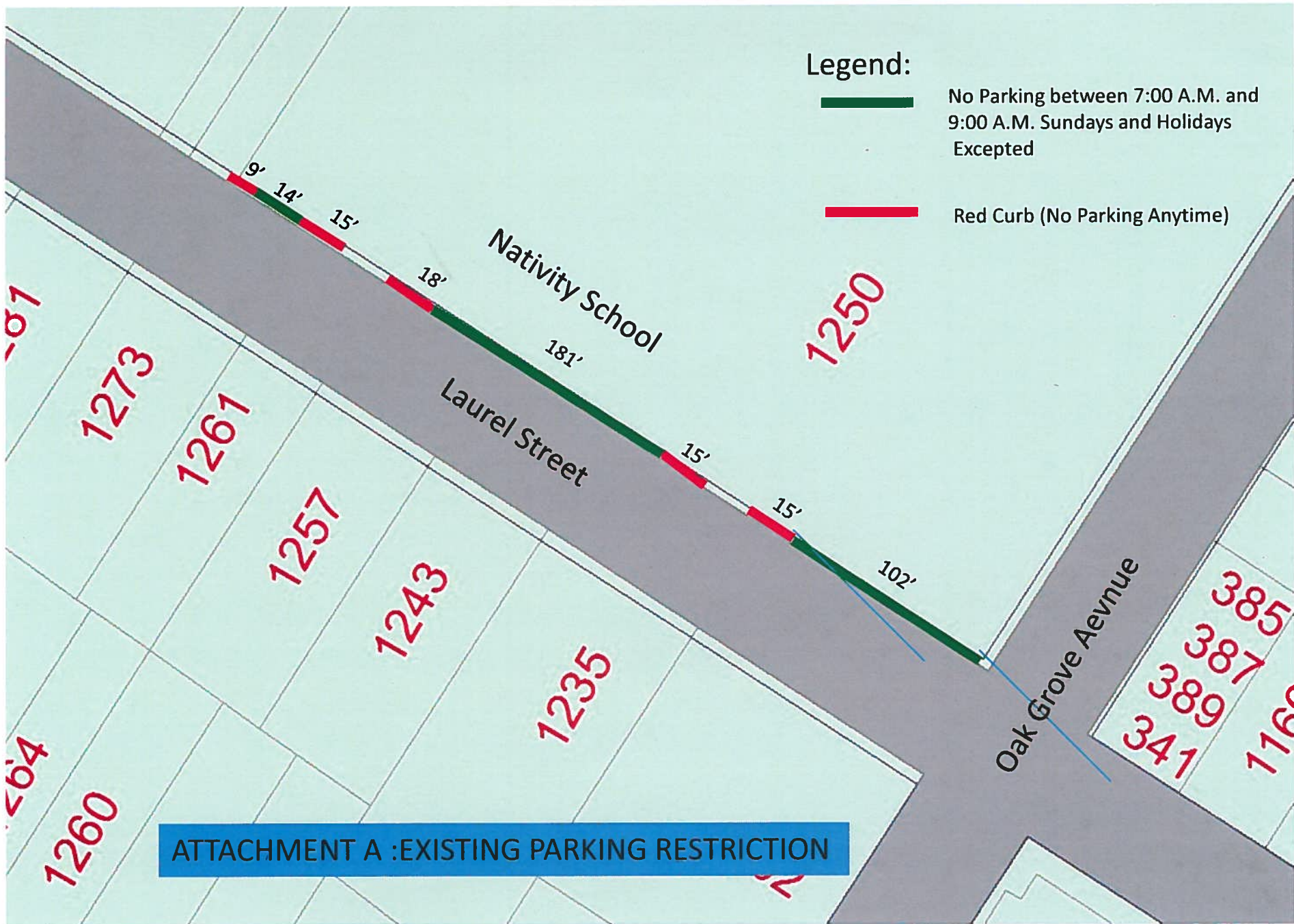
The remainder of the bike lane on the east side of Laurel Street between Burgess Drive and Encinal Avenue has No Parking Anytime restrictions. Consequently, restricting parking on the bike lane on the east side of Laurel School, adjacent to Nativity School, during the pick-up hours, would clear up the bike lanes on the east side of Laurel Street from Burgess Drive all the way to Encinal Street, during both Encinal School's drop off and pick-up hours. The apparent impact of this will be the displacement of approximately 15 parking spaces that the Nativity School parents use during the Nativity School's pick-up hours. The parents could, however, still park on the west side of Laurel Street or on Oak Grove Avenue, similar to what they do during the school's drop-off hours.

Staff, therefore, recommends the following:

- 1) That the existing no parking restriction on the bike lane on the east side of Laurel Street, adjacent to Nativity School, be changed to a more restrictive No Stopping.
- 2) That the parking restriction currently enforced on the bike lane on the east side of Laurel Street, adjacent to Nativity School, be extended to the period between 1:15 p.m. and 3:30 p.m., based on Encinal School's dismissal times.

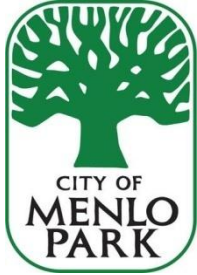
Attachment:

- A. Existing Parking Restriction on Laurel Street, Adjacent to Nativity School Frontage



ATTACHMENT A :EXISTING PARKING RESTRICTION

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TRANSPORTATION COMMISSION MINUTES

Regular Meeting
October 10, 2012
City Council Chambers
701 Laurel Street

R. Mueller called the meeting to order at approximately 7:15 p.m. with Commissioner Huang absent.

Staff Present: R. Baile, A. Patel, F. Bravo

A. PUBLIC COMMENTS

None

B. BUSINESS ITEMS

B1. Approve Minutes from the Regular Meeting of June 13, 2012 and Special Meeting of August 15, 2012

Action: M/S. Strehl/Walser Minutes from the Regular Meeting of June 13, 2012 unanimously passed, 6-0, and the minutes from the Special Meeting of August 15, 2012, passed, 5-0-1, with Commissioner Shiu abstaining.

B2. Consideration of the Recommendation to City Council of the Approval of the No Stopping Restriction During School Drop-off and Pick-up Times on Laurel Street Adjacent to Nativity School

R. Baile recused himself because he has a daughter that attends Nativity School.

A. Patel provided a brief Power Point presentation about the topic.

The following people from the public spoke regarding the topic:

Erin Glanville, Menlo Park resident
Kathy Shrenk, Atherton resident
Jose Fesas, Menlo Park resident

Action: Commissioner Shiu made a motion to continue this item in the November meeting, with staff to do an outreach with the Nativity School's administrators and work out a compromise and provide a report to the commission in ten days. Commissioner Mueller made a friendly amendment, that was accepted by Commissioner Shiu, to bring this item back either in December or January, with the understanding that the report will be provided at the agenda setting day two weeks prior to the meeting. The motion as amended unanimously passed, 6-0.

B3. Consideration of the Recommendation to Council of the Approval of the Draft Final Report of the Valparaiso Safe Routes to School (SR2S) Plan

Mike Mowery of Kimley Horn & Associates, City's consultant for this project, provided a Power Point Presentation.

The following people from the public spoke on this topic:

Kathleen Neeblo, Menlo Park resident
Kathy Neuman, Menlo Park resident
Rich Wipfler, Menlo Park resident
Ashok Singhal, Menlo Park resident
David Kixmiller, Menlo Park resident
Rumi Zahir, Menlo Park resident
Paul Goehner, Menlo Park resident
Mark Van der Pyl, Menlo Park resident
Eva Hellingsluser, Menlo Park resident
Kevin Conner, Menlo School
Andrea Luskin, Menlo Park resident

Action: M/S. Strehl/Walser. Motion to recommend approval of plan for Council consideration with the following inclusion, unanimously passed, 6-0:

- 1) Widen bicycle lane on the north side of Valparaiso Avenue
- 2) Delete the proposed no parking on the south side of Glenwood Avenue between Laurel Street and railroad tracks
- 3) That the plan not include Phase II improvements
- 4) Delete the proposed no parking on the east side of Laurel Street, next to Nativity School (Friendly amendment by Commissioner Shiu and accepted by Commissioner Strehl)
- 5) Bring back the 35% conceptual plan to the Commission for review (Friendly amendment by Commissioner Shiu and accepted by Commissioner Strehl)

Commissioner Mueller made a friendly amendment of lowering the speed limit to 25 mph on Santa Cruz Avenue and Valparaiso Avenue, that was accepted by Commissioner Strehl. Commissioner Mueller later withdrew this friendly amendment.

C. REPORTS AND ANNOUNCEMENTS

C1. Update from the Downtown Businesses, Menlo Park Signage, and Branding Project Subcommittee (Mueller/Strehl)

There was no report provided.

C2. Update from the Potential Revisions of the Neighborhood Traffic Management Program (NTMP) Subcommittee (Huang/Shiu/Walser)

There was no report provided.

C3. Update from the High School Project Regarding Transportation Related Challenges Subcommittee (Mueller/Hodges)

There was no report provided.

C4. Update on the Comprehensive Review of the Street Light Program in Menlo Park Subcommittee (Bourne/Shiu)

There was no report provided.

D. INFORMATION ITEMS

D1. Update of the Complete Streets City Council Resolution

A. Patel briefly discussed about the Complete Streets update. He indicated that the Complete Streets City Council Resolution needs to be approved prior to January 31, 2012 so that Menlo Park will be eligible for the first funding cycle of the One Bay Area Grant.

D2. Transportation Project Update

R. Baile provided updates on the current Transportations Projects such as the traffic signal installation on Santa Cruz Avenue at Elder Avenue, Hillview Safe Routes to School Project, and Linfield Middlefield Lighted Crosswalk Project.

D3. Update of the City's Neighborhood Traffic Management Program

There was no report provided.

E. ADJOURNMENT – 10:20 p.m.

Prepared by: Rene C. Baile, P.E.

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Laurel Street Parking Modifications
 Meeting at Nativity School, Sobrato Building
 Thursday, October 3, 2013
 6pm – 8pm

Commissioners and Council Members in Attendance:

- Phil Mazzara, Transportation
- Mike Meyer, Transportation
- Drew Combs, Bicycle
- Adina Levin, Transportation
- Bianca Walser, Transportation
- Kirsten Keith, Council

JQ gave presentation, 6:05 pm – 6:30 pm

Questions:

- Clarify Safe Routes to School purpose and plans that have been done?
- How much staff time has been spent at Nativity in the afternoon?
- Has Fire District been involved?
- Has evaluation of how this will push traffic to other places been done? Ex. Pine Street?
- Has Safe Routes Plan for Nativity been developed?
- Clarify staff recommendation from 2012 vs. now (PM restriction vs. all-day, 24/7 restriction)?
- Confirm no changes southbound on Laurel?
- What safety considerations have been reviewed/evaluated if parking is pushed out farther?
- Studies on/data for amount of parking and number of bicyclists and their characteristics on Laurel (especially in the afternoon)?
- Encinal “Safe Routes” are needed primarily northbound AM and southbound PM. Why considering a northbound restriction in the PM outside of primary Encinal commute routes?
- Was complaint that sparked this in 2012 a resident of Atherton or Menlo Park?
- Valparaiso SR25 – clarify if it included Nativity?
- Clarify staff recommendation?
- Was this triggered by a single resident complaint?
- How to deal with bus traffic/stop if parking is restricted? Still represents a hazard for bicyclists? (noted infrequently, but parking at Nativity may also be considered infrequent)
- Does Safe Routes also consider vehicles and parking?
- Consider implementing restriction on a trial basis?

Erin Glanville – Presentation from Nativity highlighting key issues and concerns

- Proposal represents increased risk to Nativity’s smallest children
- Forcing cars to park on Oak Grove and Pine Street
- Oak Grove is already an issue
- “Proposal benefits few adults at expense of children”
- More circulation impacts to surrounding neighborhoods/streets would occur

Laurel Street Parking Modifications
Meeting at Nativity School, Sobrato Building
Thursday, October 3, 2013
6pm – 8pm

- Potential Alternative Solutions
 - Highlighted example of Jefferson Avenue from RWC
 - 20' spaced sharrows
 - Eye-level signs "CAUTION: Watch for bikes and pedestrians"
 - Build dedicated parking area on Laure – pull curbs in towards Nativity School

Responses:

- Sharrows are a great suggestion, but would require removal of bike lane – resulting impacts to AM use of bike lane for Encinal route
- Signs – ok, can consider

Continuing Questions/Comments:

- Study of cyclists only? Have parking impacts been reviewed/evaluated?
- What about with school expansion planned (pre-K program)?
- How long to submit comments?
- Seems like a ready-aim-shoot proposal.
- Green bike lanes on Alpine are great, very visible. Consider that for Laurel?
- Process... Other options or solutions? Midblock crosswalk? Has decision already been made?
- Community involvement is great at Nativity, one of the highlights of why parent chooses this school. Want to be able to park and escort students on site.
- This proposal, and all recent projects, seem too skewed towards benefiting bicycles at expense of others. (Gave traffic engineering history)
- Will this be agenda-ized at November Transportation Commission? (Yes – an opportunity to comment)
- If 24/7 parking restriction moves forward, can exception be made for special weekend events, etc.?
- Limitations on parking already exist in AM. Encinal PM school dismissal doesn't conflict with Nativity patterns. Why change for a problem that doesn't exist?
- Encinal pick-up 1:50 – 2pm, Nativity dismissal/Kindergarten pick up closer to 3pm. Can restrict parking for Encinal and allow Nativity pick-up.
- Bicyclist: notes rides from Atherton to Palo Alto to escort children to school. Noted need for education, patience. Children had an "incident" with traffic at Nativity, and now is required by parents to walk bike past Nativity School.
- Need to enforce Menlo-Atherton parking situation noted in paper.
- What would traffic impact be if Encinal students were driven instead of bicycling (25% of enrollment bicycles)...
- Inconsistency in the proposal/staff recommendation. Encinal patterns are counter-flow. Look at impacts after pre-K program starts to judge potential impacts.

Laurel Street Parking Modifications
Meeting at Nativity School, Sobrato Building
Thursday, October 3, 2013
6pm – 8pm

- Can it be a class III bike route outside of 7-9 AM, with added signs and markings?
- Juggling kids is difficult, especially crossing the street. Farther need to walk, the more risk for kids, parents, cyclists, everyone.
- One parent of a hearing-impaired child – need to consider those children. Appreciates note about “cost of a life” is what’s important; thinks increased risk to Nativity children needing to cross at Oak Grove/Laurel is of extreme concern.
- Can split difference in street width to allow parking and bike lanes on both sides of street? (i.e., shift lane markings)
- Appreciate the outreach. Encourage to take time, study the issues at hand.
- Bike usage is minimal during PM 20 minute period. 0-2 riders were observed.
- Most important message: co-existence is possible. Education is paramount. (Noted Safe Moves program)
- Appreciate outreach and holding the meeting
- Wants City to conduct access study for Nativity School.
- Need further study before this goes to Commission.
- “Not if an incident occurs, but WHEN”
- Hearing inconsistencies: want suggestions/feedback, but think decision has been made.
- Can parents request/obtain a copy of the recommendation? (Staff report is best vehicle, will be available before the Commissions meet)
- Madeline’s (Nativity student) comments about safety of her baby brother

Meeting end.

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Nagaya, Nicole H

From: Brigitte Gemme [REDACTED]
Sent: Monday, September 23, 2013 10:49 PM
To: Quirion, Jesse T
Subject: Potential Laurel Street Parking Modifications

Dear Jesse T. Quirion,

I received today the notice from the City of Menlo Park regarding planned parking modifications on Laurel Street. I reside at 1160 Laurel Street, just South of the intersection of Oak Grove. Unfortunately, as the parent of a young child, I do not have the leisure of attending a 6 pm meeting. I appreciate the opportunity to share comments with you on this matter, and also would like to make a point of saluting Menlo Park's efforts to develop cycling lanes on many of the City's roads.

I am writing in great support of the proposed modifications. In fact, I would like to suggest as well that the parking prohibition be extended South to the intersection of Ravenswood, and North to the intersection of Encinal, on the East side of Laurel street.

Although my husband and I own and use a car on a regular basis to run errands, we recently chose to live in Menlo Park due to the proximity to the Stanford campus where he is employed and to other amenities we appreciate, so that we can generally get around on foot and by bicycle.

Every day, I ride with my daughter to and from her daycare in Palo Alto, using the connector bridge near Alma Street, Ravenswood Avenue, and Laurel Street.

I was shocked to discover that the parking prohibition on Laurel Street near our home is so short by the Nativity School, and, closer to Ravenswood, ends at 4 pm (if I recall correctly) on weekdays, and is not effective on weekends. This situation makes our commute home in the evening significantly more dangerous, as we are forced into the main travel lane. The danger from cars entering the roadway from local driveways is also enhanced by the presence of parked cars. I anticipate the situation to become scarier as Fall progresses and the sun sets increasingly early. While we are equipped with appropriate reflective equipment and lights, you no doubt know that some drivers are distracted or find themselves "looking but not seeing" (selective attention - as in the case of the Unseen Gorilla <http://www.youtube.com/watch?v=vJG698U2Mvo>). Forcing my child and me in the travel lane to accommodate the motorists jeopardizes our safety needlessly.

The improvements near Nativity School will definitely increase our chances of survival on the street, and we support them wholeheartedly. I hope the same mindset can be applied on blocks further South on Laurel Street, and elsewhere in Menlo Park.

Best regards,

Brigitte Gemme
Menlo Park Resident

I look forward to more improvements

Nagaya, Nicole H

From: [REDACTED]
Sent: Tuesday, September 24, 2013 5:49 AM
To: Quirion, Jesse T
Subject: Dedicated bike lane question

@CityofMenloPark Got flyer about dedicated bike lane on Laurel. Can this be considered/extended on Laurel between Oak Grove & Ravenswood?

http://twitter.com/ken_mah/status/382396725949775872

Nagaya, Nicole H

From: Simon Karpen [REDACTED]
Sent: Tuesday, September 24, 2013 9:35 AM
To: Quirion, Jesse T
Subject: Re: Proposed Laurel Street parking modifications

Just to add - feedback from my daughter, who bikes to Encinal daily along the Laurel street corridor:

The biggest safety hazard she sees is Nativity school parents skirting the no-parking rules, by parking in the bike lane and leaving one person in the car so it's not technically "parked". Most of these cars spend several minutes parked in the no-parking zone, and also create a significant door-zone hazard.

On Mon, Sep 23, 2013 at 9:11 PM, Simon Karpen [REDACTED] wrote:
I am completely in favor of extending the no parking restriction on the bike lane to 24/7.

Given the large amount of high school related traffic, plus early/late commuters - is there any chance this can be extended all the way to Ravenswood? The parked cars in the bike lane between Ravenswood and Oak Grove (also Northbound) frequently make things more hazardous than necessary.

(I can't make the meeting because I'm on-call that week)

Thanks,
--Simon
(1010 Noel Drive #10, Menlo Park)

--
--
Simon Karpen
simon@karpens.org

<http://www.linkedin.com/in/skarpen>

--
--
Simon Karpen
[REDACTED]
<http://www.linkedin.com/in/skarpen>

Nagaya, Nicole H

From: Matthew Self [REDACTED] on behalf of Matthew Self
[REDACTED]
Sent: Tuesday, September 24, 2013 10:36 AM
To: Quirion, Jesse T
Subject: Laurel Street parking

Hi Jesse,

I won't be able to attend the meeting on October 3, but I would like to voice my support for creating a great bike route through Menlo Park on Laurel St. We really need a great route parallel to and fairly close to El Camino and Laurel St. is the best route. I would be in favor of restricting parking if that is what is needed to make an effective bike lane. Thank you,

--Matthew Self

Resident of unincorporated San Mateo County

Nagaya, Nicole H

To: Brigitte Gemme; Quirion, Jesse T
Subject: RE: Potential Laurel Street Parking Modifications

From: Brigitte Gemme [REDACTED]
Sent: Wednesday, September 25, 2013 12:11 PM
To: Quirion, Jesse T
Subject: Re: Potential Laurel Street Parking Modifications

Hi Jesse,

Thanks for your message. I appreciate that the extended parking prohibition may be getting some attention.

On my commute back from daycare this morning I was thinking about this further. There are two additional points that come to mind:

- Parked cars in what is, at other hours, a bike lane increase the risk that riders will weave between parked cars (see this document for illustration, which is the 4th picture on the page:

<http://www.bikexpert.com/streetsmarts/usa/chapter2a.htm>). My non-scientific observation of this phenomena demonstrates that nearly all cyclists do it, except the most experienced and confident.

Inexperienced, young cyclists, women, and others who feel that they don't belong on the street are even more likely to do it. Sadly, it puts them at great risk not only from hits from behind but also from left- and right-hooks. The fact that there are cars parked in what people

(understandably) think is a bike lane increases the confusion: if there is a bike lane, should I not ride on it instead of the road? Hence they become invisible (or seen-too-late).

- You are probably aware (if only because of the ensuing lawsuit) of the serious accident that nearly cost his life to a young boy (12 yo?) on Park Boulevard in Palo Alto, where construction equipment was blocking the bike lane, forcing the boy into the car travel lane. I ride there every day and I think about the boy and his family often, and what would happen to my daughter if I - or the two of us together - were to suffer the same fate. Laurel Street is certainly less industrial and has less traffic. Maybe the driver was impaired - but it appears unlikely that he would have mowed the boy if he had been on the bike lane/shoulder.

Rear-enders are the rarest type of bike-car accident, but they are awful because the cyclist doesn't stand a chance and can't do much to prevent them.

Thanks for your time. Again, I regret missing the meeting, but I trust that the safety of all road users, and perhaps particularly that of the most vulnerable ones, will be considered at the meeting (over the individual benefits of storing private property on public land, i.e. parking).

Best regards,

Brigitte



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Oct 3rd Neighborhood Meeting

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From: domainremoved <[Erin](#)>

Date: Tue, 1 Oct 2013 11:46:14 -0700

City Council Members,

The Nativity community and Laurel Street & Pine Street residents are looking forward to seeing you on Thursday evening, October 3rd at 6:00pm for this very important neighborhood meeting concerning parking elimination on Laurel Street. This is an issue that is of tremendous concern to our parents and neighbors, and anxiety has only grown since last week's fatality on Middlefield. We feel this severely impacts the safety of our children in getting to school. It will also negatively impact our neighbors.

We have been anticipating this dialogue for over a year and look forward to being able to share our concerns. Thank you in advance for your participation and willingness to hear from us.

OCTOBER 3, 2013 AT 6:00 PM IN THE SOBRATO PAVILION, NATIVITY SCHOOL

Erin Glanville
Menlo Park

Received on Tue Oct 01 2013 - 11:46:17 PDT

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Nagaya, Nicole H

From: Shannon Sullivan [REDACTED]
Sent: Tuesday, October 01, 2013 6:15 PM
To: _CCIN
Cc: Quirion, Jesse T; thomas gaffey
Subject: Keep Laurel parking spots in front of Nativity School!

Re: Proposed parking restrictions on Laurel Street

Dear City Council Members and Mr. Quirion,

My family and I have been Menlo Park residents of since 2007. We have three young children, all of whom currently or will soon attend Nativity School at 1250 Laurel Street. As it stands now, one or more of my children will be attending Nativity School continuously from 2011 through 2026 – fifteen years! I am writing to you now because I understand that the City Council is considering a measure to ban me from parking near the school, where I may safely pick up my young children.

This is an outrage. I find it alarming that my City Council is so hyperbolic in its actions to address what are rightful concerns about traffic safety for school children. I do not think this issue has been adequately considered from the perspective of safety of Nativity school children – my children. Concern about school child safety should be paramount for ALL school children, not just those attending public schools such as Encinal. The parking areas around Nativity school are already highly restricted and saturated, and further restriction would increase parking and traffic congestion beyond its present status. In particular I am concerned about even further increases in the number of children needing to cross the street in one or two directions at the intersection of Oak Grove and Laurel, a busy intersection which is home to multiple SamTrans bus route turns and large back-ups of cars impatiently waiting to make turns in all directions.

Eliminating Laurel street parking in the afternoon essentially and effectively blocks parents from being able to park their cars to personally pick up children from Nativity School, which is required for preschoolers and kindergarteners, and frequently needed for first and second graders in particular (my back-of-the-envelope calculation for the number of students in pre-K through 2nd grade next year is about 120).

Through a variety of measures, the City has assured that Encinal and other public school parents have means of ingress and egress to and from their schools, including traffic safety patrol personnel, dedicated turn lanes, and the like. As a parent and a taxpayer, I fully support and indeed am helping to pay for these measures. But the City should not block the few available current transportation options available for Nativity school – it effectively discriminates against my right to freely send my children to the school of my choice.

I certainly hope – and I hesitate to even suggest this (although it was certainly the case in the Willows neighborhood “traffic calming” debacle) - that those complaining about parents picking up children at Nativity School assume that Nativity families are from other neighboring cities, and therefore do not deserve the same priority as children at Encinal, who are clearly “Menlo Park residents”. This kind of discrimination would be unconscionable, not to mention inaccurate. Nativity is one of the earliest still-surviving organizations in Menlo Park (the parish was founded within 5 years of Menlo Park’s incorporation as a city). It has served families in this community since its earliest days, and I have nothing but the fullest expectation that you, my City Council members, do not share such discriminatory views. However, even I have to admit that discrimination is insinuated since the “Safe Routes to School Study” neglected to include Nativity school children.

I feel that the proposal to ban me from safely picking up my children at Nativity school jeopardizes my children's safety out of concern for some, at the expense of others. Any "study" that did not include my children's safety in particular is hogwash. My children are Menlo Park residents and they deserve a safe route to school too.

Sincerely,

Shannon S. Sullivan

Nagaya, Nicole H

From: Mairtini NiDhomhnaill [REDACTED]
Sent: Wednesday, October 02, 2013 11:44 AM
To: Quirion, Jesse T; _CCIN
Cc: Almanac News 2
Subject: Menlo Park Resident and Nativity School Parent expressing concern about the plan to restrict our school adjacent parking on Laurel Street

Hello

I am extremely concerned about the apparent lack of regard being paid to the safety of the Nativity school children in the new proposal to restrict parking adjacent to our school in order to facilitate Encinal school which is approximately two miles from Nativity school.

I understand there were some safety studies conducted which did NOT include our school. This seems unconscionable especially if the council now intends to act on those studies which are clearly lacking in important data for the 300+ children who attend Nativity school. Nativity school and church have been a part of the Menlo Park community for many many years and many Menlo Park residents choose to send their children there while still paying property taxes that support the public school children. But frankly where the children come from who attend Nativity school is totally irrelevant to the question of whether the City Council has a duty to protect them as they go to and from school.

Please in future include our school in all safety analysis done on these topics. I oppose the plan as it is currently proposed and anticipate the council will hear our objections and take action accordingly allowing a voice to all those who need a safe route to school regardless of whether that school is a public or private one.

Regards

Mairtini Ni Dhomhnaill
566 Encina Ave
Menlo Park



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Parking on Laurel

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From: domainremoved <[Patricia](#)>

Date: Wed, 2 Oct 2013 12:42:37 -0700

Dear Menlo Park City Council Members,

As a Menlo Park resident (Sharon Heights), I am very concerned about the proposed parking restriction on North-bound Laurel in the afternoon. My children attend Nativity school and I regularly park there in order to pick up my children. This parking restriction will translate into more street crossing in heavy congestion for me and my children.

Our family chose to send our children to Catholic school based on our faith. This choice to exercise our religious freedom shouldn't make us "second-class citizens" when accessing/using the community services/facilities of our home town, Menlo Park. I believe that my children's safety is important as all children's safety in Menlo Park. I agree with and abide by the morning parking restriction as that clearly impacts local children biking to school. The afternoon restriction's impact on children commuting/biking from local schools is less clear.

Please consider ALL children/families in the city of Menlo Park when voting on this parking restriction.

Thank you,

Patricia Barreto

Received on Wed Oct 02 2013 - 12:42:41 PDT

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Nagaya, Nicole H

From: Terri Matsakis [REDACTED]
Sent: Wednesday, October 02, 2013 12:52 PM
To: Quirion, Jesse T
Cc: Cline, Richard A; Mueller, Raymond; Carlton, M.Catherine; kkeithh@menlopark.org
Subject: Laurel street bike lane proposal

Dear Mr. Quirion and Menlo Park City Council,

I want to share my concerns, both as a biker and as a Nativity parent, over the plan to remove the parking spots adjacent Nativity, but more so on biking in general in the Menlo Park.

I know that Nativity parents have said over and over that they need the parking spots next to the school, and I totally agree. As a parent of a child who has nearly been run over because he refuses to listen to me and hold my hand in parking lots and streets, I am aware of how difficult it can be to get one, let alone multiple children, across a street safely during times of heavy traffic. Some of our families have as many as five young children and only two hands! The difference between having to cross a street every day and not at all could be the difference that saves a child's life. Regardless of whether you decide to permanently ban parking on half of Laurel or not, it would definitely help if the lanes on Laurel were reversed--i.e., instead of having a full parking lane and full biking lane on the southbound side, repaint the lines to move those lanes to the northbound side.

That said, the statement that "Laurel Street provides a key north-south bicycle connection and is a designated Safe Route to Encinal School" is both misguided and misleading. First, it's wishful thinking that any area going past a school or business where over a hundred people drive in and out within a period of 20 minutes, could be called "safe". Second, Laurel street is a redundant and secondary route to Encinal school--it's duplicates the bike lanes on Middlefield, and only a small percentage of parents and children use it compared to Middlefield. The only Encinal families who derive any possible benefit from biking past Nativity on Laurel are those living on the single block between Oak Grove and Ravenswood--a very small group of people gaining a very small benefit. Everyone else either doesn't pass Nativity or can use Middlefield to Ravenswood to get home. The only group of people for which Laurel St. is necessary as a safe school bike route are Nativity parents and kids, and we're happy to share. Why? Because anyone who doesn't want to bike past the cars simply walks their bike to the end of the cars--which is exactly what any biker who is uncomfortable with any situation should do--walk their bike on the sidewalk which Nativity does indeed have.

Unlike Laurel St, Middlefield is a major bike thoroughfare from Redwood City down through Palo Alto and a clear choice for bike commuters wanting to avoid the commercial areas on El Camino, and yet nothing is being done to clean up the chaos that reigns in the Middlefield bike lanes. Encinal parents park throughout the day on Middlefield both north and south of Encinal partially obstructing the southbound Middlefield bike lane. And when school gets out it's sheer chaos! Kids bike both directions down both sides of the street, often in parallel, weaving in and out past each other, and yet nobody does anything to enforce the traffic rules, not even the crossing guard.

The proposal to remove Laurel street parking is simply a proposal to move part of the chaos on Middlefield right next to Nativity. Who is going to police it? And if there's an accident will Menlo Park police come out? They didn't last year when two middle school bikers collided with each other on Santa Cruz. One of them couldn't get up, so a St. Raymond's parishioner called the Menlo Park police who were "too busy to come out." Being an Atherton resident, she then called her own police who thankfully weren't quite so busy.

If you really want to help us bikers, enforce the bike traffic rules!

Cars are not a problem for me--cars are generally predictable, and around here, very considerate. I say that with 10 years of experience biking in Boston--I love the drivers here--almost all of them make an effort to give me space when passing, and not one has yelled or honked at me. In fact, I get quite a few compliments and questions regarding my bike. But many bikers here are rude and dangerous. Every time I try to remind a biker that they're going the wrong way down the bike lane, they get angry with me. Most of them cuss at me, but the last person I chided for going the wrong way down Valparaiso said, and this is an exact quote, "Shut the f--k up or I'll shoot you!" This is the attitude of many bikers--that they can do anything they want without consequence, and no one should tell them otherwise. Why doesn't anyone enforce direction rules? And why doesn't anyone enforce stop-sign and red-light rules? I don't mind the occasional slow rolling stop, but the bikers who go through red lights full-speed ahead are a danger to me because I *do* stop. I have never been rear-ended by a car while biking, but I *have* been rear-ended by another

bike because I stopped for a red light. Not only did he not apologize, he got upset at me as if the accident were my fault, and proceeded to bike past me through the red light!

Sure, biking next to cars has inherent dangers, but the most dangerous situations for me are created by other bikers. Can you imagine what driving would be like if drivers randomly pulled out of the oncoming traffic lanes into yours? I've lost count of the number of times a biker has jumped off a sidewalk into my bike lane coming straight at me, and I had to make a split second decision to move into traffic to avoid them. Sure, biking would be safer if there were never ever cars on the road, but roads are for cars too, and we do have to "share the road." But how do you share the road with irresponsible bikers when there is no accountability or way to report their actions?

Safe biking starts with safe kids, and yet so many of them do the wrong thing biking to and from school. I won't even comment on the misuse of helmets, but how many of them have been taught how to properly ride on the roads? How about enforcing single file, in-the-direction-of-traffic biking on Middlefield, Valparaiso and Santa Cruz? How about putting in more blinking-crosswalks so that kids can cross over when they reach their street and aren't tempted to ride the wrong way to avoid a left turn? How about explaining that they'll simply have to bike all the way to the next crosswalk and double back on themselves if they can't safely make a left turn? How about reminding kids that when they get to a crosswalk, they need to walk their bike *in* the crosswalk, and not walk or bike in a haphazard arc across an intersection? How about reminding them that consistency--either bike on the sidewalk or off, but stick with it--is safer because drivers will know where they are? Many of the middle schoolers biking on Santa Cruz in the morning weave on and off the sidewalk. Checking for bikers before opening a car door only works if you can see them, but you can't see a biker that has jumped off the sidewalk right behind your car! How about reminding bikers of all ages that when a situation is beyond their skill, they should simply stop and walk the bike? There's no shame in this--even the most experienced biker has limits. If a parent or child is uncomfortable biking past Nativity, then they should simply walk their bike the 400 ft it takes to get to the other side. It's not that far, and we don't bite!

And if you're serious about making Laurel a no-parking zone all day long, why not do the same on Middlefield where the Encinal parents park their cars blocking Middlefield's bike lanes? If this really is about bike safety, and not just about helping a handful of Encinal parents harrass a small private school, then let's apply the rules uniformly.

We all know that there's a balance between driving and biking, a balance between high usage times and low ones. There's nothing wrong with having a bike lane for use during low traffic times, but consideration still needs to be given for the businesses who need parking during high use times--you've made that balance on El Camino in the mornings and I think it works. There are many workable solutions for people uncomfortable biking northbound on Laurel in the afternoon, as well, solutions which, as a biker, I put into practice myself whenever I'm concerned about safety--choose an alternate route, walk your bike, or ride fully in line with the cars forcing them to drive slowly in a school zone.

Sincerely,
Terri Matsakis

"Driver" of a Yuba Mundo, a cargo bike that can carry three kids



Menlo Park City Council Email Log

[[Home](#)] [[City Council](#)] [[Search](#)] [[05/06 Archive](#)] [[07/08 Archive](#)] [[09/10 Archive](#)] [[2011 Archive](#)] [[Watch City Council Meetings](#)]

Parking Removal Impact To Property Owners & Tenants

This message: [[Message body](#)] [More options ([top](#), [bottom](#))]

Related messages: [[Next message](#)] [[Previous message](#)]

- *Contemporary messages sorted:* [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

From: domainremoved <>

Date: [Wed, 2 Oct 2013 17:10:53 +0000](#)

[Dear City Council Members,](#)

[I own seventeen apartment units on Noel Drive \(just off Laurel Street\) and recently received a notice regarding the October 3rd meeting to discuss elimination of parking on Laurel Street. I cannot attend the October 3rd meeting as I will be out of town. I am writing to state my strong objection to the elimination of parking on Laurel Street because of the profound negative ripple effect it will have on my tenants and their families.](#)

[The streets in this area are narrow, and parking is already very difficult in this high density housing area. Further restrictions make a difficult situation even worse. The current restrictions of no parking in the morning when children are riding to school make sense. Expanding that restriction to "no parking anytime" does not. It hurts tenants and property owners. It will also make traffic in the area even worse.](#)

[Bonnie Neylan](#)

[Menlo Park resident and impacted property owner](#)

Received on Wed Oct 02 2013 - 10:10:56 PDT

- ***This message:*** [[Message body](#)]
- ***Next message:*** [domainremoved: "test email"](#)
- ***Previous message:*** [Quirion, Jesse T: "RE: Keep Laurel parking spots in front of Nativity School!"](#)

- ***Contemporary messages sorted:*** [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

[[Search](#)] [[By Date](#)] [[By Message](#)] [[By Subject](#)] [[By Author](#)]

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Menlo Park City Council Email Log

[[Home](#)] [[City Council](#)] [[Search](#)] [[05/06 Archive](#)] [[07/08 Archive](#)] [[09/10 Archive](#)] [[2011 Archive](#)] [[Watch City Council Meetings](#)]

Proposed Laurel Street Parking Reduction

This message: [[Message body](#)] [More options ([top](#), [bottom](#))]

Related messages: [[Next message](#)] [[Previous message](#)]

- *Contemporary messages sorted:* [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

From: domainremoved <[Holly](#)>

Date: Wed, 2 Oct 2013 19:54:05 -0700

Dear City Council Members, We are unable to attend the community meeting at Nativity School tomorrow night. ♦
 ♦ We are concerned about the proposed parking reduction on Laurel Street near Nativity School. Our daughter recently started Kindergarten at Nativity School in August. In the last few weeks we have become very familiar with the traffic patterns at the Laurel Street/Oak Grove intersection. This intersection is very busy in the morning and afternoon. If the parking is removed at the frontage of the school more children will be crossing this chaotic intersection and walking further to cars. We would like the City Council ♦ to direct city staff to include Nativity School in the Safe Routes to School Program and to study the parking situation on Laurel Street, Oak Grove Avenue and surrounding neighborhoods including the impact of the proposed parking removal. We also would like the City to review the possibility of installing cross-walks on Oak Grove Avenue near the main drop-off parking lot. We ask that no parking be removed until the studies are complete and an additional meeting is held to go over the findings with Nativity parents and students. We are disappointed with how little input that parents and students of Nativity School have been given in the past regarding this proposed change. Now is the time for the City to include Nativity School in the discussion for positive change for the community. Holly & John Boyd Menlo Park residents and parents

Received on Wed Oct 02 2013 - 19:54:09 PDT

This message: [[Message body](#)]

Next message: [domainremoved: "Nativity School City Council Meeting 10/3"](#)

Previous message: [domainremoved: "Cash Donation To You & Your Family"](#)

- *Contemporary messages sorted:* [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

[[Search](#)] [[By Date](#)] [[By Message](#)] [[By Subject](#)] [[By Author](#)]

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Menlo Park City Council Email Log

[[Home](#)] [[City Council](#)] [[Search](#)] [[05/06 Archive](#)] [[07/08 Archive](#)] [[09/10 Archive](#)] [[2011 Archive](#)] [[Watch City Council Meetings](#)]

Nativity School City Council Meeting 10/3

This message: [[Message body](#)] [More options ([top](#), [bottom](#))]

Related messages: [[Next message](#)] [[Previous message](#)]

• *Contemporary messages sorted:* [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

From: domainremoved <[Anna](#)>

Date: Wed, 2 Oct 2013 21:23:10 -0700

Dear City Council Members,

We are unable to attend the community meeting at Nativity School tomorrow evening, but wish to express our deep concern for the proposed parking elimination on Laurel Street. My family has been part of the Menlo Park community for the last 15 years. I was the Vice Principal of Nativity for the last 14 years and currently have two young children who are Nativity students in Grades 3 (age 8) and Kindergarten (age 5). We were married at Nativity, both our children were baptized there and we are registered parishoners. I am presently a department director at Sacred Heart Preparatory and my husband is an engineer at Space Systems Loral in Palo Alto. And while we commute every day from our home in Fremont, our family knows the southern peninsula and the commute and traffic patterns in this area very well. We always leave well before 7:00 and for a 17 mile drive, door to door - there is always a risk of not finding a parking space at school. Kindergarteners are required to be walked into the school building. You can imagine the undue burden such a parking closure would put on all of our Kindergarten families. (There are 30 kindergarteners this year.) Not to mention, once the PreK building is complete, Laurel Street will be the only place parents will be able to park to access the PreK. With an average of 30 children per class in grades K-8 and over 200 families (approximately 85% commuting from outside of Menlo Park) every parking space is precious and necessary to offset the daily drop off and pick up schedules.

The Laurel Street and Oak Grove intersection is extremely busy, with Nativity being centrally located to Encinal School, Laurel School, M-A High, Trinity Lutheran, Menlo School and the Sacred Heart Schools. It is shocking to know that Nativity was not consulted in the "Safe Routes to School Program," yet decisions are being made that will directly impact our students and their families. Last week a pedestrian was struck and killed in a hit and run, mere blocks from Nativity. Years ago when I first began working there, one of the Sisters of the Presentation of the Blessed Virgin Mary was living in residence at the Nativity convent, but retired from teaching due to being hit while crossing in the intersection on Laurel and Oak Grove. That was in 1999 and the amount of traffic congestion, commuters, and cars has more than doubled.

Nativity School and Church are not only landmarks and beautiful, historic places that grace the Menlo community. For many, like my family, Nativity is a second home. Now is the time to include Nativity in this important conversation. It is disappointing to think it would be otherwise. Council members, please consider the negative

impact such changes would impose on our youngest of families and the community at large. Nativity is a gem of a school in a wonderful community. Thank you for your time.

Dr. Anna McDonald, Ed.D
Associate Director, Center for Student Success
Sacred Heart Preparatory, Atherton
(650)454-8325

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Received on Wed Oct 02 2013 - 21:23:18 PDT

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Previous message: [domainremoved: "Proposed Laurel Street Parking Reduction"](#)

Contemporary messages sorted: [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

[[Search](#)] [[By Date](#)] [[By Message](#)] [[By Subject](#)] [[By Author](#)]

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Nagaya, Nicole H

From: ALJO FISCHER [REDACTED]
Sent: Thursday, October 03, 2013 6:17 AM
To: Cline, Richard A; Mueller, Raymond; Carlton, M.Catherine; Keith, Kirsten; Quirion, Jesse
T
Subject: LAUREL STREET PARKING

Good Morning everyone:

I am sending you this email since I will not be able to attend tonight's meeting at NATIVITY SCHOOL due to my child care not being over until 6:45pm.

Regardless, I felt this was critical enough to send you an email to express my deepest concern at your proposed Laurel Street parking. First and foremost I must state that as a parent I am appalled that NATIVITY SCHOOL was NEVER included in your "Safe Routes to School" analysis when this ill conceived proposal was presented. (Even though our school is within the study area) What a terrible over site.

It is abundantly clear that there has been NO STUDY on your part about the impact of such a proposal given the facts outlined in your undated letter addressed to "OCCUPANT" at 1252 Laurel Street!

If such a DISASTROUS proposal passes, what plans does the City have to provide NATIVITY'S CHILDREN AND THEIR PARENTS SAFE crossing to get to school? Where does the City expect the parents to park their cars when escorting the children to school since there are NO SAFE CROSS WALKS? This proposal of eliminating parking on Laurel Street significantly increases the danger to our children and parents!!

I sincerely hope, that this proposal is properly studied and that the **SAFETY of the children and parents remain paramount in the eyes of the City**. I would also like to request that NATIVITY be INCLUDED in the "Safe Routes to School" and that every conceivable consideration is carefully thought out and given, with SAFETY coming first.

Thank you

J. Fischer



Menlo Park City Council Email Log

[[Home](#)] [[City Council](#)] [[Search](#)] [[05/06 Archive](#)] [[07/08 Archive](#)] [[09/10 Archive](#)] [[2011 Archive](#)] [[Watch City Council Meetings](#)]

meeting tonight Nativity School

This message: [[Message body](#)] [More options ([top](#), [bottom](#))]

Related messages: [[Next message](#)] [[Previous message](#)]

• *Contemporary messages sorted:* [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

From: domainremoved <[Carol](#)>

Date: Thu, 3 Oct 2013 08:37:06 -0700

Dear Council Member,

As you know a meeting regarding the parking situation on Laurel will be _at_(domainremoved) Nativity School tonight. I appreciate your support and hope to see you there.

Respectfully,

Carol Trelut

Principal

Nativity School

Received on Thu Oct 03 2013 - 08:37:11 PDT

This message: [[Message body](#)]

Next message: [domainremoved: "LEGISLATORS, LEADERS ENDORSE SEQUOIA HEALTHCARE DISTRICT MASTER PLANNING"](#)

Previous message: [Quirion, Jesse T: "RE: LAUREL STREET PARKING"](#)

Contemporary messages sorted: [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

[[Search](#)] [[By Date](#)] [[By Message](#)] [[By Subject](#)] [[By Author](#)]

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[[Home](#)] [[City Council](#)] [[Search](#)] [[05/06 Archive](#)] [[07/08 Archive](#)] [[09/10 Archive](#)] [[2011 Archive](#)] [[Watch City Council Meetings](#)]

Please do not remove parking spots on Laurel!

This message: [[Message body](#)] [More options ([top](#), [bottom](#))]

Related messages: [[Next message](#)] [[Previous message](#)]

• *Contemporary messages sorted:* [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

From: domainremoved <[Amelia](#)>

Date: Thu, 3 Oct 2013 13:17:21 -0700

Dear Members of the Menlo Park City Council

I am writing to ask you to reconsider removing the parking spots adjacent to Nativity School on Laurel Street. While I understand this proposal was made in an honest attempt to respond to a citizen's complaint about the safety of bikers on this street, I am afraid that it will only exacerbate an already congested area and decrease the safety of children, whether they are in a car, biking or on foot. Forcing Nativity families, many of whom must drive, to park farther from school or drive around the block again and again looking for parking will not make the area safer for anyone.

Furthermore, I am concerned that this hasty and ill considered proposal has unnecessarily increased tensions between local residents, Menlo Park Nativity families, and Nativity families (like ours) that commute. I believe that all of us want the area to be safe for every person, child or adult, who lives, works or goes to school in this neighborhood. Unfortunately, this proposal will not achieve that goal.

Sincerely,
Amelia Stone
Nativity Parent
Palo Alto Resident

Received on Thu Oct 03 2013 - 13:17:27 PDT

This message: [[Message body](#)]

Next message: [domainremoved: "Join Us for Samson Wong's 3rd Annual "Potstickers" Golden Potsticker Eating Contest!"](#)

Previous message: [domainremoved: "Re: Dangerous situation - no street lights - Halloween is coming up"](#)

Contemporary messages sorted: [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

[[Search](#)] [[By Date](#)] [[By Message](#)] [[By Subject](#)] [[By Author](#)]

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Nagaya, Nicole H

From: Adam Kerr [REDACTED]
Sent: Friday, October 04, 2013 1:27 PM
To: ptmazzara@outlook.com; Maurice Shiu; Bianca Walser; Nathan Hodges; Michael Meyer; Adina Levin; Penelope Huang; _CCIN; Quirion, Jesse T; bill@costellakirsch.com; Maryann Levenson; Gregory Klingsporn; clwelton@comcast.net; Combs.drew@gmail.com; giant.berghout@gmail.com; Angulo, Rich F
Subject: RE: Potential Laurel Street Parking Modifications

Attn: City Council
Transportation Commission
Bicycle Commission
Jesse Quirion

Dear Sir/Madam:

Let me first thank Mr. Quirion for taking the time to meet, inform and listen to community members yesterday evening at the meeting at Nativity School about this issue. I also would like to thank the members of the city council and transportation and bicycle commissions who took time to attend.

I have been a Menlo Park resident since the mid '90s, have two children (Gr. 1 & 3) in Nativity School and enjoy recreational bicycling. I am highly supportive of enhancing bike safety and promoting opportunities for physical exercise in Menlo Park.

That said, I do have concerns about the proposed Laurel Street parking modifications, and they are as follows:

1) Micro and Reactive Planning Approach

Mr. Quirion admitted that City Staff's approach to resolving parking restriction issues along planned bike corridors is done on a block-by-block basis. While it certainly makes sense to consider parking restriction approaches based on local road geography and local traffic demand, I don't agree with a micro approach to amending parking restrictions. I strongly believe that all bike corridors, or at least a contiguous length of one bike corridor should be considered in its entirety before making any changes. Amending them on a piece-by-piece basis could easily result in overly aggressive restrictions being made in one block followed by more relaxed restrictions in another block depending on neighborhood response as well as the composition of city council and relevant commissions at the time the decisions are made.

In addition, a micro approach by definition pits the overall community desires against the desires of a small group of local residents for each change under consideration. Is this the way to pursue an overall goal for the city? I believe City Staff and government should be willing and have the leadership to tackle the challenge for making these changes on a much broader scale and not successively against one small segment after the next.

Furthermore, Mr. Quirion also admitted that the current micro investigation was initiated by a resident complaint. If adopting a micro approach to resolving parking restrictions, why use one neighbor's complaint to determine where to focus first? Does City Staff not have a list of which blocks along bike corridors are the least safe for shared bike and automotive use?

In order to increase the impact of the City Staff's effort, I strongly urge they abandon this micro investigation of the parking restrictions in this block, and instead consider parking restrictions more thoughtfully and globally, focusing first on the parking restrictions along the entire bike corridor that is seen as being the most bike unfriendly (which may or may not be Laurel).

2) Lack of a Comprehensive Study

Last night, I asked Mr. Quirion whether a trial parking restriction would be put into effect in order to investigate the impact on residents and traffic flow, and to expose any unforeseen effects. While Mr. Quirion agreed this was a good idea, it surprised me that it wasn't already in City Staff's plan in advance of making a final recommendation. It also points out a further problem of resolving



Menlo Park City Council Email Log

[[Home](#)] [[City Council](#)] [[Search](#)] [[05/06 Archive](#)] [[07/08 Archive](#)] [[09/10 Archive](#)] [[2011 Archive](#)] [[Watch City Council Meetings](#)]

RE:

This message: [[Message body](#)] [More options ([top](#), [bottom](#))]

Related messages: [[Next message](#)] [[Previous message](#)] [[Maybe in reply to](#)]

• *Contemporary messages sorted:* [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

From: Mueller, Raymond <"[Mueller](#)">

Date: Fri, 4 Oct 2013 15:30:34 -0700

To the Transportation Commission and Mr. Quirion:

I should note the School's support for an interior bike path to the sidewalk is qualified on the feasibility of the project, and the cost not being prohibitive.

Thus, my request for investigation.

With appreciation,

Ray Mueller

From: Mueller, Raymond

Sent: Friday, October 04, 2013 3:12 PM

To: Michael Meyer; _CCIN

Cc: ptmazzara_at_(domainremoved)

Subject:

To the Transportation Commission and Mr. Quirion:

First, please do not reply all to this email, to avoid a Brown Act Violation.

In speaking with the Principal at Nativity today, she indicated that the school would support widening the sidewalk and putting a bike lane interior to the sidewalk away from parking and traffic. I am interested in this approach, and humbly request that the transportation commission and staff investigate the feasibility of this option with the school.

With appreciation,

Ray Mueller

Received on Fri Oct 04 2013 - 15:33:12 PDT

This message: [[Message body](#)]

Next message: [Carson, G Pat: "City Council Weekly Digest"](#)

Previous message: [Mueller, Raymond: "\(no subject\)"](#)

Maybe in reply to: [Carson, G Pat: "RE:"](#)

Contemporary messages sorted: [[by date](#)] [[by thread](#)] [[by subject](#)] [[by author](#)]

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parking restrictions on a micro scale --- by investigating blocks only one at a time, the final impact of corridor-long parking restriction modifications will be underestimated --- as a single block's parking population can easily overflow into neighboring blocks, which is something that might not be possible when the global parking restrictions are put into effect.

Furthermore, neighboring residents on the blocks where the overflow parking will end up will likely be unaware of this possibility until a trial modification is put in place, and hence a trial modification is important for getting these residents' relevant feedback.

I would strongly urge that City Staff not make any final recommendation without implementing a temporary trial modification to the parking restrictions in order to better assess it's effects, and to allow residents to better appreciate the impact of the modification. I also strongly urge that these temporary modifications be trialed on a much larger scale than a single block in order to reasonably assess the impact of the modifications. Finally, there should be adequate time allowed after the trial modifications to allow for resident feedback.

3) Excessive Proposed Modifications

The current draft recommendation from City Staff is to modify the parking restrictions to be no parking 24 hrs a day, 7 days a week. This is the most extreme modification that could be made, and doesn't take into consideration the local and important needs of Nativity School.

In particular, for safety concerns, parents must park and pick up KGers in person at the Kindergarten which is immediately adjacent to Laurel St. If a full 24-hr parking restriction is put into effect, then many more KG students will have to cross the busy Laurel and Oak Grove intersection with an attendant increase in risk. By adopting a more relaxed modification of the parking restrictions to continue to allow parking at least during Nativity pickup times, or for short 20-minute parking, a largely parking-free situation on Laurel would occur except for the Nativity pickup period.

It is important to note that at this time of day, school children commuters to Encinal or Valparaiso schools would be returning on the western side of Laurel and so it would largely be adult, more traffic-aware commuters using the eastern side of Laurel.

Another concern is that Nativity school has need for parking for school events during off-peak commute hours, say during the evening or on the weekend. At these times, commute traffic is much lower, and so it is much easier for bikers to share Laurel. As such, it seems unreasonably restrictive to consider a 24-hr 7-day modification when it is not adding to bike safety but just penalizing automotive access during these off-peak commute hours.

I would suggest that City Staff and city government consider an alternative parking restriction -- that is -- [ON weekdays: no parking before 9am, 20-minute only parking 9am-6pm / ON evenings and weekends: no restrictions] in order to better meet the needs and safety of everyone concerned.

Sincerely,

Adam Kerr & Kathy Coulbourn
Residents, Menlo Park

Nagaya, Nicole H

From: Kevin T. Ames [REDACTED]
Sent: Friday, October 04, 2013 3:29 PM
To: Quirion, Jesse T
Subject: Nativity School Meeting 10/3/13

Dear Jesse –

I wanted to personally thank you for participating in last evening's meeting. Your openness to hear from our community, especially on "our" territory, was fantastic. Your continued efforts to show your availability to further listen to our concerns was also very appreciated.

The concern of safety for all users of this corridor is truly the priority. Shared use roadways will always be a challenge, as drivers and bicyclists alike must equally take the responsibility for exercising care as we "move" together.

I encourage you and your staff to visit the school during the afternoon student pickup to witness firsthand the need for these parking spaces. In addition, it would be beneficial for you to see the inherent dangers that do exist at the Oak Grove/Laurel Intersection. It is obvious that a public safety problem does exist, for pedestrian, bicyclist and automobile driver. A need to find a solution that works for **all** users of this corridor is recommended, not just one fraction.

The luxury of a 24/7 no parking zone is not practical for the school's purpose, but also in this high density housing neighborhood. You indicated that this is a concern that has been in your department for 8+ years, which you inherited when you joined Menlo Park as Traffic Manager this past May. Sadly, neither of us can be responsible for the "civil" behavior of all motorists, and it is inevitable that those driving cars as well as those riding bikes can each use a refresher course on road safety.

With a continued open dialogue, I believe that the Nativity Community shares the concern of the city of Menlo Park. Nativity School, along with all the schools in the area, have equal challenges. The morning drop off and afternoon pickup at all schools shares many common traits. Many of these were discussed last evening, and not one community is immune from erratic children running out of control, parents rushing, drivers texting or talking on the phone with a more limited attention to operating their vehicles. These are societal ills, not specific to parents of school age children. The facts remain the same – school age children must remain safe, and ALL motorists must pay attention! Finding a workable solution is paramount to us working together and recognizing that we all must coexist, and learn to be civil in the process.

Again, thank you for taking the time last evening to share the city's perspective on this problem. Please feel free to contact me if you have questions of me, or if you would like to arrange a time to meet at our school.

Very kind regards,



Kevin T. Ames

Kevin T. Ames

REALTOR / DRE # 01079494

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San Carlos CA 94070

www.linkedin.com/in/kevintames

Nagaya, Nicole H

From: Amy [REDACTED]
Sent: Monday, October 07, 2013 12:51 PM
To: _CCIN; Quirion, Jesse T
Cc: Erin Glanville; Rich' 'Nieva; Carol Trelut
Subject: Nativity School Parking

Dear Mr. Quirion and City Council Members,

My name is Amy Nieva and I have been a resident of Menlo Park since 1974 in the Suburban Park neighborhood. I attended Nativity School as a child and rode my bike to and from school daily. I now have 2 children at Nativity in First and Fourth Grades. We have ridden our bikes to school when given the opportunity. However, I am very concerned and frustrated as to why Nativity is being picked out as an issue when we have much larger issues with Laurel, MA and Encinal. I am attaching a picture of Ringwood from last Friday morning, just after our "Town Hall" meeting. On our route from Suburban Park, we tend to ride through Lindenwood which has no bicycle lanes and is dangerous with cars that may be running late. If I was to take the alternate route and what you would call the "Safe Route" it would be to take Ringwood.... as you can see the Eastbound bike lanes are completely full, and there is no room to go around them. As a matter of fact, there is no sign at all about "no parking". The Westbound lanes have a sign that says "no stopping" during set periods of time, and yet, many cars are stopped and running their kids into school. So I ask you, why are you picking on the 8 spots at Nativity, when you have much larger issues. At lease we adhere to the "No Parking 7-9am" signs.

I would like you to reconsider the option of completely removing the parking on Laurel. We as parents, and parishioners of the community need to be able to park and safely walk our children to school. I understand being given specific times of no parking, but I believe permanently removing the parking is very one sided and not a fair compromise.

Sincerely,
Amy Nieva
145 Bay Road
Menlo Park



Nagaya, Nicole H

From: John Langbein [REDACTED]
Sent: Sunday, October 13, 2013 5:43 PM
To: Quirion, Jesse T
Cc: Adina Levin; steve schmidt
Subject: Bike Lanes on Laurel

Mr Quirion:

Unfortunately, I missed the public meeting in early October that discussed bike lanes and parking on Laurel Street in Menlo Park; I was traveling then.

For the past 30+ years I have been using Laurel Ave as part of my bike commute between USGS and home in Redwood City. I usually ride this section between late afternoon and early evening independent of the time of the year. In general, I find the bike lanes to be of marginal utility because the lanes also provide parking. Mixing parking and bikes is a bad idea. It makes the bike lane useless for bikes.

As I travel from USGS going northbound on Laurel, I pass the area adjacent to Burgess Pool.

There I have to contend with motorists using the bike lane as drop-off and pick-up zone for passengers; I'm forced to take the lane and need to be especially vigilant should one of those motorist suddenly pull out into the traffic lane without looking and yielding right of way.

North of Ravensworth, the bike lane becomes a parking lane after 6PM. Again, I need to take the lane as the bike lane is occupied by a few parked cars. Often, this is a night and I hope that any passing motorist can see my tail lights (plural!). Given that the lane is clearly labeled as a bike lane, I'm sure that the passing motorist believes that I should stay in the bike lane -- and given the small size of signs limiting parking, a motorist can not be expected to read the fine print while traveling at 25 mph.

North of Oak Grove, the same situation applies except in the short zone in front the school where parking is allow for most of the day.

Next, I turn onto Glenwood to cross El Camino. Again, the bike and parking lanes are shared.

Having a shared bike and parking lane makes for an ambiguous situation for both motorists and cyclists. The lane should be designated either a parking strip or a bike lane. They can not be shared.

I urge you to do a complete inventory of shared bike and parking lanes through out Menlo Park (I suspect that there are other examples). If you truly believe that cycling is a viable means of transportation and wish that others switch to cycling rather than relying on their cars, I urge you to remove the parking option on all of these "shared" facilities.

John Langbein
152 Oakfield Ave
Redwood City, CA



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Less Restrictive Alternatives to Accommodate Both Parking and a Dedicated Bike Lane Along Laurel Street and Request for City Guidance on 10/10/12 Transportation Commission Meeting Item Number B2

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From: domainremoved <[Carol](#)>

Date: Tue, 5 Nov 2013 12:54:03 -0800

Menlo Park Mayor

Menlo Park City Council

Community Development Department

Public Works Department

701 Laurel Street

Menlo Park, CA 94025

Re: Less Restrictive Alternatives to Accommodate Both Parking and a Dedicated Bike Lane Along Laurel Street and Request for City Guidance on 10/10/12 Transportation Commission Meeting Item Number B2

Dear Mayor, Council Members, Transportation and Bike Commission Members,
Public Works Director and Transportation Manager,

We are seeking your assistance to help us partner with the City to develop a safer and less restrictive alternative on Laurel Street that accommodates parking and a dedicated bike lane along the easterly portion of Laurel Street in front of Nativity School at Oak Grove.

In October 2012, due to a complaint from one City resident, the Menlo Park Transportation Commission considered the installation of "No Parking" restrictions along the easterly portion of Laurel Street in front of Nativity School (Item B2, 10/1/012 Meeting). Nativity School, along with numerous other community members, expressed tremendous concern about the hazardous pedestrian conditions that this unwarranted proposal would create, and the significantly increased traffic and parking impact it would have on the surrounding residents and streets.

Thankfully, the Transportation Commission did not approve the staff recommendation. Despite the concerns raised about the safety of ALL children and residents, City Staff has indicated that they will be proposing a nearly identical recommendation at the upcoming commission meetings. However, there is a less restrictive and superior alternative for the City to pursue that would provide for limited parking, a dedicated bike lane, and would also protect the children from having to cross a busy thoroughfare when being picked up from school. Not only would this alternative prevent another tragedy from occurring like the recent Middlefield Road incident, it also addresses the safety concerns within our school community and the surrounding neighborhoods as well. We also understand that if the City would pursue this alternative, it could seek grant funding to partially offset the cost, and utilize existing agreements with PG&E for the repositioning of the present utility lines. Please see the attached diagram for a brief description of the less restrictive alternative.

We proposed this less restrictive and safer alternative during our meeting last year with the interim Transportation Manager (Fernando Bravo) and most recently with the new Transportation Manager (Jesse Quirion). Mr. Bravo was receptive to the idea, and we hope Mr. Quirion is as well and that City staff will be willing to work with us to further develop this alternative that will have the safety of *all* parties at its core design.

Nativity School has been an active and contributing member of the Menlo Park community since 1956 and continues to provide quality education not only to the residents of Menlo Park, but throughout the greater Bay Area. Although we understand the installation of "No Parking" signs is a simple and easy approach to achieving a dedicated bike lane, we submit that this approach is shortsighted and flawed as it increases the City's liability when it comes to preventing a traffic tragedy especially when a less restrictive alternative and superior design can be implemented which will significantly improve safety for not only bicyclists, but also the student and neighborhood communities. Currently the City of Sebastopol is being sued due to the failure to provide appropriate safety measures which led to a pedestrian being struck by a car while was crossing in a cross-walk.

Safety should be the overall consideration factored into the City's decision, and even though Nativity School did not propose the removal of parking along Laurel Street, we are willing to partner with the City to develop a safer and less restrictive alternative.

Please let us know how we can move this alternative forward through the appropriate channels.

Monsignor Otellini

Nativity Parish & School

Carol Trelut

Principal, Nativity School

Received on Tue Nov 05 2013 - 12:53:16 PST

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**Table I-1: Summary of Potential Laurel Street Alternatives,
Oak Grove Avenue to Town of Atherton Border**

Alternative	Preliminary Cost (2013 US\$)	Potential Impacts	Potential Benefits
1. No Stopping on Eastern Side of Laurel Street	\$700	Removal of approximately 13 on-street parking spaces	Elimination of bicycle-vehicle conflicts when on-street parking is occupied
2a. Parking pull-out along Laurel Street, Nativity School frontage between the staff lot driveways	\$207,000	Removal of 13 non-heritage trees Relocation of four utility poles	Maintain some on-street parking on Laurel Street, while removing bicycle lane conflicts
2b. Parking pull-out along Laurel Street, Nativity School frontage between Oak Grove Avenue and the southern staff lot driveway	\$130,000	Removal of 1 Heritage tree Relocation of one utility pole	Maintain some on-street parking on Laurel Street, while removing bicycle lane conflicts
2c. Combined Alternative 2a and 2b	\$329,000	Removal of 1 Heritage tree & 13 non-heritage trees Relocation of four utility poles	Maintain some on-street parking on Laurel Street, while removing bicycle lane conflicts
3a. Alternative 2a, without relocation of utility poles	\$210,000	Removal of 13 non-heritage trees	Maintain some on-street parking on Laurel Street, while removing bicycle lane conflicts
3b. Alternative 2b, without relocation of utility poles	\$131,000	Removal of 1 Heritage tree	Maintain some on-street parking on Laurel Street, while removing bicycle lane conflicts
3c. Combined Alternative 3a and 3b	\$333,000	Removal of 1 Heritage tree & 13 non-heritage trees	Maintain some on-street parking on Laurel Street, while removing bicycle lane conflicts

**Table I-1: Summary of Potential Laurel Street Alternatives,
Oak Grove Avenue to Town of Atherton Border**

Alternative	Preliminary Cost (2013 US\$)	Potential Impacts	Potential Benefits
<p>4. Replace existing sidewalk with shared-use bicycle and pedestrian path</p>	<p align="center">\$129,000</p>	<p align="center">Removal of 1 Heritage tree & 13 non-heritage trees</p> <p align="center">Relocation of four utility poles</p> <p align="center">Requires bicycles to use off-street path, possible safety concerns with transitions to/from street</p>	<p align="center">Removes bicycle lane conflicts with parking</p>

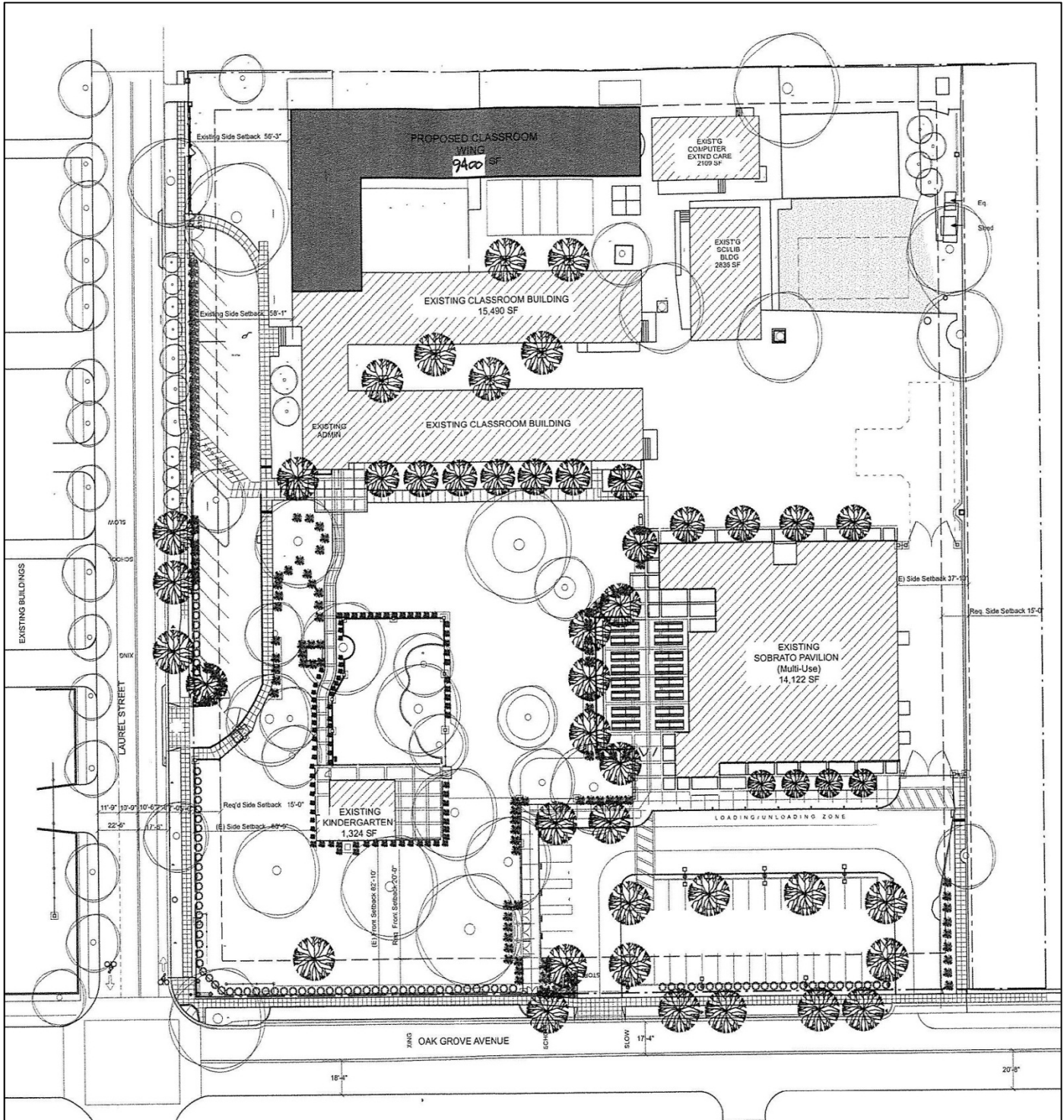
Notes:

Alternatives developed based on feedback received during and following the October 3, 2013 neighborhood meeting to review potential Laurel Street parking restrictions between Oak Grove Avenue and Glenwood Avenue. Costs are conceptual-level estimates and potential impacts and benefits are based on the City's preliminary field investigations. Costs include design, permitting, environmental clearance, and 30 percent contingencies.



LAUREL STREET AT OAK GROVE AVENUE Parking Alternatives

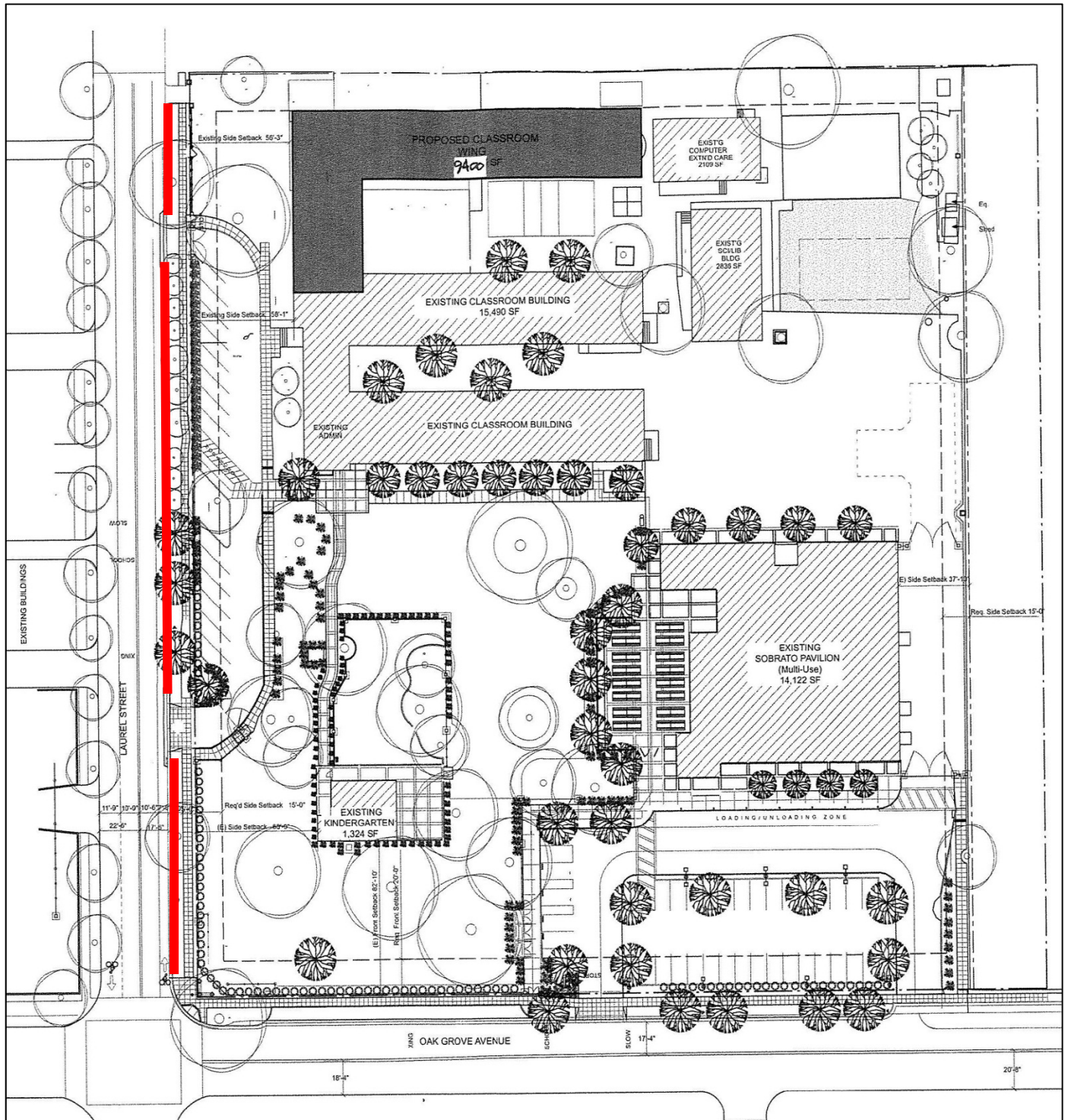
Existing Condition





LAUREL STREET AT OAK GROVE AVENUE Parking Alternatives

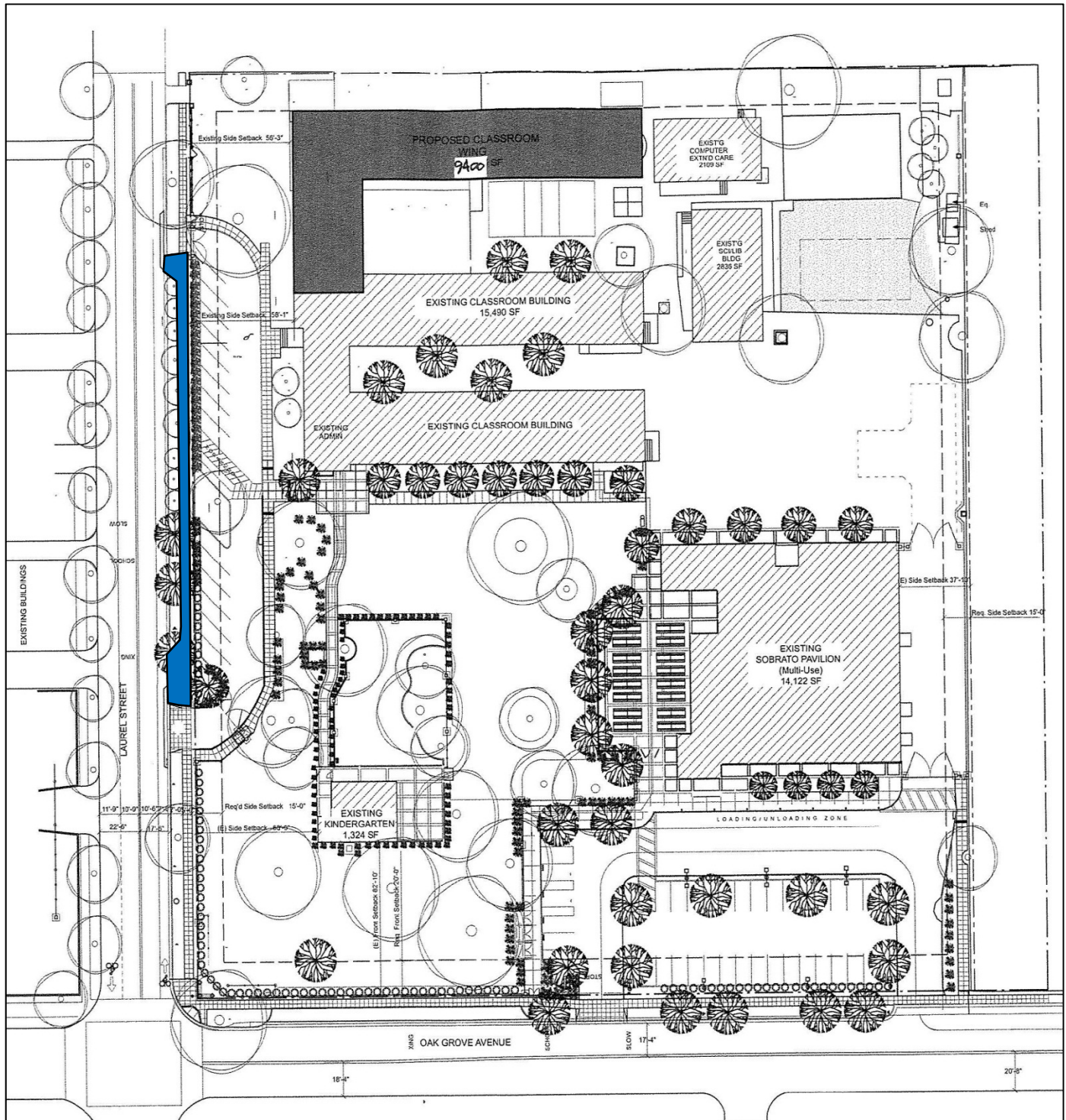
Alternative 1: No Stopping on East Side of Laurel Street





LAUREL STREET AT OAK GROVE AVENUE Parking Alternatives

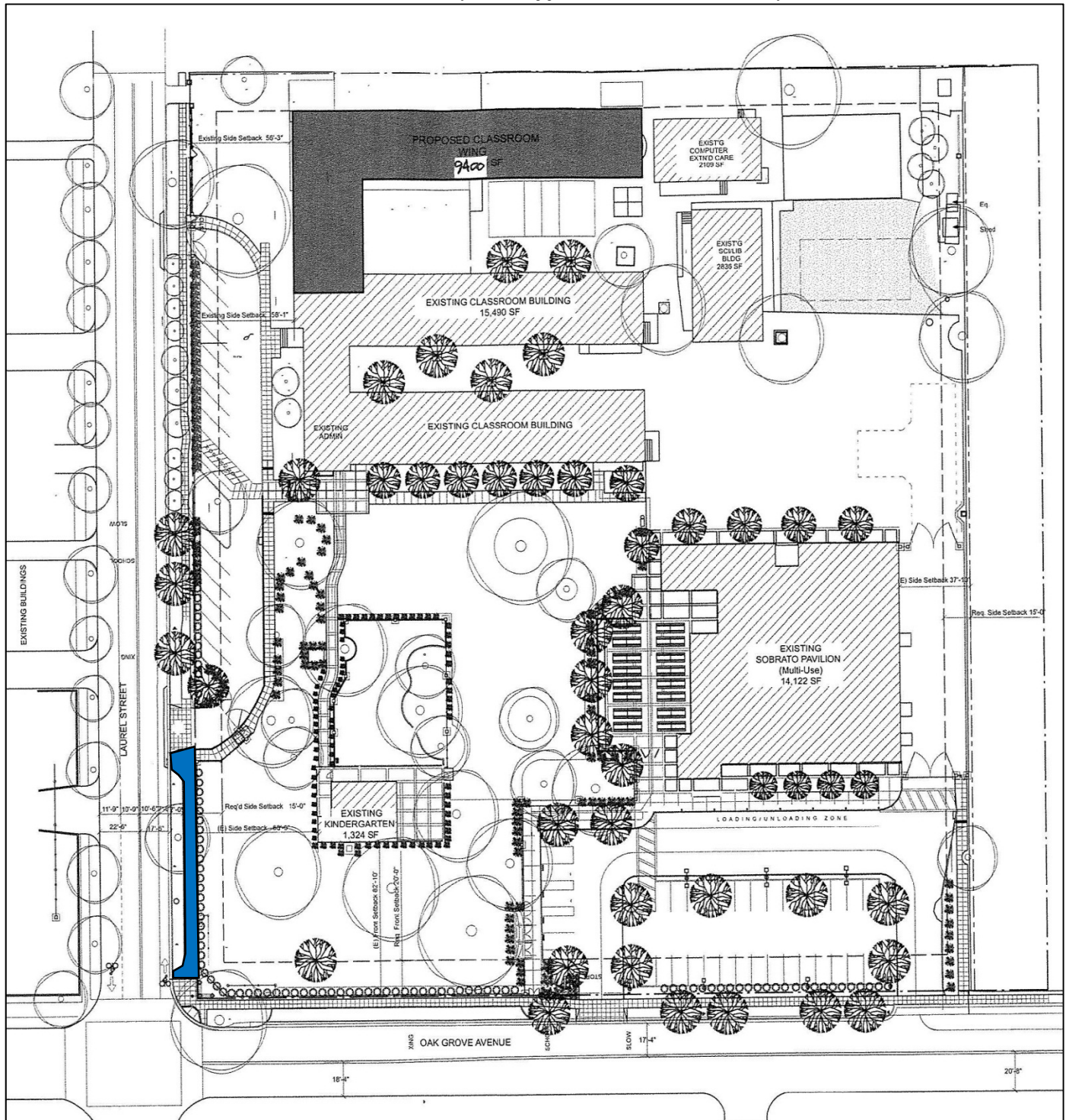
Alternative 2a: Build out Parking Pull out Between Staff Driveways





LAUREL STREET AT OAK GROVE AVENUE Parking Alternatives

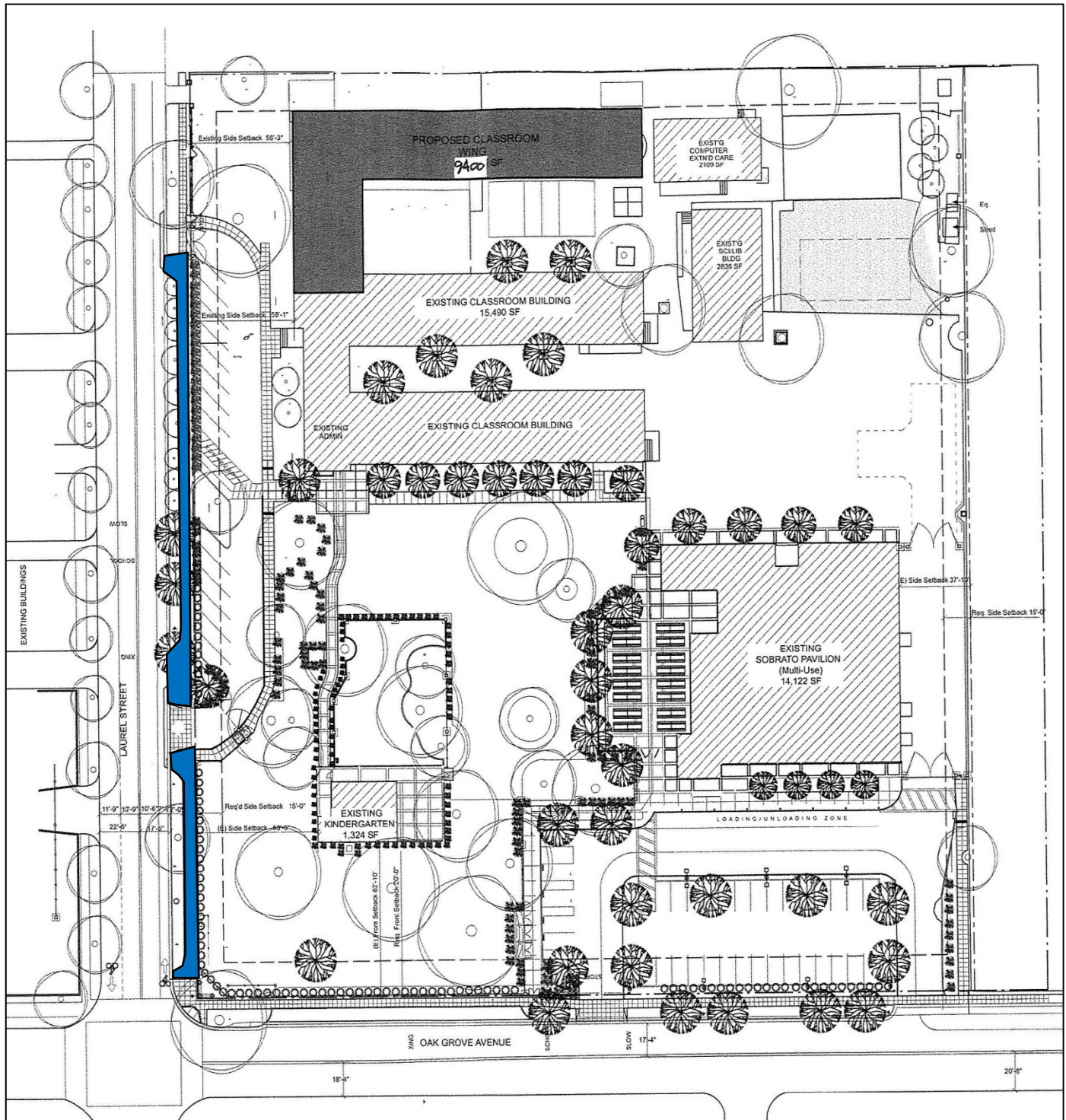
*Alternative 2b:
Build out Parking Pull out between Oak Grove and
Southerly Staff Lot Driveway*





LAUREL STREET AT OAK GROVE AVENUE Parking Alternatives

Alternative 2c: Build out Parking Pull outs

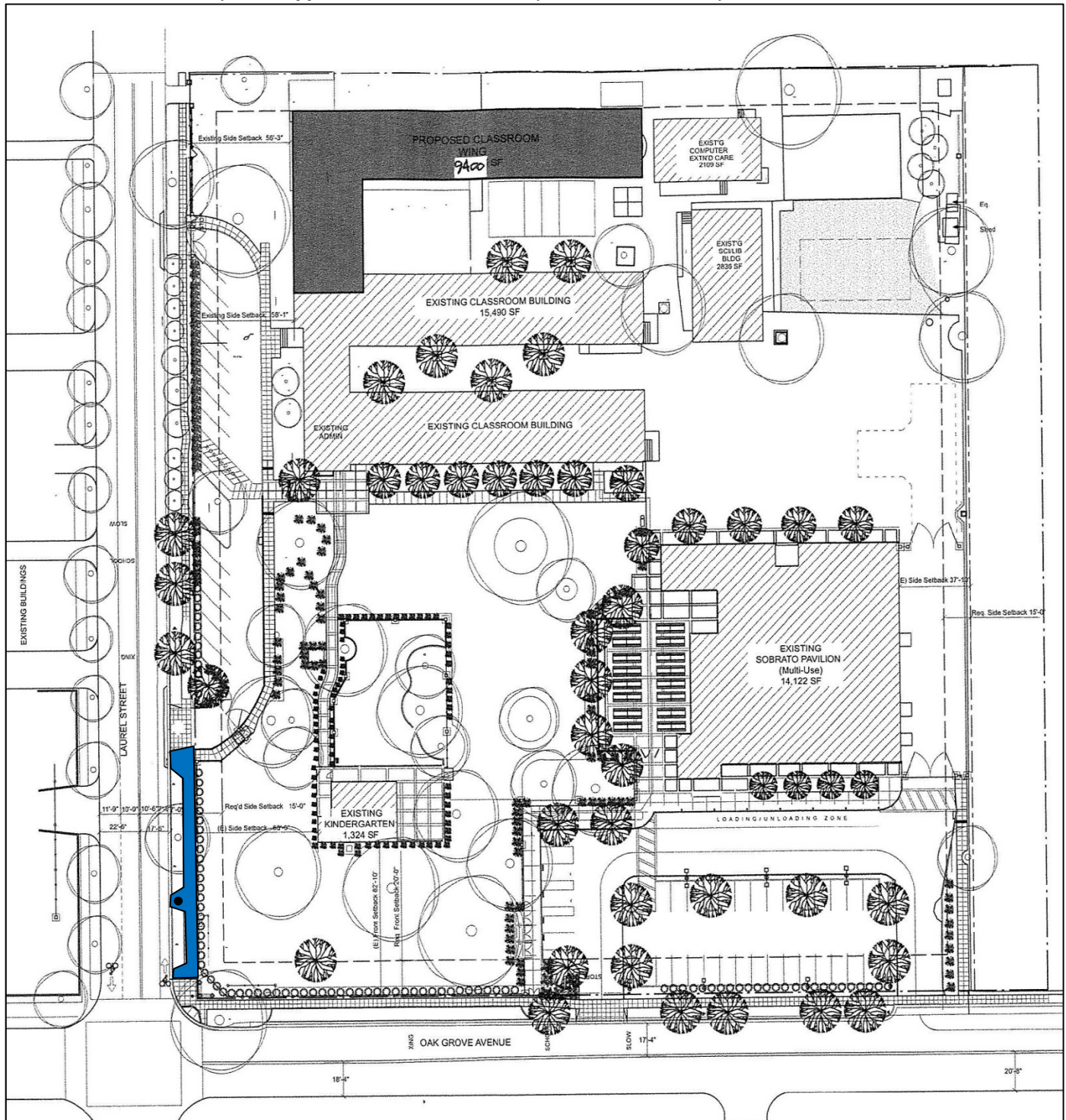




LAUREL STREET AT OAK GROVE AVENUE Parking Alternatives

Alternative 3b:

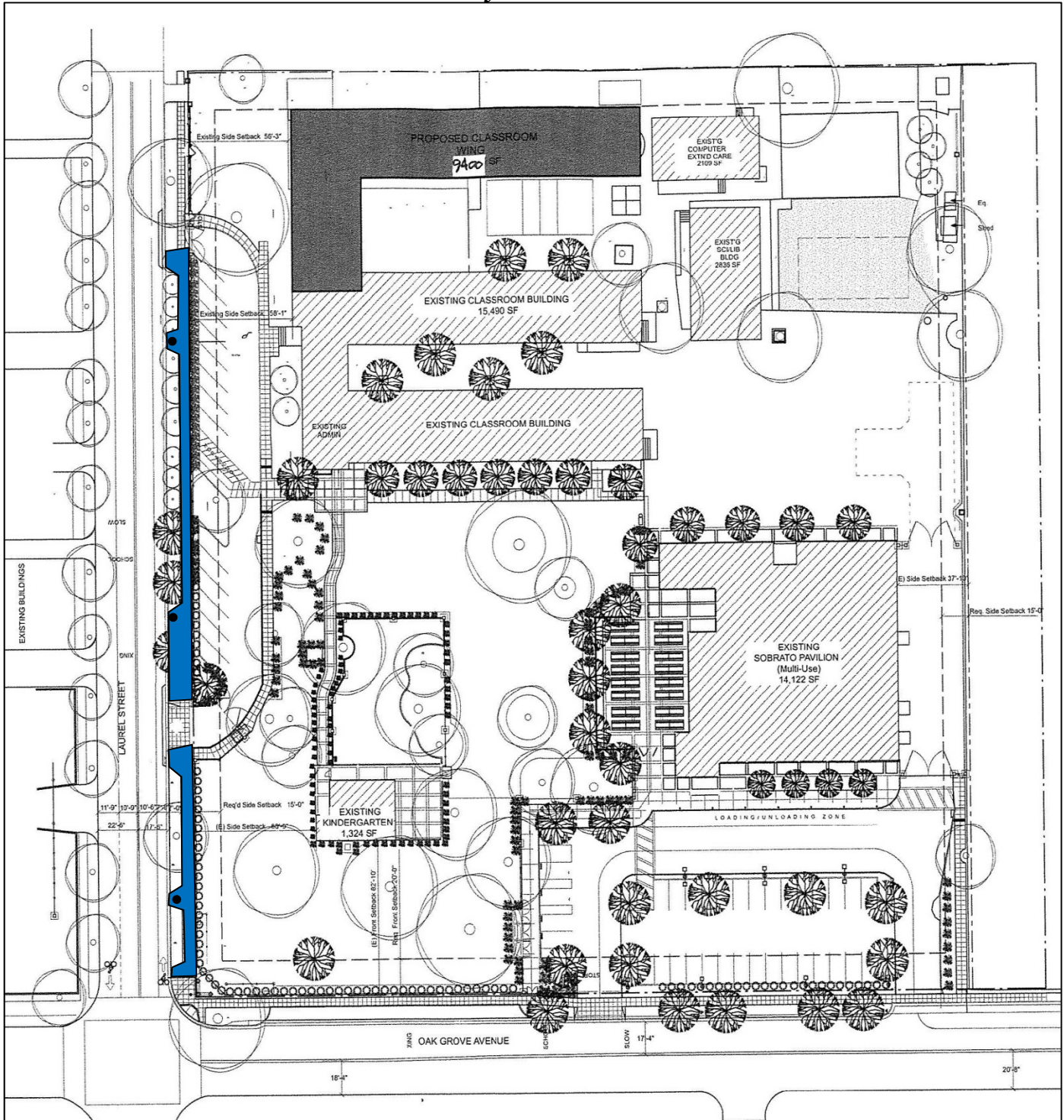
Build out Parking Pull out between Oak Grove and Southerly Staff Lot Driveway, No Utility Pole Relocation





LAUREL STREET AT OAK GROVE AVENUE Parking Alternatives

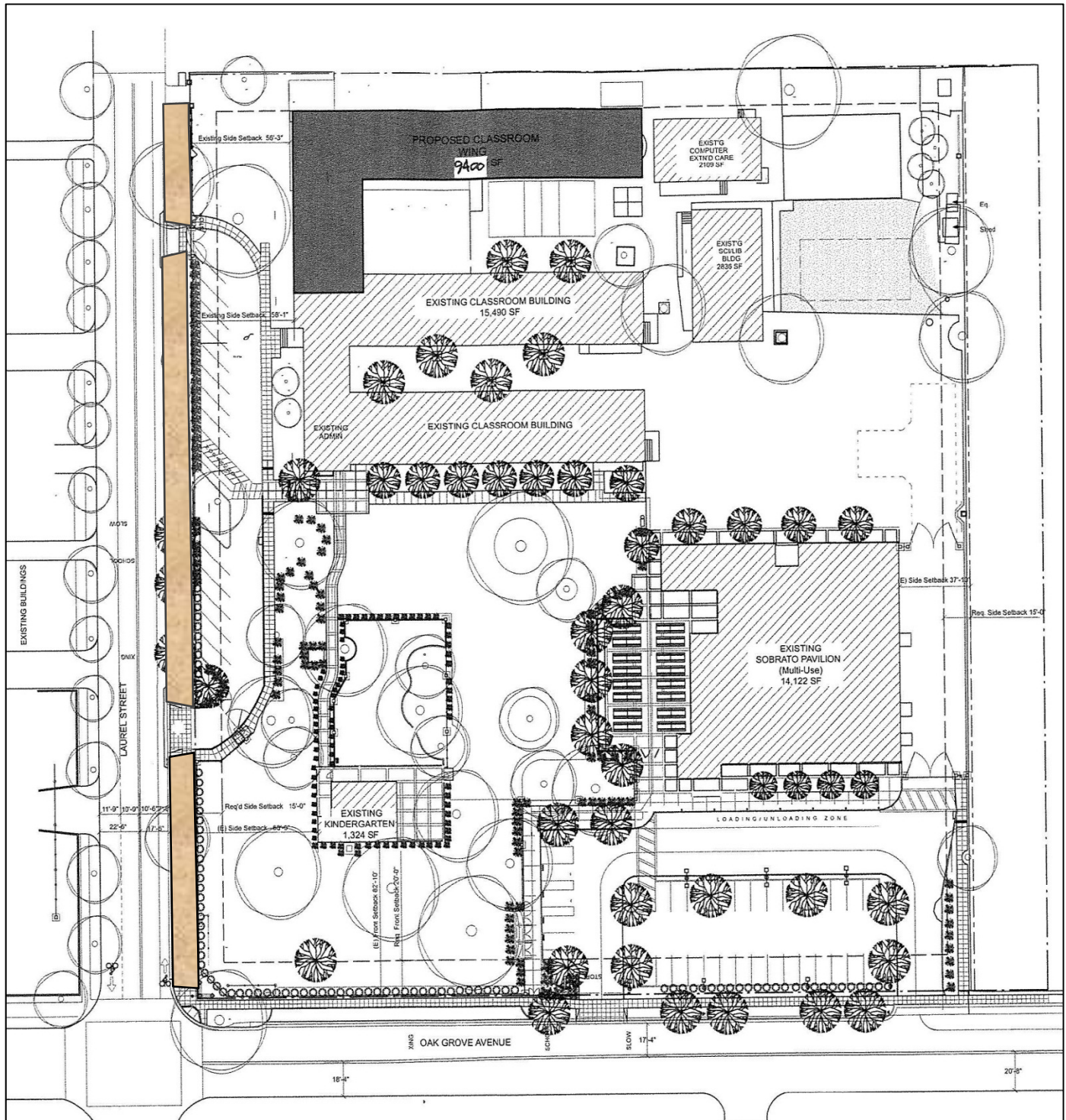
*Alternative 3c:
Build out Parking Pull outs,
No Utility Pole Relocation*





LAUREL STREET AT OAK GROVE AVENUE Parking Alternatives

Alternative 4: Shared-Use Pathway



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COMMUNITY DEVELOPMENT DEPARTMENT

Council Meeting Date: December 10, 2013

Staff Report #: 13-185

Agenda Item #: F3

REGULAR BUSINESS: Introduction of an Ordinance Adopting the 2013 California Building Standards Code and Local Amendments

RECOMMENDATION

Staff recommends that the City Council introduce an ordinance adopting the 2013 California Building Standards Code Parts 1, 2, 2.5, 3, 4, 5, 6, 8, 10, 11, and 12 and local amendments to Parts 2 and 2.5 (Attachment A).

BACKGROUND

The California Building Standards Code (California Code of Regulations, Title 24, Parts 1, 2, 2.5, 3, 4, 5, 6, 8, 9, 10, 11, & 12) is published in its entirety every three years and is applicable to all buildings that submit an application for a building permit during its effective period. The Building Standards Code incorporates regulations applicable to disciplines of the construction industry including the Building, Electrical, Mechanical, and Plumbing Codes. Attachment B is a table showing the correlation between each Part of the Building Standards Code, the scope of work each Part applies to, and the agency responsible for enforcement of each Part.

The California Building Standard Codes are based on model codes written by the International Code Council, the National Fire Protection Association, the International Association of Plumbing and Mechanical Officials, the Building Standards Commission, and California Energy Commission. The publication of code updates by these organizations triggers State consideration, amendment, and adoption of an updated set of codes to be used by jurisdictions within the state. Each triennial edition of the California Building Standards Code becomes effective 180 days after its publication date of July 1. Therefore, the 2013 Building Standards Codes go into effect on January 1, 2014 and all applications for building permits submitted after January 1, 2014 will be subject to the 2013 Building Standards Code.

Local amendments to the Building Standards Code can be approved at any time during a triennial code cycle however standard practice is to have these local amendments approved prior to and become effective with the new Building Standards Code to provide for a smoother transition for the building community. The adoption of the Building Standards Code and local amendments is a standard activity with the last

adoption by the City occurring in December of 2010. This analysis focuses on proposed local amendments.

ANALYSIS

The California Health and Safety Code enable local jurisdictions to modify the California Building Standards Code and adopt different or more restrictive requirements with the caveat that:

- The local modifications must be substantially equivalent to, or more stringent than, building standards published in the California Building Standards Code; and
- The local jurisdiction is required to make specific or express findings that such changes are reasonably necessary because of local geological, climatic, or topographic conditions.

A local jurisdiction must adopt the current California Building Standards Code in order to also adopt local amendments.

Title 12, Buildings and Construction, of the City of Menlo Park Municipal Code, incorporates the Building Standards Code plus locally adopted amendments to the codes and is known as the Building Code of the City of Menlo Park. The Building Code of the City of Menlo Park applies to the construction of any building or structure in the city on public or private land except for structures constructed in the public right of way.

The proposed ordinance (Attachment A) adopts all parts of the 2013 California Standards Building Code with the exception of Parts 7 and 9. Part 7 is vacant but had previously been the California Elevator Safety Construction Code. This code has been moved to a different Title within the California Code of Regulations. Part 9 is the California Fire Code which is enforced by the Menlo Park Fire Protection District (Fire District). The section of this report titled *Adoption of Proposed Local Amendments* provides a detailed description of the local amendments recommended by staff.

As was presented to the Council at the October 15, 2013 study session, the Fire District is also proposing local amendments to the California Fire Code (Part 9). The local amendments must be adopted by the City of Menlo Park in order to be enforced within the city. The Fire District is continuing to work with staff on the local amendments and anticipates returning to Council for consideration of the local amendments early next year.

Adoption of Proposed Local Amendments

Part 2 of the Building Standards Code is the 2013 California Building Code (CBC) and Part 2.5 is the 2013 California Residential Code (CRC). Staff is proposing to adopt local amendments to these two Parts of the Building Standards Code. Specifically, within Part 2 staff is proposing to adopt Chapter 1 Division II (establishing local administrative

authority) and Appendix J (establishing standards for grading and excavation). As explained in more detail below, these sections cannot be implemented in the city unless adopted as a local amendment. Once the sections are adopted, a second layer of local amendments must be adopted, along with local amendments to Part 2.5 that modifies the work which is exempt from building permits. The local amendments to work exempt from permits are more stringent than the 2013 California Building Standards Code and are based on geological conditions specific to the Bay Area, as required by the California Health and Safety Code. The specific findings related to these conditions are stated in Section 1 of the proposed ordinance. These are the only two Parts of the Building Standards Code staff is proposing to amend.

Amendment Establishing Local Administrative Authority (Part 2 CBC Chapter 1 Division II)

The two primary State agencies responsible for the adoption of sections of the California Building Standards Code are the Department of Housing and Community Development (HCD) and the Building Standards Commission (BSC). HCD is responsible for adopting regulations applicable to one- and two-family residences and townhomes and BSC is responsible for adopting regulations applicable to non-residential structures and multi-family structures other than townhomes.

The State statutes that establish the authority for BSC to adopt the California Building Standards Code do not provide BSC with the authority to adopt any provision within the Code related to the administration and enforcement of the Building Standards Code. This allows each jurisdiction the opportunity to establish these requirements to fit their needs. HCD does not have the same limitation placed on them by the State statutes.

CBC Chapter 1 Division II establishes administrative authority for the enforcement of the Building Standards Code which could not be adopted by BSC but was adopted by HCD. This section addresses critical elements of enforcement such as the requirements for permits, minimum submittal documents, inspections and authorizes the Building Division of the local jurisdiction to collect fees and issue Stop Work Orders. As currently adopted by the State, this section would only apply to one- and two-family residences and townhomes. Staff is recommending its adoption as a local amendment so the provisions of this section are applicable to all structures in the City of Menlo Park.

Amendment Establishing Standards for Grading and Excavation (Part 2 CBC Appendix J)

Appendix J establishes standards for grading, excavation, and other earthwork construction. This appendix was adopted by HCD but not by BSC. Many local jurisdictions have local ordinances specific to grading activities however Menlo Park does not. The adoption of Appendix J will establish critical elements of enforcement such as the requirements for permits, minimum submittal documents, geotechnical reports and shoring. As currently adopted by the State, this section would only apply to

one- and two-family residences and townhomes. Staff is recommending its adoption so the provisions of this section are applicable to all structures in the City of Menlo Park.

Amendment Establishing the Type of Work Exempt from Building Permits (Part 2.5)

Section 105.2 of the CBC and section R105.2 of the CRC establishes 13 types of work exempt from building permits. Staff is accepting five of the exemptions as written and recommending eight of the exemptions be amended to be consistent with previously adopted local amendments.

The five exemptions from building permits that are being accepted are:

- Oil derricks;
- Water tanks supported directly on grade if the capacity does not exceed 5,000 gallons (18,925 L) and the ratio of height to diameter or width does not exceed 2:1;
- Temporary motion picture, television and theater stage sets and scenery;
- Prefabricated swimming pools accessory to a Group R-3 occupancy (single family homes and duplexes) that are less than 24 inches (610 mm) deep, do not exceed 5,000 gallons (18,925 L) and are installed entirely above ground; and
- Shade cloth structures constructed for nursery or agricultural purposes, not including service systems.

The proposed local amendments for work exempt from building permits are described in the table below. The range of work includes certain types of 1) accessory structures, 2) fences, 3) retaining walls, 4) water tanks, 5) exterior flat work, 6) interior finish work, 7) playground equipment, and 8) awnings.

State Code Requirement	Proposed Local Amendment	Amendment Explanation
<p>California Building Code (CBC) Section 105 and California Residential Code (CRC) Section R105 - Building #1</p> <p>Exemption from building permit for one-story detached accessory structures used as tool and storage sheds, playhouses and similar uses, provided the floor area does not exceed 120 square feet (11 m2).</p>	<p>Exemption from building permit for detached accessory buildings used as tool and storage or garden sheds or similar uses, provided the height does not exceed eight feet, the projected roof area does not exceed 64 square feet, and the structure complies with Section 16.68.030 Accessory buildings and/or structures of the City of Menlo Park Municipal Code</p>	<p>The CBC and CRC exempt the same structures as described in the proposed local amendment but allows 120 square feet in size with no height limitation. Until 2010, the adopted local amendment restricted the detached accessory buildings to a maximum size of 50 square feet and six feet in height to be exempt from a building permit. The 2010 local amendment increased the overall size and height to a maximum of 64 square feet and eight feet in height to allow for modest sized "modern" sheds. Additionally the amendment specifies the Zoning Ordinance section that establishes the requirements for accessory</p>

State Code Requirement	Proposed Local Amendment	Amendment Explanation
		structure location on a property. The 2013 proposed local amendment is consistent with the 2010 amendment.
<p>CBC Section 105 and CRC Section R105 - Building #2</p> <p>Exemption from building permits for fences not over seven feet in height.</p>	<p>Exemption from building permits for wood fences not over seven feet in height.</p>	<p>The CBC and CRC exempt fences not over seven feet in height. This amendment includes a specification for wood. The proposed 2013 local amendment is consistent with the 2010 amendment.</p>
<p>CBC Section 105- Building #4 and CRC Section R105 - Building #3</p> <p>Exemption from building permit for retaining walls that are not over four feet in height measured from the bottom of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II or IIIA liquids.</p>	<p>Exemption from building permits for retaining walls which are not over two feet high measured from the top of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II, or III liquids.</p>	<p>The CBC and CRC exempt retaining walls with the same restrictions that are not over four feet in height as measured from the bottom of the footing. This local amendment allows for deeper footings that may be required for geological conditions without requiring a reduction in wall height. The proposed 2013 local amendment is consistent with the 2010 amendment.</p>
<p>CBC Section 105 - Building #5 and CRC Section R105 - Building #4</p> <p>Exemption from building permit for water tanks supported directly on grade if the capacity does not exceed 5,000 gallons and the ratio of height to diameter or width does not exceed 2:1.</p>	<p>Exemption from building permits for detached free-standing water tanks supported directly on a concrete foundation at grade if the capacity does not exceed 500 gallons and the height above grade does not exceed six feet and the height to width ratio does not exceed 2:1.</p>	<p>The CBC and CRC exempt the same water tanks but with a maximum capacity of 5,000 gallons and where the height to width ratio does not exceed two to one. The reduction in the overall size and capacity established in this local amendment will ensure a structural design consistent with the CBC, protection of neighboring properties, and enforcement of the Zoning Ordinance. The proposed 2013 local amendment is consistent with the 2010 amendment.</p>
<p>CBC Section 105 - Building #6</p> <p>Exemption from building permit for sidewalks and driveways not more than 30 inches (762 mm) above adjacent grade, and not over any basement or <i>story</i> below and are not part of an <i>accessible route</i>.</p> <p>CRC Section R105 – Building #5</p> <p>Exemption from building permit from sidewalks and driveways</p>	<p>Exemption from building permits from platforms, walks, and driveways not more than 12 inches above grade and not over any basement or story below.</p>	<p>The CBC and CRC exempt the same platforms, walks, and driveways but to a height of 30 inches. This local amendment is consistent with previously adopted local amendments and allows for enforcement of Zoning Ordinance requirements.</p>

State Code Requirement	Proposed Local Amendment	Amendment Explanation
<p>CBC Section 105 - Building #7 and CRC Section R105 - Building #6</p> <p>Exemption from building permit for painting, papering, tiling, carpeting, cabinets, counter tops and similar finish work.</p>	<p>Exemption from building permit for painting, papering, carpeting, and similar finish work.</p>	<p>The CBC exempts the painting, papering, tiling, carpeting, cabinets, counter tops, and similar finish work. This local amendment removes the exemption for tiling, cabinets, and counter tops and is consistent with the previously adopted local amendment which removes the possibility of a "remove and replace" remodel of a kitchen, bath, or other portion of a building from occurring without that room meeting current building code requirements.</p>
<p>CBC Section 105 - Building #11</p> <p>Exemption from building permits for swings and other playground equipment accessory to detached one- and two-family <i>dwelling</i>s.</p> <p>CRC Section R105 - Building #8</p> <p>Exemption from building permits for swings and other playground equipment</p>	<p>Exemption from building permits for swings and other playground equipment accessory to detached one- and two-family dwellings not exceeding 120 square feet as measured at the supports or nine feet in height as measured from existing natural grade to the top of the highest structural member, guard rail, or appendage.</p>	<p>The CBC and CRC exempt swings and other playground equipment accessory to detached one- and two-family dwellings without establishing a size limitation. This local amendment establishes an allowable maximum size and height after which a building permit will be required which ensures a safe structure and enforcement of Zoning Ordinance requirements. The proposed 2013 local amendment is consistent with the 2010 amendment.</p>
<p>CBC Section 105 - Building #12</p> <p>Exemption from building permits for window <i>awnings</i> in Group R-3 and U occupancies supported by an <i>exterior wall</i> that do not project more than 54 inches from the exterior wall and do not require additional support.</p> <p>CRC Section R105 - Building #9</p> <p>Exemption from building permits for window <i>awnings</i> supported by an <i>exterior wall</i> that do not project more than 54 inches from the exterior wall and do not require additional support.</p>	<p>Exemption from building permits for window awnings in Group R-3 and U occupancies supported by an exterior wall of occupancy when projecting not more than thirty-six (36) inches.</p>	<p>The CBC and CRC exempt awnings to a maximum projection of 54 inches. This local amendment is consistent with previously adopted local amendments.</p>

If the ordinance to adopt the local amendments to the California Building Standards Code is introduced by the Council, staff will prepare the final ordinance for adoption at the December 17, 2013 Council meeting. If adopted, the local amendments will become effective on January 1, 2014, simultaneously with the 2013 California Building Standards Code.

IMPACT ON CITY RESOURCES

The adoption of the current State codes and proposed local amendments will not result in any direct costs to the City.

POLICY ISSUES

The adoption of the current State codes and proposed local amendments do not represent a change in City policy.

ENVIRONMENTAL REVIEW

The adoption of the proposed ordinance is not a project that has the potential for causing a significant effect on the environment and therefore is not subject to review under the California Environmental Quality Act (CEQA).

PUBLIC NOTIFICATION

Public notification was achieved by publication of a notice in the local newspaper at least 10 days prior to the meeting. In addition, City staff notified frequent customers and interested individuals of this agenda item via email and by posting notification at the Development Services Counter of City Hall.

ATTACHMENTS

- A. [Ordinance No. _____ amending Title 12 \(Buildings and Construction\) of the Menlo Park Municipal Code adopting The 2013 California Building Standards Code Parts 1, 2, 2.5, 3, 4, 5, 6, 8, 10, 11, and 12 and amendments thereto.](#)
- B. [California Building Standards Code Table](#)

Report prepared by:
Ron Lafrance
Building Official

Arlinda Heineck
Community Development Director

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ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MENLO PARK AMENDING TITLE 12 [BUILDINGS AND CONSTRUCTION] OF THE MENLO PARK MUNICIPAL CODE TO ADOPT THE 2013 CALIFORNIA BUILDING STANDARDS CODE PARTS 1, 2, 2.5, 3, 4, 5, 6, 8, 10, 11, and 12 AND AMENDMENTS THERETO

WHEREAS, the City of Menlo Park ("City") wishes to adopt a building code in accordance with law and to use the most updated regulations in the processing of development in the City; and

WHEREAS, because of the City's unique local climatic, geologic and topographic conditions, the City desires to make amendments and additions to the Code.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MENLO PARK DOES **ORDAIN** AS FOLLOWS:

SECTION 1: FINDINGS AND DETERMINATIONS. The following local geologic conditions justify modifications to California Building Standards Code.

a. Geological: The City is located in Seismic Risk Zones D, E, and F, which are the most severe earthquake zones in the United States. The area includes various soils and areas with significant movement potential. Buildings and other structures in Zones D, E and F can experience major seismic damage. Lack of adequate building designs and detailing as well as the lack of flexible materials and/or building systems have been contributing factors to damage that reduces the life-safety of building occupants and increases the cost of the rehabilitation of structures.

b. Climatic: The City is located in a climatic zone with precipitation ranging from 13 to 20 inches per year with an average of approximately 15 inches per year. Ninety-five percent of precipitation falls during the months of November through April, leaving a dry period of approximately six months each year. Relative humidity remains moderate most of the time. Temperatures in the summer average around 80 degrees Fahrenheit and in the winter in the mid 50 degrees Fahrenheit. Prevailing winds in the area come from the west with velocities generally in the 12 miles per hour range, gusting from 25 to 35 miles per hour. These climatic conditions require compliance with energy efficiency standards for building construction.

c. Topographic: Areas of highly combustible dry grasses, weeds, brush and trees adjacent to structures are common throughout the City. Above ground electrical power transmission lines are suspended through trees and above large areas of dry vegetation. The arrangement of man-made features around many buildings greatly limit any approach to all but one side of a building.

SECTION 2: DELETION OF EXISTING MUNICIPAL CODE SECTIONS: Existing Chapter 12.06 [California Building Code Amendments] and Chapter 12.08 [California Residential Code Amendments] are hereby deleted.

SECTION 3: AMENDMENT OF CODE. Section 12.04.010 [Municipal Building Code] of Chapter 12.04 [Adoption of Codes] of Title 12 [Buildings and Construction] of the Menlo Park Municipal Code is amended to read as follows:

“12.04.010. Municipal building code. The following codes are hereby adopted and by reference are incorporated herein as if set forth in full:

- A. The 2013 California Administrative Code, published by the International Code Council, as amended in Part 1 of the California Building Standards Code, California Code of Regulations Title 24;
- B. The International Building Code 2012 Edition, published by the International Code Council, together with those omissions, amendments, exceptions and additions thereto as amended in Part 2 of the California Building Standards Code, California Code of Regulations Title 24, (“California Building Code”);
- C. The International Residential Code 2012 Edition, published by the International Code Council, together with those omissions, amendments, exceptions and additions thereto as amended in Part 2.5 of the California Building Standards Code, California Code of Regulations Title 24, (“California Residential Code”);
- D. The National Electrical Code 2011 Edition published by the National Fire Protection Association together with those omissions, amendments, exceptions and additions thereto as amended in Part 3 of the California Building Standards Code, California Code of Regulations Title 24, (“California Electrical Code”);
- E. The Uniform Mechanical Code 2012 Edition, published by the International Association of Plumbing and Mechanical Officials together with those omissions, amendments, exceptions and additions thereto as amended in Part 4 of the California Building Standards Code, California Code of Regulations Title 24, (“California Mechanical Code”);
- F. The Uniform Plumbing Code 2012 Edition, including the Installation Standards thereto, published by the International Association of Plumbing and Mechanical Officials together with those omissions, amendments, exceptions and additions thereto as amended in Part 5 of the California Building Standards Code, California Code of Regulations Title 24, (“California Plumbing Code”);
- G. The 2013 California Energy Code, published by the International Code Council, as amended in Part 6 of the California Building Standards Code, California Code of Regulations Title 24;
- H. The 2013 California Historical Building Code, published by the International Code Council, as amended in Part 8 of the California Building Standards Code, California Code of Regulations Title 24;

- I. The International Existing Building Code 2012 Edition, published by the International Code Council, together with those omissions, amendments, exceptions and additions thereto as amended in Part 10 of the California Building Standards Code, California Code of Regulations Title 24, (“California Existing Building Code”);
- J. The 2013 California Green Building Standards Code, published by the International Code Council, as amended in Part 11 of the California Building Standards Code, California Code of Regulations Title 24; and
- K. The 2013 California Referenced Standards Code, published by the International Code Council, as amended in Part 12 of the California Building Standards Code, California Code of Regulations Title 24.

A copy of each code is on file in the office of the City Clerk. The provisions of this title, including said codes and amendments thereto, shall be known as the building code of the City.”

SECTION 4: ADDITION OF CODE. Chapter 12.06 of Title 12 [Buildings and Construction] is hereby added to read as follows:

**“Chapter 12.06
CALIFORNIA BUILDING CODE AMENDMENTS**

Sections:

- 12.06.010 Chapter 1 Division II adopted.
- 12.06.020 Section 105.2 of Chapter 1 Division II amended.
- 12.06.030 Appendix J adopted

12.06.010 Chapter 1 Division II adopted. Chapter 1 Division II of the California Building Code is hereby adopted.

12.06.020 Section 105.2 of Chapter 1 Division II amended.

Section 105.2 of Chapter 1 of the California Building Code is amended as follows:

Work exempt from permit. Exemptions from permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this code or any other law or ordinance of the City of Menlo Park. Permits will not be required for the following:

- 1. Detached accessory buildings used as tool and storage or garden sheds or similar uses, provided the height does not exceed eight feet, the projected roof area does not exceed 64 square feet, and the structure complies with Section 16.68.030 Accessory buildings and/or structures of the City of Menlo Park Municipal Code
- 2. Wood fences not over seven feet high.
- 3. Oil Derricks.

4. Retaining walls which are not over two feet high measured from the top of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II, or III liquids.
5. Detached free-standing water tanks supported directly on a concrete foundation at grade if the capacity does not exceed five 500 gallons and the height above grade does not exceed six feet and the height to width ratio does not exceed two to one.
6. Platforms, walks, and driveways not more than 12 inches above grade and not over any basement or story below.
7. Painting, papering, carpeting, and similar finish work.
8. Temporary television and theater stage sets and scenery.
9. Prefabricated swimming pools accessory to a Group R Division 3 occupancy that are less than 24 inches deep, do not exceed 5,000 Gallons and are installed entirely above ground.
10. Shade cloth structures constructed for nursery or agricultural purposes, not including service systems
11. Swings and other playground equipment accessory to detached one- and two-family dwellings not exceeding 120 square feet as measured at the supports or nine feet in height as measured from existing natural grade to the top of the highest structural member, guard rail, or appendage.
12. Windows awnings supported by an exterior wall of Group R Division 3 occupancy when projecting not more than 36 inches.
13. Nonfixed and moveable fixtures, cases, racks, counters, and partitions not over five feet nine inches in height.

Unless otherwise exempted by this code, separate plumbing, electrical, and mechanical permits will be required for the above exempted items. Exemption from the permit requirements of this code shall not be deemed to grant authorization for any work done in a manner in violation of the provisions of these codes or any laws or ordinances of the City of Menlo Park."

12.06.030 Appendix J adopted. Appendix J of the California Building Code is hereby adopted.

SECTION 5: ADDITION OF CODE. Chapter 12.08 of Title 12 [Buildings and Construction] is hereby added to read as follows:

“CALIFORNIA RESIDENTIAL CODE AMENDMENTS

Sections:

12.08.010 Section R105.2 of Chapter 1 Division II amended.

12.08.010 Section R105.2 of Chapter 1 amended.

Section 105.2 of Appendix Chapter 1 of the California Residential Code is amended as follows:

Work exempt from permit. Exemptions from permit requirements of this code shall not be deemed to grant authorization for any work to be done in any manner in violation of the provisions of this code or any other law or ordinance of the City of Menlo Park. Permits will not be required for the following:

1. Detached accessory buildings used as tool and storage or garden sheds or similar uses, provided the height does not exceed 64 square feet, and the structure complies with Section 16.68.030 Accessory buildings and/or structures of the City of Menlo Park Municipal Code
2. Wood fences not over seven feet high.
3. Oil Derricks.
4. Retaining walls which are not over two feet high measured from the top of the footing to the top of the wall, unless supporting a surcharge or impounding Class I, II, or III liquids.
5. Detached free-standing water tanks supported directly on a concrete foundation at grade if the capacity does not exceed five 500 gallons and the height above grade does not exceed six feet and the height to width ratio does not exceed two to one.
6. Platforms, walks, and driveways not more than 12 inches above grade and not over any basement or story below.
7. Painting, papering, carpeting, and similar finish work.
8. Temporary television and theater stage sets and scenery.
9. Prefabricated swimming pools accessory to a Group R Division 3 occupancy that are less than 24 inches deep, do not exceed 5,000 Gallons and are installed entirely above ground.
10. Shade cloth structures constructed for nursery or agricultural purposes, not including service systems
11. Swings and other playground equipment accessory to detached one- and two-family dwellings not exceeding 120 square feet as measured at the supports or nine feet in height as measured from existing natural grade to the top of the highest structural member, guard rail, or appendage.
12. Windows awnings supported by an exterior wall of Group R Division 3 occupancy when projecting not more than 36 inches.
13. Nonfixed and moveable fixtures, cases, racks, counters, and partitions not over five feet nine inches in height.

Unless otherwise exempted by this code, separate plumbing, electrical, and mechanical permits will be required for the above exempted items. Exemption

from the permit requirements of this code shall not be deemed to grant authorization for any work done in a manner in violation of the provisions of these codes or any laws or ordinances of the City of Menlo Park.

SECTION 6: EXEMPTION FROM CEQA. The City Council finds, pursuant to Title 14 of the California Administrative Code, Section 15061(b)(3) that this ordinance is exempt from the requirements of the California Environmental Quality Act (“CEQA”) in that it is not a project that has the potential for causing a significant effect on the environment.

SECTION 7: SEVERABILITY. If any part of this Ordinance is held to be invalid or inapplicable to any situation by a court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance or the applicability of this Ordinance to other situations.

SECTION 8: EFFECTIVE DATE. This Ordinance shall become effective January 1, 2013.

SECTION 9: POSTING. Within fifteen (15) days of its adoption, the Ordinance shall be posted in three (3) public places within the City of Menlo Park, and the Ordinance, or a summary of the Ordinance prepared by the City Attorney, shall be published in a local newspaper used to publish official notices for the City of Menlo Park prior to the effective date.

INTRODUCED on the ____ day of _____, 2013.

PASSED AND ADOPTED as an ordinance of the City of Menlo Park at a regular meeting of said Council on the ____ day of _____, 2013, by the following vote:

AYES: Councilmembers:

NOES: Councilmembers:

ABSENT: Councilmembers:

ABSTAIN: Councilmembers:

APPROVED: _____

Mayor

ATTEST:

City Clerk

**California Building Standards Code,
Title 24 of the California Code of Regulations**

Building Standards Code Part Number	2010 State Code	Scope	Authority To Enforce
1	Administrative Code	Administrative regulations	City of Menlo Park
2	Building Code	Building regulations applicable to the construction of all structures other than one- and two-family homes and townhomes	City of Menlo Park
2.5	Residential Code	Building regulations applicable to the construction of one- and two-family homes and townhomes	City of Menlo Park
3	Electrical Code	Electrical regulations applicable to all structures	City of Menlo Park
4	Mechanical Code	Mechanical regulations applicable to all structures	City of Menlo Park
5	Plumbing Code	Plumbing regulations applicable to all structures	City of Menlo Park
6	Energy Code	Energy regulations applicable to all structures	City of Menlo Park
7	Vacant		
8	Historical Building Code	Building regulations applicable to all historic structures	City of Menlo Park
9	Fire Code	Fire regulations applicable to all structures	Menlo Park Fire Protection District
10	Existing Building Code	Building regulations applicable to all existing structures	City of Menlo Park
11	Green Building Standards Code	Green building regulations applicable to all new structures	City of Menlo Park
12	Referenced Standards Code	Standards applicable to all structures	City of Menlo Park

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ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-187

Agenda Item #: F-4

REGULAR BUSINESS: **Consider Approval of the Terms of an Agreement between the City of Menlo Park and the American Federation of State, County and Municipal Employees, Local 829**

RECOMMENDATION

Approve the terms of a collective bargaining agreement between the City of Menlo Park and the American Federation of State, County and Municipal Employees, Local 829 (AFSCME), and authorize the City Manager to execute a Memorandum of Understanding (MOU) with a term of December 11, 2013 through June 30, 2015.

BACKGROUND

On April 2, 2013, in accordance with Council's Public Input and Outreach Regarding Labor Negotiations policy, a staff report was placed on the Council agenda providing an opportunity for public comment prior to the commencement of labor negotiations. The staff report provided a summary of background information related to labor negotiations, a summary of bargaining unit information, personnel cost information, and the methodology used to determine a competitive and appropriate compensation package.

At the request of City Council, a special meeting was held to provide a second opportunity for public input and comment on April 23, 2013, during which 12 members of the public provided input to the City Council.

AFSCME represents 33.75 non-sworn supervisory/managerial employees throughout the City. The City's and AFSCME's negotiation teams commenced negotiations on August 5, 2013. The parties met approximately 12 times and reached a Tentative Agreement (TA) on November 13, 2013, for a successor MOU to the previous Agreement which expired October 31, 2013. AFSCME notified the City that the TA was ratified by the membership on November 22, 2013.

ANALYSIS

A complete copy of the Tentative Agreement is attached. The Tentative Agreement is on a full MOU, between the City and AFSCME. The following is a summary of key provisions and/or changes from the previous MOU.

Term	December 11, 2013 (pending Council approval)- June 30, 2015																
Pay Rates	Effective the beginning of the first full pay period after ratification of this Agreement by the membership and approval by City Council, the pay rates for employees in this representation unit shall be increased by Four and One Half Percent (4.50%).																
Standby Pay	Effective the beginning of the first full pay period after ratification of this Agreement by the membership and approval by City Council, an employee performing standby duty outside the employee's regular work shift shall be compensated at the rate of Three Dollars and Seventy-Five Cents (\$3.75) per hour for each hour the employee is assigned to standby duty.																
Floating Holiday Time	Reduce the annual allotment of Floating Holiday Time from 34 to 30 hours per year.																
Vacation Cashout	Incorporation into the MOU of a previously agreed upon side letter regarding changes to the Vacation Cashout program.																
Medical Benefits	<p>Effective with the implementation of plan year 2014 each active employee shall be allocated an amount to be used to purchase medical benefits. The amount shall be allocated to each employee according to the medical benefits plan selected, as follows:</p> <table><tr><td>\$1,931.07 per month</td><td>- family coverage</td></tr><tr><td>\$1,485.44 per month</td><td>- two-person coverage</td></tr><tr><td>\$742.72 per month</td><td>- single coverage</td></tr><tr><td>\$324.00 per month</td><td>- no coverage</td></tr></table> <p>Effective with the implementation of plan year 2015 each active employee shall be allocated an amount to be used to purchase medical benefits. The amount shall be allocated to each employee according to the medical benefits plan selected, as follows:</p> <table><tr><td>\$2,085.56 per month</td><td>- family coverage</td></tr><tr><td>\$1,604.28 per month</td><td>- two-person coverage</td></tr><tr><td>\$802.14 per month</td><td>- single coverage</td></tr><tr><td>\$349.00 per month</td><td>- no coverage</td></tr></table>	\$1,931.07 per month	- family coverage	\$1,485.44 per month	- two-person coverage	\$742.72 per month	- single coverage	\$324.00 per month	- no coverage	\$2,085.56 per month	- family coverage	\$1,604.28 per month	- two-person coverage	\$802.14 per month	- single coverage	\$349.00 per month	- no coverage
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\$2,085.56 per month	- family coverage																
\$1,604.28 per month	- two-person coverage																
\$802.14 per month	- single coverage																
\$349.00 per month	- no coverage																

Retirement

Incorporation of State mandated pension reforms under the Public Employees' Pension Reform Act (PEPRA).

Effective as soon as practicable and after January 1, 2014, the employee contribution towards the employer's contribution to the Public Employees' Retirement System (CalPERS) shall be taken as a pre-tax deduction from the employees' paycheck each payroll period. The City and the Union agree that the employee contribution towards the employer's contribution will continue past the expiration of the MOU. If for any reason the City is precluded from making this deduction or the deduction cannot be made on a pre-tax basis, the parties agree to meet and confer regarding ways to cure the defect.

Labor Management Committee

Effective for the term of this agreement, the City and AFSCME agree to the establishment of a Labor Management Committee (LMC) to serve as an advisory committee and to facilitate employee education and involvement in issues regarding CalPERS retirement benefits, including but not limited to, potential future cost increases and the impacts of said cost increases to the financial stability of the City. The LMC shall meet regularly and not less than once per quarter.

Grievance Procedure

Revisions to clarify and streamline the existing grievance procedures utilized to resolve disputes over alleged violations, misinterpretations or misapplications of the MOU or policy/procedure manuals affecting the working conditions of employees.

Discipline Appeals

New section bifurcating the existing discipline appeal process from the grievance procedure and amending the process by which an arbitrator is selected to include the option that either party may request a list of five (5) labor arbitrators who shall be retired judges of the Superior Court of the County of San Mateo. The Union and City shall attempt to agree to the selection of a retired judge. If no agreement can be reached, each party shall alternately strike a name from the list until one (1) name remains, who shall serve as the arbitrator.

IMPACT ON CITY RESOURCES

This Tentative Agreement results in a budgetary impact to the City of approximately \$260,000 for the term of the agreement.

POLICY ISSUES

This recommendation aligns with the City's goals of balancing continued fiscal prudence in planning for potential impacts of employee retirement benefits, while also beginning to align the City as a competitive employer in the increasingly robust job market of the Silicon Valley.

ENVIRONMENTAL REVIEW

No environmental review is required.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Tentative Agreement City/AFSCME Successor MOU
- B. City/AFSCME Successor MOU Appendix "A"
- C. City/AFSCME Successor MOU Appendix "B"
- D. Tentative Agreement-Article 1: Recognition
- E. Tentative Agreement-Article 2: Union Security
- F. Tentative Agreement-Article 7: Pay Rates and Practices

Report prepared by:

Gina Donnelly
Human Resources Director

**CITY OF MENLO PARK
AND
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL
EMPLOYEES, LOCAL 829
TENTATIVE AGREEMENT**

This Agreement is on an overall settlement on the terms of a successor Memorandum of Understanding between the City of Menlo Park ("City") and American Federation of State, County and Municipal Employees, Local 829 ("AFSCME").

This Agreement is considered tentative and shall not be considered final or binding until ratified by the AFSCME Membership and approved by City Council.

This document sets forth the full agreements of the parties reached during these negotiations. Anything that is not included in this Agreement is not part of the Tentative Agreement.

The parties understand that in the event either party rejects this Agreement, each party reserves the right to modify, amend and/or add proposals.

FOR CITY:

FOR AFSCME:



Gina Donnelly
Human Resources Director

11/13/13
Date



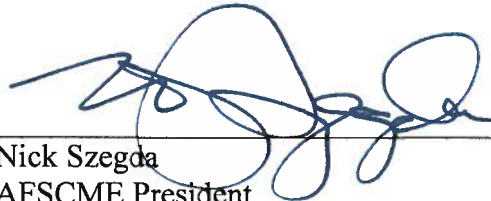
Sharon McAleavey
AFSCME Business Agent

11/13/2013
Date




Clay Curtin
Assistant to the City Manager

11-13-13
Date



Nick Szegda
AFSCME President

11/13/2013
Date



John McGirr
AFSCME Vice President

11/13/2013
Date

**CITY OF MENLO PARK
AND
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL
EMPLOYEES, LOCAL 829
TENTATIVE AGREEMENT**

Term:

- Approximately 19 months (expiring June 30, 2015)

Recognition:

- Please see attached

Union Security:

- Please see attached

Personnel Files:

- Removal of form requirement

Promotional Opportunities:

- Please see attached

Garnishments:

- Remove article

Recruitment:

- Please see attached

Pay Rates:

- Please see attached

Hours and Overtime:

- Please see attached

Uniforms:

- Please see attached

**CITY OF MENLO PARK
AND
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL
EMPLOYEES, LOCAL 829
TENTATIVE AGREEMENT**

Floating Holiday Time:

- Reduce annual allotment
- Change expiration to 26th pay period

Vacation Cashout:

- Updated to reflect side letter agreement

Sick Leave:

- Please see attached

Long Term Disability:

- Please see attached

Bereavement Leave:

- Add child and grandchild
- Eliminate 6 month waiting period

Health Savings Account:

- Please see attached

Benefit Programs:

- Please see attached

Retirement:

- Update language to reflect effective date of Tier 2 and PEPR
- Conversion of employee contribution towards City's contribution from post-tax to pre-tax

Grievance Procedure:

- Modify current language

Discipline Appeals:

- Modify current language/new section

**CITY OF MENLO PARK
AND
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL
EMPLOYEES, LOCAL 829
TENTATIVE AGREEMENT**

Nondiscrimination:

- Please see attached

Management Rights:

- Please see attached

Disciplinary Action:

- Please see attached

Appendix "D" Labor Management Committee:

- Please see attached

Various language corrections/changes:

- Please see attached

MEMORANDUM OF UNDERSTANDING
BETWEEN
AMERICAN FEDERATION OF
STATE, COUNTY, AND MUNICIPAL EMPLOYEES
LOCAL 829
AND
THE CITY OF MENLO PARK



District Council 57
AFSCME

~~October 23, 2011~~ TBD through ~~October 31, 2013~~ June 30, 2015

TABLE OF CONTENTS

	<u>Page</u>
<u>PREAMBLE</u>	<u>1</u>
<u>ARTICLE 1: RECOGNITION</u>	<u>1</u>
<u>ARTICLE 2: UNION SECURITY</u>	<u>2</u>
<u>ARTICLE 3: REPRESENTATION</u>	<u>3</u>
<u>ARTICLE 4: DEFINITIONS</u>	<u>3</u>
<u>ARTICLE 5: LAYOFF AND RE-EMPLOYMENT</u>	<u>4</u>
<u>ARTICLE 6: PERSONNEL ACTION</u>	<u>7</u>
<u>ARTICLE 1: Probation</u>	<u>7</u>
<u>ARTICLE 1: Performance Evaluation</u>	<u>9</u>
<u>ARTICLE 1: Performance Improvement Plan</u>	<u>9</u>
<u>ARTICLE 1: Personnel Files</u>	<u>10</u>
<u>ARTICLE 1: Promotional Opportunities</u>	<u>11</u>
<u>ARTICLE 1: Reclassification</u>	<u>11</u>
<u>ARTICLE 7: PAY RATES AND PRACTICES</u>	<u>13</u>
<u>ARTICLE 1: Salary Schedule.....</u>	<u>13</u>
<u>Step Increases</u>	<u>13</u>
<u>ARTICLE 1: Application of Rates</u>	<u>14</u>
<u>ARTICLE 1: Effect of Promotion, Demotion or Transfer on Salaries</u>	<u>14</u>
<u>ARTICLE 1: Bilingual Differential</u>	<u>15</u>
<u>ARTICLE 1: Call Back Pay</u>	<u>15</u>
<u>ARTICLE 1: Standby Pay</u>	<u>16</u>
<u>ARTICLE 1: Working Out of Classification</u>	<u>16</u>
<u>ARTICLE 1: Advance of Vacation Pay</u>	<u>17</u>
<u>ARTICLE TICLE 11:: Night and Weekend Differential</u>	<u>17</u>
<u>ARTICLE 1: Court Appearances</u>	<u>17</u>
<u>ARTICLE 8: HOURS AND OVERTIME</u>	<u>18</u>
<u>ARTICLE 9: UNIFORMS</u>	<u>20</u>
<u>ARTICLE 10: HOLIDAYS</u>	<u>21</u>
<u>ARTICLE 11: VACATIONS</u>	<u>22</u>
<u>ARTICLE 12: LEAVE PROVISIONS</u>	<u>24</u>
<u>ARTICLE 1: Sick Leave</u>	<u>24</u>
<u>ARTICLE 1: Long Term Disability</u>	<u>27</u>
<u>ARTICLE 1: Personal Business</u>	<u>28</u>
<u>ARTICLE 1: Leave Without Pay</u>	<u>29</u>
<u>ARTICLE 1: Jury Duty and Subpoenas</u>	<u>29</u>
<u>ARTICLE 1: Military Leave</u>	<u>30</u>
<u>ARTICLE 1: Bereavement Leave</u>	<u>30</u>
<u>ARTICLE 1: Maternity Leave of Absence Without Pay</u>	<u>30</u>
<u>ARTICLE 1: Leave for Pregnancy Disability</u>	<u>31</u>
<u>ARTICLE 1: Parental Leave</u>	<u>32</u>
<u>ARTICLE 1: Miscellaneous Leave Provisions</u>	<u>32</u>
<u>ARTICLE 1: Educational Leave and Tuition Reimbursement</u>	<u>33</u>
<u>ARTICLE 13: BENEFIT PROGRAMS</u>	<u>34</u>
<u>ARTICLE 14: RETIREMENT</u>	<u>38</u>

<u>ARTICLE 15: GRIEVANCE PROCEDURE</u>	<u>39</u>
<u>ARTICLE 16: EFFECT ON EXISTING PRACTICES</u>	<u>44</u>
<u>ARTICLE 17: NONDISCRIMINATION</u>	<u>45</u>
<u>ARTICLE 18: MANAGEMENT RIGHTS</u>	<u>45</u>
<u>ARTICLE 19: CONCERTED ACTIVITIES</u>	<u>46</u>
<u>ARTICLE 20: SEPARABILITY</u>	<u>47</u>
<u>ARTICLE 21: DISCIPLINARY ACTION</u>	<u>47</u>
<u>ARTICLE 22: TRANSFER</u>	<u>49</u>
<u>ARTICLE 23: SAFETY</u>	<u>51</u>
<u>ARTICLE 24: TERM OF AGREEMENT</u>	<u>51</u>

<u>APPENDIX A:</u>	<u>CLASSIFICATIONS</u>
<u>APPENDIX B:</u>	<u>PAY RANGES</u>
<u>APPENDIX C:</u>	<u>DENTAL/VISION PLAN</u>
<u>APPENDIX D:</u>	<u>LABOR/MANAGEMENT COMMITTEE</u>

PREAMBLE

This Memorandum of Understanding is entered into by and between American Federation of State, County and Municipal Employees, AFL-CIO (hereinafter "Union") and the City of Menlo Park (hereinafter "City"). This Memorandum of Understanding is entered into pursuant to the Meyers-Milias-Brown Act (Government Code Sections 3500-3510) and has been jointly prepared by the parties.

ARTICLE 1: RECOGNITION

1.1 The Union is recognized as the exclusive representative of the classifications for City ~~workers-employees~~ as listed in Appendix "A" to this Agreement. Nothing herein shall be construed to discriminate against any individual who chooses to exercise his/her right of self-representation under Section 3502 of the Government Code.

1.2 Each newly established job classification shall be assigned to an appropriate representation unit by the Human Resources Director, after consultation with recognized employee organizations, if they find that there is an appropriate unit to which such job classifications may be assigned. An employee organization may appeal in writing from such assignment to the Human Resources Director within thirty (30) calendar days of said determination. If the Union is unsatisfied with the results of said appeal, the Union may invoke impasse procedures in accordance with Government Code 3500. Whenever, during the term of this Agreement, a worker is hired or reclassified to a position not contained in Appendix "A" and not contained in any other bargaining unit, his/her eligibility for inclusion in the bargaining unit shall be governed by the satisfaction of the following criteria:

In general the City shall adhere to objectives which require that the appropriate unit shall be the broadest feasible grouping of positions that share an identifiable community of interests. Factors to be considered may include:

- a. Similarity of the general kinds of work performed, types of qualifications required and the general working conditions.
- b. History of representation in the City and similar employment.
- c. Consistency with the organizational patterns of the City of Menlo Park.
- d. Number of employees and classifications, and the effect on the administration of employer-employee relations created by the fragmentation of classifications and proliferation of units.
- e. Effect on the classification structure and impact on the stability of employer-employee relationship of dividing single or related classifications among two or more units.

~~The meet and confer process shall be used to determine whether newly created positions shall be in the bargaining unit.~~

~~1.2.1 — Permanent or provisional supervisory classifications that are subject to PERS membership where the worker supervises and signs performance evaluations for one or more permanent positions.~~

~~1.3 — Section 1.2 shall not apply to any person who is an independent contractor.~~

1.43 The following ~~groups of workers~~ employees are not eligible for representation by this bargaining unit:

1.43.1 All sworn police and sworn police management classifications which are contained in other bargaining units;

1.43.2 Members of the Management Team who are not subject to merit system employment procedures or protection;

~~1.4.3 — All non-supervisory classifications which are contained in other bargaining units;~~

1.43.4 ~~3~~ Independent contractors;

~~1.5 On a monthly basis the City shall provide the Union with a listing of all temporary workers on the City payroll. Such listing shall include each temporary worker's department, rate of pay, classification, number of hours worked during the month, and cumulative hours worked.~~

ARTICLE 2: UNION SECURITY

2.1 Agency Shop

Consistent with the provisions of the California Government Code, Section 3502.5, an employee covered by this agreement shall either: (1) become a member of the Union and pay regular Union dues, or (2) pay to the Union an agency (representation) fee as permitted by law, or (3) present to the Union and the City's Human Resources Director a written declaration that he or she is a member of a bona fide religion, body, or sect that has historically held conscientious objections to joining or financially supporting public employee organizations. An employee who qualifies for this exemption shall, in lieu of the agency fee payment, pay an amount equal to the agency fee to one of the following non-religious, non-labor charitable organizations: To be determined. An employee who claims such exemption must submit written proof of such charitable payment annually to the Union and the Human Resources Director. If the employee fails to provide such written proof, the employee will be required to pay the agency fee.

2.2 Fee Deduction

If any employee in a classification covered by this MOU fails to authorize one of the above deductions within thirty (30) calendar days of date of hire or within thirty (30) calendar days' notice of the provisions of this agency shop, the City shall deduct the agency fee from the employee's paycheck. The City shall determine the timing of such automatic deductions. The requirement that employees who are not members of the Union pay this representation agency fee shall remain in effect until the earlier of: (1) expiration of this Agreement; (2) termination of the Agency Shop clause by action of the bargaining unit; or (3) legislation invalidating the manner in which Agency Shop was adopted. In the event that employees in the representation unit vote to rescind Agency Shop, the provisions of Section 3.3 – Maintenance of Membership, shall apply to dues-paying members of the Union.

2.3 Maintenance of Membership

Any employee who becomes a member of AFSCME shall not revoke such authorization except during the thirty (30) calendar day period between ninety (90) calendar days and sixty (60) calendar days preceding the expiration of this Memorandum of Understanding.

Revocation during said period shall be by written, signed statement furnished to the City with a copy sent to the Union (by the City).

An employee who so withdraws from Union membership shall still be subject to the provisions of Agency Shop (Section 2.6.1 above).

An employee who is subsequently employed in a position outside of the AFSCME unit shall not be required to continue dues deduction.

2.4 Payroll Deduction

2.4.1 The Union may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the City for such deductions. Dues deductions shall be made only upon signed authorization from the employee upon a form furnished by AFSCME and distributed by the City, and shall continue until: (1) such authorization is revoked, in writing, by the employee pursuant to the provisions of this Section 3.4; or (2) the transfer of the employee out of the representation unit.

2.4.2 The Union shall notify the City at least thirty (30) days in advance of any change in its dues and fees.

2.4.3 Employees may authorize dues deductions only for the organization certified as the recognized employee organization of the unit to which the employees are assigned.

2.4.4 Employees may voluntarily elect to have contributions deducted from their paychecks under procedures prescribed by the District for the PEOPLE fund. Such deductions shall be made only upon signed authorization from the employee and shall continue until such authorization is revoked in writing.

2.4.5 If, after all other involuntary and insurance premium deductions are made in any pay period, the balance is not sufficient to pay the deduction of Union dues, agency fee, or charity fee required by this Section, no such deduction shall be made for the current pay period.

2.4.6 The provisions of Section 3.4.1 above shall not apply during periods that an employee is separated from the representation unit, but shall be reinstated upon the return of the employee to the representation unit. For the purpose of this section, the term separation includes transfer out of the representation unit, layoff, and leave of absence without pay.

2.5. Union Obligations

2.5.1 The Union shall provide the City with a copy of the Union's Hudson Procedure for the determination and protest of its agency fees. The Union shall provide a copy of said Hudson Procedure to every agency fee payor covered by this Memorandum of Understanding and annually thereafter, and as a condition to any percentage change in the agency fee.

2.5.2 The Union will supply the City with deduction authorization forms and/or membership applications as well as other informational materials it wishes to be distributed to new employees.

2.5.3 Annually, the Union shall provide the City with copies of the financial report which the Union annually files with the California Public Employee Relations Board, the United States Department of Labor (Form LM-2), or the Union's balance and operating statement for the prior year. Failure to file such a report within sixty (60) days after the end of its fiscal year shall result in the termination of all agency fee deductions without jeopardy to any employee, until such report is filed.

2.5.4 The Union shall refund to the City any amount paid to it in error upon presentation of supporting evidence.

2.6 City Obligations

2.6.1 Any new employees hired into positions covered by this Memorandum of Understanding shall be provided by the City and shall execute an "Employee Authorization for Payroll Deduction" form selecting one of the following: (1) Union dues; (2) agency fee; or (3) if he/she qualifies pursuant to the

requirements of Section 2.1 above, a fee equal to agency fee payable to one of three negotiated charities.

2.6.2 P.E.O.P.L.E. Checkoff. All workers who choose to do so may request an additional deduction from their paychecks to be forwarded to the Union and accounted for in a separate notation. Such additional deduction shall be used for political campaign purposes and shall be totally voluntary.

2.6.3 All transmittal checks shall be accompanied by documentation which denotes the employee's name, employee ID number, amount of deduction and member or fee payor status.

2.6.4 The City shall hand out agreed upon Union materials along with Agency Shop forms.

2.7 Hold Harmless

The Union shall indemnify, defend, and hold the City harmless against any and all claims, demands, suits, orders, or judgments, or other forms of liability that arise out of or by reason of this Union Security section, or any action taken or not taken by the City under this Section 2. This includes, but is not limited to, the City Attorney's fees and costs.

~~2.1 When a person is hired in any of the covered job classifications, the City shall notify that person that the Union is the recognized bargaining representative for the worker's representation unit and give the worker a current copy of the Memorandum of Understanding.~~

~~2.2 Workers shall be free to become a member of the union or to refrain from becoming a member of the Union. Workers who voluntarily become Union members shall maintain their membership in the Union for the duration of this Memorandum of Understanding, provided, however, that workers may resign Union membership during the month of September, of the year this Memorandum of Understanding expires, by notifying the Union and the Personnel Division by certified mail.~~

~~2.3 The City shall deduct Union membership dues or insurance fees and any other mutually agreed upon payroll deduction from the biweekly pay of member workers. The dues deduction must be authorized in writing by the worker on an authorization card acceptable to the City and the Union. The City shall remit the deducted dues and other fees to the Union as soon as possible after deduction.~~

~~2.4 The Union shall indemnify and hold harmless the City from any damage, liability, cost, or attorneys' fees in the event of any action in which the City is named as a party, which action involves the deduction of dues, use of dues after deduction, negligence of the Union regarding said dues or any similar claim.~~

- 2.58 Upon request from the Union, but not more than once every six (6) months, the City shall supply the Union with a list of the names, addresses, and classifications of all unit workers except those who file written notice with the ~~Personnel Division~~ Human Resources Department objecting to release of addresses, in which case information will be transmitted without address. Once a month, the City shall supply the Union with a list of representation unit new hires, ~~terminations~~ and ~~retirements~~ separations which occurred during the previous month. Additionally, once a month the City shall supply to the Union a list, generated by the City, that includes all represented employees, their Department, division and an indication of their membership status.
- 2.69 Except in cases of emergency, the Union shall be informed sufficiently in advance in writing by Management before any proposed changes not covered by this Memorandum of Understanding are made in benefits, working conditions, or other terms and conditions of employment which require the meet and confer or meet and consult process.
- ~~2.7 P.E.O.P.L.E. Checkoff. All workers who choose to do so may request an additional deduction from their paychecks to be forwarded to the Union and accounted for in a separate notation. Such additional deduction shall be used for political campaign purposes and shall be totally voluntary.~~

ARTICLE 3: REPRESENTATION

- 3.1 It is agreed that, as long as there is no disruption of work, three (3) Union representatives shall be allowed reasonable release time away from their work duties, without loss of pay, to act in representing a unit worker or workers on grievances or matters requiring representation before the ~~Personnel Board~~ City or similar ~~City~~ agencies. The Union shall designate the three (3) representatives under this section. Only one (1) representative shall be entitled to release time under this section for any one (1) grievance or group of related grievances. Release time shall be granted for the following types of activities:
- 3.1.1 A meeting of the representative and a worker or workers in the unit related to a grievance.
- 3.1.2 A meeting with Management.
- 3.2 The Union agrees that the representative shall give advance notification to his/her supervisor before leaving the work location except in those cases involving emergencies where advance notice cannot be given. Release time is subject to the legitimate scheduling needs of the department.
- 3.3 Three (3) Union representatives who are City employees shall be allowed a reasonable amount of time off without loss of pay for formal negotiation purposes.

Preparation time for negotiations shall not be on release time without approval of the ~~Personnel~~ Human Resources Director.

- 3.4 Three (3) representatives shall be allocated up to two (2) hours time off every other month without loss of pay for purposes of meeting and consulting on matters within the scope of representation, other than formal negotiations.

ARTICLE 4: DEFINITIONS

4.1 Definitions

- 4.1.1 A “temporary” or “contract” employee is a worker employed for a definite term of up to six months, although such temporary employee may be held over for up to three (3) additional months when the temporary employee is filling a vacancy created by leave without pay and the leave is extended beyond the initial fixed period.
- 4.1.2 A “provisional” employee is a worker employed for a definite term of more than six (6) months, although such provisional employee may be held over beyond the initial term of employment as specified in Section 12.4.1. A provisional employee shall be employed and treated in all respects for the entire term of employment as a provisional employee, the same as a probationary employee-
- 4.1.3 A “probationary” employee is a worker who has not yet completed the probationary period, or any extension(s) thereof, as provided in this Agreement. A probationary employee is eligible for benefits provided in this Agreement, except as limited by Sections 6.1.5 and 6.1.8 of this Agreement.
- 4.1.4 A “permanent” employee is a worker who has satisfactorily completed the probationary period, or any extension(s) thereof. A permanent employee is eligible for benefits provided in this Agreement.

ARTICLE 5: LAYOFF AND RE-EMPLOYMENT

5.1 Layoff

- 5.1.1 Whenever in the judgment of the City Council it becomes necessary in the interests of economy or because the position no longer exists, the City Council may abolish any position or employment in the competitive service, or may reduce the hours of any position. The decision to abolish a position or reduce the hours of any position shall not be subject to the grievance procedure contained in this Agreement.

- 5.1.2 It is agreed between the parties that attrition is the preferred method of accomplishing any necessary reduction in the work force.
- 5.1.3 If a permanent reduction of hours is proposed for a particular classified position, the incumbent has the right to exercise any and all of the rights set forth in this Article. The incumbent may also choose to be laid off and receive the benefits contained in this Article.

5.2 Notification of Layoff

- 5.2.1 Workers being laid off shall be given written notice from the City's ~~Personnel Officer~~ Human Resources Department at least forty-five (45) calendar days prior to the effective dates of layoff. The layoff notice shall contain a statement of the effective date of layoff, a statement of "bumping rights" including the specific positions into which the worker may bump, and a statement of re-employment rights. Notice of layoff shall be given by personal service and the worker shall sign an acknowledgment of personal service; or by certified mail, return receipt, postage prepaid. The Union shall receive concurrent notice of individual layoff notices.
- 5.2.2 The Union shall be afforded an opportunity to meet with the City to discuss the circumstances requiring the layoff and any proposed alternatives.

5.3 Seniority

- 5.3.1 For the limited purposes of this Article 5, "length of service" means all hours in paid status including holiday, vacation, and paid leave, but does not include any hours compensated for overtime or standby, military leave, unpaid illness, unpaid industrial accident leave, or hours served as a temporary or contract employee in classifications other than the classification in which the worker is being laid off.
- 5.3.2 In the event a worker reverts to a previously held classification, seniority shall include all time accrued previously in the lower classification, as well as all time accrued in the higher classification.
- 5.3.3 No seniority credit shall be earned during periods of separation from service with the City, including suspension without pay as a result of disciplinary action.

5.4 Order of Layoff

- 5.4.1 All temporary employees in a particular classification will be laid off before any provisional, probationary or permanent employee in the classification.
- 5.4.2 All provisional employees in a particular classification will be laid off before any probationary or permanent employee in the classification.
- 5.4.3 All probationary employees in a particular classification will be laid off before any permanent employee in the classification.

5.5 Layoff Procedures

- 5.5.1 Except as otherwise provided, layoffs will be made in reverse order of seniority. The workers with the least time served in a classification shall be laid off first, with ensuing layoffs occurring in reverse order of length of service in the classification. If two workers have served the same time in the classification, then as between those two workers, the layoff will be based on total time of service with the City. If total time of service with the City is the same, then, as between those two workers, the layoff will be determined by a lottery.

5.6 Bumping Rights

- 5.6.1 A permanent employee who is designated for layoff, including a worker on probation following reclassification, transfer, or promotion from a permanent position, may elect, in lieu of layoff, to be reassigned to a position in a lateral or lower related classification within his/her department, or another department, provided that in order to displace the worker with less service the laid off worker must have held permanent status in the classification into which he/she is bumping.
- 5.6.2 When a senior employee chooses to bump into a position in a lateral or lower, related classification, said worker must accept the salary, hours, and working conditions of the position to which return is requested.
- 5.6.3 A bargaining unit worker requesting to bump into a classification as provided herein, must make such request to the ~~Personnel Officer~~Human Resources Director in writing within seven (7) calendar days of his/her receipt of written notice of layoff. Failure to comply with the deadline provided herein shall be deemed a waiver of the bumping rights provided in this Section 5.6.
- 5.6.4 Nothing herein shall preclude bumping between bargaining units.

5.7 Re-employment

- 5.7.1 The names of workers laid off shall be placed on a re-employment list in inverse order of seniority for a period of two (2) years from the date of layoff. The worker with the greatest seniority on the re-employment list shall be offered reinstatement when a vacancy occurs in a classification in which the worker held permanent status.
- 5.7.2 A laid off worker may refuse an offer of re-employment to a position for which he/she is qualified, however, refusal of two (2) offers of re-employment to the classification from which laid off shall automatically cause removal of the worker's name from the re-employment list and loss of any re-employment rights.
- 5.7.3 Any worker who accepts an offer of re-employment shall have his/her name removed from the re-employment list.
- 5.7.4 A worker who has been laid off and has been placed on a re-employment list shall be eligible, during the time the worker is on the re-employment list, to take promotional exams.
- 5.7.5 Offers of re-employment shall be made via the U.S. Mail Service, Certified Return Receipt, and shall include the specific position and/or hours being offered, the rate of pay, level of benefits, a current job description, a mechanism for acceptance or refusal of the offer of re-employment within the prescribed time limit, and a place for the laid off worker's signature. Failure to respond within ten (10) days from the date of service of offer of re-employment shall be deemed a refusal of that offer of re-employment.

The Union shall receive concurrent notice of each re-employment offer. Date of service is defined as the date marked on the certified mail return card, or the date the notice is returned by the postal service as undeliverable.

5.8 Miscellaneous Provisions

- 5.8.1 For the limited purpose of Article 5, permanent employees, including workers on probation following reclassification, re-employment, reinstatement, transfer, promotion, or demotion from a permanent position who are laid off shall be entitled to one (1) month severance pay and three (3) months of paid health insurance.
- 5.8.2 Workers appointed from a re-employment eligibility list shall have all rights accrued at the time of layoff restored including accrued sick leave, rate of vacation accrual and seniority, but excluding benefits to the extent compensation therefor has been received prior to re-employment. Severance pay, if any, shall not be repaid.

ARTICLE 6: PERSONNEL ACTIONS

6.1 Probation

- 6.1.1 The probationary period shall be regarded as part of the testing process and shall be utilized for closely observing the worker's work, for securing the most effective adjustment of a new worker to a prospective position, and for rejecting any probationary worker whose performance is not satisfactory.
- 6.1.2 During the seventh pay period following employment, the worker shall receive a performance evaluation. ~~Personnel~~ Human Resources shall send a reminder notice of this deadline to the appropriate supervisor, with copies to the worker and City Manager.
- 6.1.3 All original and promotional appointments shall be subject to a probationary period of six (6) months for unit members. The ~~Personnel Officer~~ Human Resources Director may, based upon the recommendation of the worker's supervisor, extend the probationary period not to exceed six (6) months if the worker marginally performed the necessary job functions and needs an additional six (6) months to bring performance to a satisfactory level. Total absences lasting four (4) weeks or more shall extend the review period by the corresponding duration of the absence.
- 6.1.4 At least one month prior to permanent appointment the City shall begin to review the work of the probationary employee to determine the following:
- a. certify him/her for the position;
or
 - b. extend the probation;
or
 - c. reject him/her for the position.

The City shall take action on this determination by the last day of the probation period by notifying the worker in writing. If the notification is delayed by more than five working days following the last day of probation, the worker shall become permanent.

- 6.1.5 If the service of a probationary employee is unsatisfactory, the worker will be notified in writing that he/she has been rejected for the permanent position. Said notice shall contain the reasons for rejection. The ~~Personnel Officer~~ Human Resources Director shall, upon request, afford an interview in a timely fashion to the terminated worker for discussion of the reasons for termination. The worker may, upon request, be accompanied by a

Union representative. The interview shall not be deemed a hearing nor shall it obligate the City to reconsider or alter the termination action.

- 6.1.6 A worker deemed unsatisfactory for a position shall return to his/her prior classification and non-probationary status in that classification and to the pay step he/she would have had if not promoted, transferred or voluntarily demoted.
- 6.1.7 Departments may not shift job assignments as a reason in itself for placing a worker on probationary status.
- 6.1.8 The parties agree that probationary employees shall have the same rights as other workers under this Memorandum of Understanding, including full and complete access to the grievance procedure, except that workers who do not hold prior permanent status with the City shall have no right to review any disciplinary action or decision to unfavorably terminate the probation.

Workers who do hold prior permanent status shall have the right to appeal any disciplinary action, but not the decision to unfavorably terminate the probation.

- 6.1.9 A probationary period begins on the first day of work when the worker is selected to fill a permanent position.

6.2 Performance Evaluation

- 6.2.1 The City may, from time to time, develop reasonable guidelines that enable the supervisor to adequately evaluate the worker as to satisfactory job performance. Job performance reviews shall be conducted pursuant to regularly established and announced policies. The guidelines shall be in accordance with the job specifications for the position being reviewed.
- 6.2.2 During the term of this MOU, the Union and the City agree to meet and confer over the creation of a pay-for-performance system. ~~Personnel evaluations will be given workers at least annually, but normally no more than twice a year, as scheduled by Management. Additional evaluations may be scheduled where there is documented evidence in preceding evaluations of the worker's inability to perform significant duties of the position. Management must complete performance evaluations by the date stated on the job performance form. After signing the evaluation to acknowledge receipt, the worker will have ten (10) working days in which to write a response. Signature of the evaluation will not constitute agreement with its contents.~~

~~Personnel Performance~~ evaluations are not appealable through the grievance procedure but, in the event of disagreement over content, the worker may request a review of the evaluation with the next higher level of Management, in consultation with the ~~Personnel Officer~~ Human Resources Director. For purposes of this review, the worker may be represented by the Union. Decisions regarding evaluation appeal shall be made in writing within ten (10) working days following the meeting.

6.3 Performance Improvement Plans

When the performance of a worker falls below the minimum standards established for a position ~~as set forth in the job performance standards (JPS)~~, a performance improvement plan may be developed. The worker has the right to have a Union representative present during the development of the performance improvement plan. Performance improvement plans must describe in detail the areas of deficiency, and contain a reasonable plan for improvement.

When used, Performance Improvement Plans shall be an integral extension of the job performance review process, and shall not be used, by themselves, for disciplinary actions.

6.4 Personnel Files

6.4.1 The ~~Personnel Officer~~ Human Resources Department shall maintain personnel records for each worker in the service of the City showing the name, title of position held, the department to which assigned, salary, changes in employment status, attendance records and such other information as may be considered pertinent. A worker is entitled to review his/her personnel file upon written request or may authorize, in writing, review by his/her Union representatives, with the exception of information obtained confidentially in response to reference inquiries. Upon written request by the worker, a worker or the Union shall be allowed copies of materials in a worker's personnel file relating to a grievance.

6.4.2 The City shall notify a worker and an authorized representative of the Union of any adverse material placed in his/her an employee's personnel file if that material is or has not previously been reviewed with the ~~worker~~ employee. The ~~worker~~ employee shall have a reasonable time and opportunity to comment thereon.

~~Before any adverse memorandum is placed in a worker's file the worker shall be given a copy of the memorandum and adequate time to respond. The Union shall also be given a copy unless the worker has filed a form stating he/she does not want the Union to receive copies of adverse memorandum or has requested in writing that a particular adverse memorandum not be forwarded to the Union.~~

~~A joint letter from the Union and the City shall be given to new workers hired after the execution of this agreement. This letter shall inform him/her of the agreement between the City and the Union to provide copies of all adverse memorandum to the Union. This joint letter shall also contain a form to be completed and signed by a worker if he/she does not want copies of adverse memorandum sent to the Union.~~

6.4.3 In any disciplinary action the City may not rely upon any previous written warnings, notice of suspension or demotion, or written evaluation not contained in said file as justification for any personnel action which adversely affects the worker in question, but may rely on oral warnings not made a part of the file and issued within the preceding six (6) months. In the event a worker who has received written warnings or reprimands has completed twenty-four (24) months of work without further disciplinary action, his/her prior disciplinary record of similar instances, except for sustained findings of violations of the City's Anti-Harassment and Non-Discrimination policy, shall no longer be relied upon in any determination which in any manner affects his/her employment status ~~and such disciplinary record shall be sealed and shall be removed from the employee's personnel file upon request from the employee.~~ In cases where a worker is suspended or demoted and such discipline is sustained, a record of such action shall be kept in the personnel file and any such documentation supporting such action shall be kept in a separate file in the ~~Personnel Office~~ Human Resources Department.

6.4.4 Personnel files of individual workers are confidential information and shall be used or exhibited only for administrative purposes or in connection with official proceedings before the City Council. The City will only release information to creditors or other persons upon proper identification of the inquirer and acceptable reasons for the inquiry. Information then given from personnel files is limited to verification of employment, length of employment and verification and disclosure of salary range information. Release of more specific information may be authorized in writing.

6.5 Promotional Opportunities

6.5.1 Promotional opportunities for classifications within the representation unit will be posted for at least ten (10) working days (Monday through Friday) prior to closing applications. Such postings shall include a description of the type of examination and screening process that will be used in filling the position. Any test given shall relate to the skills, knowledge, and abilities necessary to perform the job. Where an interview panel is used as part of the examination process, at least one member of that panel shall, whenever feasible, be a person who is not employed by the City, but is employed by a different municipality performing or supervising similar

~~duties and responsibilities, unless there is a compelling organizational reason why such a person cannot be on the panel.~~

6.5.2 Members of the bargaining unit who are permanent employees applying for promotional opportunities and who meet the minimum qualifications for the position will be considered and interviewed.

~~6.5.3 The City shall notify the worker applying for the promotion, in writing, of the City's decision to grant or deny the promotion.~~

6.5.4 In the event a temporary employee is appointed to the position being temporarily occupied for 2080 hours or more, the total hours worked prior to the date of appointment shall be totaled and divided by the permanent hours per week, and the date of hire seniority adjusted to reflect the time served as a temporary employee. The adjusted date of hire seniority will be recognized for purposes of seniority, vacation, and salary advancements.

6.6 Reclassification

6.6.1 During the term of this Agreement, the City shall notify the worker concerned in case of contemplated change in job content as contained in the classification descriptions which were in effect at the beginning of the Agreement. The Union shall be notified in advance of any contemplated changes in classification descriptions and such changes shall be discussed with the Union, provided that the City shall have the final decision regarding job content. The Union shall be given a reasonable opportunity to meet and confer on the impact of any such changes on matters within the scope of representation.

6.6.2 Once each year, during the month of January, a worker may request in writing a re-evaluation of his/her job based on significant changes in job content or significant discrepancies between job content and the classification description. The request must contain justification. A statement by Management that a job re-evaluation request will be submitted with the departmental budget does not relieve a worker from the responsibility of submitting his/her own request in a timely manner. If meetings are held, the worker may request representation by the Union. The City will process the request and issue a recommendation within ninety (90) days. The City shall not agree to a change in the appropriate pay level for a job description until the Union has received a copy of the proposed change and has been given the opportunity to meet and confer with the City. Reclassifications shall become effective the first pay period of the fiscal year.

If the worker receives a favorable recommendation for reclassification prior to the first pay period of the fiscal year, he or she will receive pay for working out of classification under Section 7.8.

During the term of this Agreement, the Union shall coordinate submission of job re-evaluation requests. ~~During the 2012 and 2013 January window periods, the City shall not be obligated to approve more than two job re-evaluation request in each period, and shall consider input from the Union in the approval of such requests.~~

- 6.6.3 In conducting classification studies, the compensation figure calculated for each City shall consist of the following components: base salary, employer paid employee contributions to the retirement system, and deferred compensation contributions made by the employer on behalf of the employee.
- 6.6.4 The reclassification procedure shall not be used for the purpose of avoiding use of the promotion or demotion procedures.

~~6.7~~ ~~Garnishments~~

- ~~6.7.1~~ ~~In the event the City must garnish employee wages more than once in a two (2) year period, the City will deduct from the employee's wages, administrative fees of Twenty Five Dollars (\$25.00) for setting up the garnishments and Five Dollars (\$5.00) for each garnishment deduction.~~

6.8 Recruitment

6.8.1 In cases where a worker has vacated an authorized position within the unit, the City shall, ~~under normal economic conditions, advertise the position or otherwise endeavor to~~ begin the recruitment process within thirty (30) working days.

6.9 Re-employment – Voluntary Separation

Any worker who voluntarily terminates employment and is rehired within twelve months of the date of separation from the City shall have their accrual rates adjusted to the levels achieved prior to separation, except that the time in which the worker was not employed by the City shall not be counted. In addition, all leave balances not paid out upon separation shall be restored to the levels appearing on City records as of the date of separation, except for floating holiday which will not be restored for the remainder of the calendar year in which the separation occurred.

For all other purposes, the time in which the worker was not employed by the City will be treated in the same manner as an unpaid leave of absence.

Re-employment of any worker within the twelve (12) month period is at the sole discretion of the City. If the City decides not to re-employ the former employee, the decision of the City shall be final and not be subject to appeal or to the grievance procedure.

ARTICLE 7: PAY RATES AND PRACTICES

7.1 ~~Salary Schedule~~ Overall wage adjustment

7.1.1 Effective the beginning of the first full pay period after ratification of this Agreement by the membership and approval by City Council, the pay rates for employees in this representation unit shall be increased by Four and One Half Percent (4.50%).

~~The salary schedule~~ pay rates for ~~workers~~ employees in the representation unit shall be as set forth in Appendix “B” to this Agreement.

~~There shall be no adjustment to the salary schedule during the term of this Agreement.~~

7.2 Step Increases

Merit advances from the first salary step to the second salary step shall be granted at six (6) months intervals and between second and subsequent steps at one (1) year intervals if the affected worker has demonstrated continued competent service. Workers who are hired in at Steps B, C or D, or are promoted and placed at Steps B, C or D will be eligible for their next step increase in six (6) months. For the purpose of determining step time requirements, time will commence on the first day of the month coinciding with or following entrance onto a salary step. Step increases shall be effective on the first day of the payroll period in which the time requirements have been met.

During the term of this Agreement, the parties agree to discuss, in an informal manner, alternatives to the merit pay system and related step increases, which may include exploration of various pay for performance systems, as well as ways in which to recognize certificates, advanced degrees and other career achievements. Such discussions may lead to an alternative pay system that would be implemented in lieu of the current system detailed in Sections 7.2 and 7.3 of this Memorandum of Understanding. If both parties agree to such a system during the term of this agreement, the change shall be documented by side letter with the intent of including it in subsequent contracts. Nothing in this section shall commit either party to making a change to the current system during the contract term.

7.3 Application of Rates

7.3.1 Workers occupying a position in the competitive service shall be paid a salary or wage within the range established for that position's class under the pay plan as provided. The minimum rate for the class shall normally apply to beginning workers. However, subject to the approval of the ~~Personnel Officer~~ Human Resources Director, the department head may hire beginning workers who are especially qualified by their training or by their previous experience at any step in the range.

7.3.2 In the event that a newly hired worker is placed above Step A on the salary schedule due to recruitment problems, as opposed to the conditions in 7.3.1 above, incumbents in that classification who have been placed on a lower step of the salary schedule will be moved to the same step on the salary schedule as the newly hired worker, and all such workers will be allowed to move to the next step in six months.

7.4 Effect of Promotion, Demotion or Transfer on Salaries

7.4.1 Promotion

Upon promotion, the worker shall be placed on the first step in the new salary range, or on the step which provides for a minimum five percent (5%) increase in salary, whichever is greater, not to exceed the top step of the new range.

7.4.2 Demotion

Upon demotion of a worker with permanent status in his/her current class, his/her salary shall be adjusted to the highest step in the new class not exceeding the salary received in the former class.

7.4.3 Transfer

Upon transfer, the salary shall remain unchanged.

7.5 Bilingual Differential

7.5.1 Workers who are assigned to job duties requiring bilingual skills are eligible to receive Sixty-Five Dollars (\$65.00) each pay period for the use of bilingual skills in job duties arising during the normal course of work.

7.5.2 Eligibility for the bilingual pay differential shall be determined by the ~~Personnel~~ Human Resources Director on the basis of a proficiency test ~~developed and administered~~ determined by the City.

7.5.3 Bilingual skills shall not be a condition of employment except for workers who are hired specifically with that requirement. If a worker is hired under this provision, that requirement shall be included in the initial appointment letter.

7.5.4 The City retains the right to discontinue the bilingual differential for any individual worker when bilingual services are no longer required, provided the City gives the exclusive representative ten (10) days notice prior to such revocation, in order to allow the opportunity for the parties to meet and ~~confer~~ consult.

7.5.5 No employee shall be required to use bilingual skills who is not compensated under this section.

7.6 Call Back Pay

7.6.1 Any worker who is required by the City to work on a day when the worker has not been scheduled, or any worker called back to work after the completion of a regular work day for that worker, shall be entitled to a minimum of two (2) hours of compensation at one and one-half times their regular rate of pay.

7.6.2 Payment for call back may be at the cash rate specified in Section 7.6.1 above or in compensatory time off at the rate of one and one-half hours for each hour worked, at the worker's option. Prior to the end of the pay

period, the worker shall designate, on the appropriate City form, his/her choice of either compensation at one and one-half times their regular rate of pay or compensatory time off.

7.7 Standby Pay

7.7.1 A worker performing standby duty outside the worker's regular work shift shall be compensated at the rate of Three Dollars Ten Cents (\$3.10) per hour for each hour the worker is assigned to standby duty.

7.7.2 Effective the beginning of the first full pay period after ratification of this agreement by the membership and approval by City Council, an employee performing standby duty outside the worker's regular work shift shall be compensated at the rate of Three Dollars and Seventy-Five Cents (\$3.75) per hour for each hour the employee is assigned to standby duty.

7.8 Working Out of Classification

7.8.1 The term "working out of classification" is defined as a Management authorized assignment to perform work on a temporary basis wherein significant duties are performed by a worker holding a classification within a lower compensation range. The employer shall notify workers in advance of making such assignments. Pay for working out of classification shall be as follows:

7.8.1.1 A worker performing duties associated with a higher position, whether filled or unfilled, on an out of classification basis will receive acting pay of five percent (5%) for the hours worked in that capacity.

When the Department Head anticipates that the out of classification assignment will be for a period of 240 hours or more, the worker will receive the pay rate of the higher classification beginning with the start of the assignment. If such a determination has not been made by the end of the 240 cumulative hours worked in the higher classification, the worker shall receive the pay rate of the higher classification, ~~retroactive to the first hour of work.~~

~~7.8.1.2 The step within the range of the higher classification will be the step at which the worker would be paid if permanently appointed to that classification, but in no event less than five percent (5%).~~

~~7.8.2 Management shall designate the division or department assignment for anticipated absences of forty (40) consecutive hours or more.~~

~~Workers who have been designated by Management to cover division or department operations in place of Management Staff for forty (40) consecutive hours or more shall receive a five percent (5%) differential.~~

7.8.3 Out of classification provisions do not apply to work assignments performed in connection with declared conditions of public peril and/or disaster.

~~7.9 Advance of Vacation Pay~~

~~7.9.1 Vacation pay shall be made available in advance of regular pay day provided that the worker requests such advance in writing to the Personnel Officer at least one (1) week prior to his/her vacation date. The worker's supervisor must verify the vacation date upon request.~~

~~7.9.2 Vacation pay for the period shall be one hundred percent (100%) of the worker's regular pay due, less premiums.~~

~~7.109~~ Night and Weekend Differential

Workers in the Library assigned to work hours between 5:00 P.M. and 8:00 A.M. weekdays or between Friday from 5:00 P.M. to Monday 8:00 A.M. shall be compensated for night and weekend differential at five percent (5%) above the worker's base pay.

The Communications and Records Supervisor assigned swing, midnight, relief or day shift on the weekend shall be compensated for night and weekend differential at five percent (5%) above the worker's base pay. Overtime hours shall not be used to qualify for weekend or night shift differential.

~~7.110~~ Court Appearances

Workers required to appear in Court during off-duty hours to testify regarding matters arising out of the worker's employment with the City, shall receive a minimum of four (4) hours pay at time and one-half (1.5). The City reserves the right to require the worker to wait to testify at their work location and perform duties as assigned while waiting to testify, provided the Court consents. If the Court requirement expires prior to the expiration of the four (4) hour minimum, the employee shall be released.

This section does not apply in situations where the worker is held over after or called in prior to his or her regular shift as long as the period is adjacent to the normal work shift. In these situations, standard overtime provisions shall apply.

~~The City reserves the right to provide a beeper to employees required to standby for court appearances.~~

7.12 Prorating of Special Adjustment

~~Workers who promote into the unit during the year who have accumulated hours toward the annual special adjustment paid to non-management workers will receive the adjustment for those accumulated hours. The hourly rate used in calculating the special adjustment amount shall be at the range and step the employee was at when they promoted into the unit. The amount shall be paid at the same time it is paid to non-management workers.~~

~~The special adjustment is considered special compensation and will not be included in retirement calculations, as determined by the Public Employees' Retirement System.~~

~~If any worker terminates their employment with the City prior to when the special adjustment is paid out, they shall not be entitled to the prorated amount.~~

ARTICLE 8: HOURS AND OVERTIME

8.1 Hours of Work

8.1.1 Regular Work Schedules

- a. The regular work schedule for all workers except those on a flexible schedule such as a 4/10, 9/80 or 12 hour schedule, shall consist of forty (40) hours within a seven (7) day work week and is five consecutive days served in units of eight (8) hours. For this schedule, the workweek begins Sunday midnight and ends Saturday at 11:59 P.M.
- b. A 4/10 work schedule shall be four (4) days served in units of ten (10) hours within a seven (7) day work week. For this schedule, the workweek begins Sunday midnight and ends Saturday at 11:59 P.M.
- c. A 9/80 work schedule shall be nine (9) days served in one (1) unit of eight (8) hours and eight (8) units of nine (9) hours over a two week pay period. For this schedule, the workweek shall begin exactly four (4) hours after the start time of the day of the week which is each employee's regular alternate day off, consists of a consecutive, one hundred sixty-eight (168) hour period, the start of which can vary per worker based on their assigned schedule.
- d. ~~A twelve hour schedule shall be seven (7) days served in six (6) units of twelve (12) hours and one (1) unit of eight (8) hours over a pay~~

~~period. For this schedule, the work week conforms to a 7(b) schedule under the Fair Labor Standards Act.~~

8.1.2 Part-time Workers. Workers who work less than the regular week and day as set forth above shall be designated as part-time and shall have hours scheduled by the appropriate supervisor and approved by the City's ~~Personnel Officer~~ Human Resources Director.

8.1.3 Lunch Periods. All workers working a work shift of six (6) hours or more, shall observe an unpaid lunch period of not less than thirty (30) minutes nor more than sixty (60) minutes. Lunch periods shall be scheduled with the approval of the department head.

8.1.4 Rest Periods. One (1) fifteen (15) minute rest break with pay shall be provided to unit members for each four (4) hours of service. Rest periods and lunch periods may not be aggregated and used to extend the lunch period or shorten the work day as part of a regular schedule.

8.2 Overtime

8.2.1 Definition.

a. Overtime for workers is defined as any time worked in excess of forty (40) paid hours in any seven day work week.

~~b. Overtime for workers working a twelve hour work schedule under a 7(b) work period is as specified under the Fair Labor Standards Act.~~

Overtime shall be compensated pursuant to Section 8.2.3. All overtime must be authorized and approved in advance by the Department Head.

8.2.2 Modified Schedules. At the request of either the worker or department head, the department head may approve a schedule of more than eight (8) hours per day without overtime compensation. Workers shall not be assigned irregular hours to avoid overtime. Such a work schedule must be consistent with the regular work schedules defined in Section 8.1.1.

8.2.3 Overtime. Overtime may be assigned on a required basis or requested by the ~~worker~~ employee and approved by the department head. Overtime shall be compensated at the rate of one and one-half (1.5) times the ~~worker's~~ employee's regular rate of pay or in the form of compensatory time at the rate of one and one-half (1.5) hours for each hour worked, at the ~~worker's~~ employee's option except when the employee's choice of compensatory time would interfere with a department's ability to recover the cost of the overtime.

8.2.4 Compensatory Time. A worker may accumulate a maximum of ~~eighty (80) hours of compensatory time, except that the Public Works Department workers on the callback list may accumulate one hundred twenty (120) hours of compensatory time and the Communications and Records Supervisor may accumulate one hundred sixty (160) hours of~~ compensatory time. Compensatory time may be used when the services of a worker are not needed for the efficient functioning of his/her department, and must be approved in advance by the department head. Once a worker has reached the limits of compensatory time in this section he/she shall receive cash at the overtime rate for all overtime worked.

Upon termination, all unused compensatory time shall be paid off at the final rate of pay received by the worker, or the average regular rate received during the last three (3) years of the worker's employment, whichever is higher.

8.3 Work Schedule

All work schedule and flexible time work schedule arrangements presently in effect shall continue. If the City proposes to change the work schedule of a classification the Union shall be notified at least ~~ten~~ fifteen (15) working days in advance and given an opportunity to meet and ~~confer~~ consult over such proposed changes prior to implementation.

~~8.4~~ Library Work Schedule

~~The City and the Union will meet and confer to explore a revised work schedule for permanent employees to try and provide two consecutive days off per week.~~

ARTICLE 9: UNIFORMS

9.1 The City will provide uniforms, raingear, coveralls or shop coats when necessary for all Public Works, Engineering, and applicable Building and Planning Department workers, consistent with existing practice.

9.2 Communications and Records Supervisors shall upon initial appointment be provided required uniforms as determined by the Chief of Police, and thereafter receive Six Hundred Dollars (\$600.00) per year uniform allowance. As soon as practicable, payment shall be made in the amount of \$23.077 per biweekly pay period. If an eligible employee is on unpaid leave for a period of one (1) full pay period or more, the employee will not receive uniform allowance pay for that period.

-The City will provide uniform jackets for City Service Workers whose work is primarily outdoors. Jackets that are worn or damaged in the course of work will be

routinely replaced by the City. It will be the employee's obligation to replace lost or misplaced jackets.

If any other worker is required to wear a uniform during the life of this Memorandum of Understanding, the City will meet and confer with the Union concerning the establishment of an equitable uniform allowance.

- 9.3 On presentation of appropriate receipts, the City shall reimburse workers who are required by the City to wear safety shoes/boots for up to Two Hundred Eighty-Five Dollars (\$285.00) toward the cost of no more than three (3) pairs of OSHA approved safety shoes/boots per year. Workers in the Public Works Department assigned to the tree crew shall be reimbursed for up to Three Hundred Forty Dollars (\$340.00) toward the cost of no more than three (3) pairs of OSHA approved safety shoes/boots per year. Shoe repair and resoling are reimbursable under this provision. Shoes/boots purchased under this provision are for the use of the worker exclusively.
- 9.4 Employee clothing seriously damaged or destroyed in conjunction with employment duties will be reasonably replaced by the City.
- 9.5 The City shall reimburse the Fleet Supervisor in the Maintenance Division who, as a condition of employment, is required to provide his or her own tools and equipment. Reimbursement will be made for tools that the worker selects to purchase, or for tools required to be added to the inventory in order to carry out his or her duties. Reimbursement will be made on submission of receipts, but no more than twice per fiscal year. The City shall reimburse a maximum of one thousand dollars (\$1,000.00) per fiscal year. The reimbursement shall be administered in accordance with Maintenance Division policy.

ARTICLE 10: HOLIDAYS

10.1 Fixed Holidays

Except as otherwise provided, workers within the representation unit shall have the following fixed holidays with pay:

New Year's Day	January 1
Martin Luther King Day	Third Monday in January
Washington's Birthday	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veterans Day	November 11
Thanksgiving	Fourth Thursday in November
Day after Thanksgiving	Fourth Friday in November
Christmas Eve	December 24

Christmas Day

December 25

- 10.1.1 In the event that any of the aforementioned days, except December 24, falls on a Sunday, the following Monday shall be considered a holiday. In the event that any of the aforementioned days falls on a Saturday, the preceding Friday shall be considered a holiday. In the event that December 24 falls on a Sunday, then the preceding Friday shall be considered a holiday.
- 10.1.2 Pay for Fixed Holidays. All workers shall be paid a full day's pay at their regular straight time base hourly rate for all fixed holidays as defined herein.
- 10.1.3 Work on Fixed Holidays. Any worker required to work on a fixed holiday and in addition to regular hours shall be paid time and one-half for such work in addition to his/her holiday pay. Work on a fixed holiday beyond the number of hours in a regular shift shall be compensated at double time.

10.2 Floating Holiday Time

Workers shall annually receive thirty-four (34) floating holiday hours off with pay, credited on the first pay period of the year. Workers hired after the first pay period of the year shall receive a pro-rated amount of floating holiday hours for the remainder of the calendar year.

The following conditions will apply to such floating days off:

- 10.2.1 Workers shall request a floating day off in accordance with normal vacation time off request procedure. In cases of conflicting requests for the same day made at the same time, length of service shall govern who receives the day off.
- 10.2.2 Floating days off must be used during or prior to the end of the first twenty-sixth (26) pay period of the ~~following~~ year in which it was credited or be forfeited.
- 10.2.3 If a worker fails to take a day off as scheduled, the day off so scheduled will be forfeited, unless a mutually agreeable alternative day off is arranged.
- 10.2.4 Any floating day off for workers who work less than full-time or less than a full year shall be prorated on the basis of hours worked as compared to full-time employment.
- 10.2.5 Floating holiday balances remaining at the time of separation will be forfeited. Employees who are laid off shall be permitted to exhaust their floating holiday balance prior to layoff, subject to department head approval, considering the needs of the department, specifically with regard to the worker's assigned duties and the worker's desires.

ARTICLE 11: VACATIONS

11.1 Each worker shall be entitled to an annual paid vacation, accrued as follows:

11.1.1 For full-time workers:

Less than three (3) years of service - 88 hours per year.

Three (3) years of service through five (5) years of service - 104 hours per year.

Six (6) years of service through ten (10) years of service - 136 hours per year.

Eleven (11) years of service through fifteen (15) years of service - 152 hours per year.

Over fifteen (15) years of service - 176 hours per year.

11.1.2 For permanent part-time workers: a proportional equivalent based on the assigned number of hours worked per week as compared to those worked by a full-time worker.

11.2 ~~Effect of Probationary Period~~

~~Vacations cannot be taken during the first six (6) months of employment; however, the probationary period counts for purposes of vacation accrual.~~

11.3 Maximum Accrual

Vacation may be accrued up to a maximum of three hundred thirty-six (336) hours for full time workers, and a prorated amount for permanent part time workers. After reaching said maximum, the worker must take time off or accrual will be frozen. Upon separation, there will be no payment for hours in excess of the maximum accrual.

11.4 Scheduling

The department head shall determine the vacation schedule considering the needs of the department, specifically with regard to the worker's assigned duties and the worker's desires. Vacation time requested shall not be unreasonably denied.

11.5 Payment on Separation ~~or Leave~~

Accrued vacation time up to the maximums described in Section 11.3 above shall be paid to a worker permanently separated from City service, ~~or, at the request of the worker, when granted a leave of absence.~~

11.6 ~~Cashout Provision~~ Vacation Cashout

An employee may cash out vacation leave in accordance with the vacation Cashout Policy. When a worker schedules three (3) but less than five (5) paid days off, he/she may cash in up to eighty (80) hours of accrued vacation time. When a worker schedules five (5) or more paid days off, he/she may cash in up to one hundred twenty (120) hours of accrued vacation time. No more than one hundred twenty (120) hours of vacation time may be cashed in during any one calendar year. The cashout check shall be made available one week before vacation commences provided the worker gives two weeks notice of his/her request in writing to the Personnel Division.

~~Should the scheduled vacation be canceled or not taken within six months of the date of the cashout, the cashed out funds shall be refunded to the City in accordance with a repayment schedule worked out with the Personnel Division.~~

ARTICLE 12: LEAVE PROVISIONS

12.1 Sick Leave

12.1.1 Accrual Rates. The City shall provide each worker with paid sick leave at the rate of eight hours per month, earned on a biweekly basis and computed as follows:

12.1.1.1 Full-time workers may accrue up to a maximum of one thousand four hundred forty (1,440) hours, and a proportional equivalent for part-time employees.

12.1.2 Use of Sick Leave. Sick leave shall be allowed and used in cases of actual personal sickness or disability, medical or dental treatment, or as authorized for other necessary health reasons. Up to six (6) days per year of sick leave may be used in cases of actual sickness or disability, medical or dental treatment of members of the worker's immediate family. ~~Such usage is in addition to personal business leave as described in Section 12.3 of this Agreement, and shall apply towards the provisions of Section 12.1.4.~~

~~If an employee is scheduled to work on a designated City holiday, and subsequently calls in sick, the employee shall not receive holiday pay. Sick leave shall not be coded on a day which is designated a City holiday. On these days, the worker shall receive credit for the holiday. Holiday shall be considered a work day for purposes of Article 12.2.1.~~

12.1.3 Abuse Enforcement. The City shall be obligated to monitor all sick leave use, and shall take appropriate actions to ~~insure~~ ensure that benefits are paid out only for ~~actual illness or injury~~ use as authorized in Section 12.1.2.

12.1.3.1 Any worker who does not have an accrued sick leave balance and who does not otherwise qualify under the provisions of this Article 12, shall not be paid for any day of sick leave called in, whether genuine or not.

12.1.3.2 Management has the authority to monitor potential sick leave abuse and patterns of abuse, and when there is a reasonable basis for suspecting such abuse, may require medical verification as a condition for payment of sick leave. ~~A sick leave incident policy is an acceptable means of detection and abuse enforcement as~~

12.1.4 Except for urgent and compelling reasons, employees who are not at work due to a non-work related illness or injury should not be contacted during their absence. This Section does not modify the provisions of Section 12.1.3, long as such policy is uniformly administered by the Personnel Division.

~~12.1.3.3 Abusive sick leave patterns automatically forfeit the worker's right to a merit increase, and may adversely affect transfers and promotions. Chronic abuse may result in severe disciplinary action, such as suspension, demotion or dismissal.~~

~~12.1.4 Award for Non Use. Workers who are employed the entire fiscal year with no interruptions in service and, as of June 30 of each year have taken no more than eight (8) sick leave hours during the course of the year, will receive an award of twenty four (24) hours of sick leave or twelve (12) hours of compensatory time off, as specified by the worker. Workers who have taken sixteen (16) hours of sick leave will receive sixteen (16) hours of sick leave or eight (8) hours of compensatory time off. Employees who have taken twenty four (24) hours of sick leave will receive eight (8) hours of sick leave or four (4) hours of compensatory time off. Any fractional usage of sick leave shall be rounded up to the next day.~~

~~A worker who calls in sick and, upon return, requests to use time from another leave bank for that absence, will be ineligible to receive the award for non use for the fiscal year.~~

~~Effective July 1, 2012, award for non use will be discontinued.~~

12.1.5 Compensation for Accumulated Sick Leave.

12.1.5.1 Resignation. A resigning worker who has fifteen (15) or more years of continuous service shall receive compensation for up to fifteen percent (15%) of his/her accumulated sick leave balance up to a maximum of five hundred (500) hours. Such compensation shall be based on the worker's rate of pay on his/her last day paid service to the City.

12.1.5.2 Retirement. A worker who retires under PERS from the City may elect to receive cash compensation for fifteen percent (15%) of his or her accumulated sick leave balance, up to a maximum of one thousand three hundred sixty (1,360) hours, based upon the worker's rate of pay on his or her last day of paid service to the City. If the worker was hired by the City prior to October 23, 2011, he or she may alternately convert their sick leave balance, up to a maximum of one thousand three hundred sixty (1,360) hours, to retirement health credits at the rate prescribed in

Section 12.1.5.3. Workers may combine any of the above two options.

12.1.5.3 A worker with a minimum of five (5) years of continuous service hired by the City prior to October 23, 2011 may elect to convert accumulated sick leave to retirement health credits upon retirement from the City according to the following schedule:

Five (5) years of service to fifteen (15) years of service: eight (8) hours of sick leave for each retirement health credit, with any remainder being rounded to the next higher credit;

Fifteen (15) years of service to twenty (20) years of service: six (6) hours of sick leave for each retirement health credit, with any remainder being rounded to the next higher credit;

Over twenty (20) years of service: three (3) hours of sick leave for each retirement health credit, with any remainder being rounded to the next higher credit.

12.1.5.4 Layoff. A worker hired by the City prior to October 23, 2011 may, upon layoff, after the health insurance benefit paid under Section 5.8.1 has been exhausted, convert up to a maximum of forty-eight (48) hours of the worker's accrued sick leave balance to retirement health credits at the rate prescribed in Section 12.1.5.3. If laid off with fifteen (15) or more years of continuous service, a worker may elect to receive compensation for up to fifteen percent (15%) of his/her accumulated sick leave balance up to a maximum of five hundred (500) hours, and may combine such option with the retirement health credit conversion described in this subsection if hired by the City prior to October 23, 2011, provided he/she has sufficient accumulated sick leave to do so. Under the compensation option, payout shall be based on the worker's rate of pay on his/her last day of paid service to the City.

12.1.6 Double Coverage. Workers who qualify for the retirement health credit conversion may elect double coverage at the rate of two (2) units for every month of paid health insurance.

12.1.7 Family Coverage. Workers who qualify for the retirement health credit conversion may elect family coverage at the rate of three (3) units for every month of paid health insurance.

- 12.1.8 Dental Coverage. Workers who qualify for the retirement health credit conversion may elect dental coverage at the rate of one-half (.5) unit for every month of paid dental insurance.
- 12.1.9 Transfer of Sick Leave for Catastrophic Illness. Transfer of sick leave for catastrophic illness is designed to assist workers who have exhausted sick leave due to a catastrophic illness, injury or condition of the worker. This policy allows other workers to make voluntary grants of time to that worker so that he/she can remain in a paid status for a longer period of time, thus partially ameliorating the financial impact of the illness, injury or condition.

A catastrophic illness is defined as an illness which has been diagnosed by a competent physician, requiring an extended period of treatment or recuperation, and which has a significant risk to life or life expectancy. Confirmation of the condition and prognosis by a health care provider chosen by the City may be required.

The ~~Personnel Division~~ Human Resources Department will discuss with AFSCME or their designated representative an appropriate method of soliciting contributions from coworkers. The contributions shall be submitted to the Personnel Division and Personnel will process the contribution list in the order established. Any worker shall be allowed to contribute a maximum of eighty (80) hours of sick leave from their accrued sick leave balance to another full-time or permanent part-time worker in the City who is suffering from a catastrophic illness and has exhausted his or her own sick leave, provided, however, they have maintained a positive sick leave balance of forty (40) hours or more following the donation. Once the contribution is made it cannot be rescinded.

Upon return to work, a worker may bank any remaining hours that have been contributed up to a maximum of forty (40) hours. If the contribution list has not been exhausted, the contributing workers will be notified that their contribution was not required and the balance restored.

12.2 Long Term Disability

12.2.1 ~~Should any illness or injury extend beyond thirty working (30) days, the City will insure~~ ensure continued payment to the worker at 66.67 percent of salary, up to a maximum as provided in the long-term disability policy. The amounts paid shall be less any payments received from either Workers' Compensation or retirement. During the first year of disability and so long as no retirement determination has been made by the City, the worker will be entitled to continued City paid health insurance, AD&D, dental and life insurance benefits providing that the employee continues to pay the employee share of the benefit cost, where applicable. Accrued leave earned shall only continue for periods during which the employee is utilizing accrued leave time, and to the accrual of vacation time. ~~At the end of 365 calendar days from the date of illness or injury or unless previously retired, should the worker not be able to return to work, the worker would officially cease being an employee and receive no further entitlements beyond the 66.67 percent salary requirement as provided in this Section 12.2.~~

12.2.2 ~~If a worker terminated after 365 calendar days from the date of illness or injury in compliance with 12.2.1 above, is medically certified to return to work within twenty four (24) months of the termination date, the worker may request re-employment with the City. The worker's request for re-~~

~~employment shall be accompanied by a physician's statement certifying the types of duties the worker is able to perform. This re-employment situation shall be conducted in accordance with Section 5.7. However, this re-employment status does not take precedence over workers on a re-employment list due to layoffs.~~

- 12.2.3 Workers who have a sufficient amount of sick leave time may, at the worker's option, use sick leave on a hour-for-hour basis to delay the start of the long term disability plan. The long term disability plan would start upon the exhaustion of sick leave. The City procedures which allow for follow-up of a worker who has been out on an extended disability shall apply to workers under this section.

~~Workers who have a sufficient amount of sick leave time may, at the worker's option, supplement long term disability benefits by using sick leave to make up the difference between the 66.67 percent salary payment and full salary during the first ninety (90) calendar days of the illness or injury.~~

12.3 Personal Business Leave

- 12.3.1 A worker shall be entitled to a maximum of three (3) days per year for Personal Business Leave without loss of pay. Such leave shall be deducted from floating holidays, vacation or compensatory time accrued sick leave, and shall apply toward Section 12.1.4 Award for Non Use.
- 12.3.2 Personal Business is defined as business of urgent and compelling importance which cannot be taken care of outside of normal working hours and which is not covered under other leave provisions of this Memorandum of Understanding or leave to care for a member of the immediate family who is ill or injured.
- 12.3.3 A worker shall notify the department head two (2) days before taking this leave, unless an emergency exists which prohibits the worker from providing such advance notice.
- 12.3.4 Workers shall complete an absence affidavit which shall verify that the worker's use of leave was for personal business of urgent and compelling importance or leave to care for a family member as defined above, and that such leave has not been used for recreational purposes, extension of holidays or vacation, work stoppages, or for matters of purely personal convenience.
- 12.3.5 ~~At the discretion of the supervisor, a worker may also use vacation, compensatory time off or floating holiday time to cover absences of an emergency nature.~~ No request shall be unreasonably denied.

12.4 Leave Without Pay

12.4.1 Vacancies created as a result of leave without pay may be filled in the following manner:

- a) By temporary employees for a maximum of six (6) months;
- b) By provisional employees.

If a leave is extended beyond the initial fixed period, temporary employees may be held over for up to three (3) months (for a total term of employment of nine (9) months) in a temporary capacity. Provisional employees may be held over if a leave is extended, or, in cases where the position is vacated, for the duration of the recruitment period.

12.4.2 Leaves of absence without pay may be granted in cases of personal emergency or when such absences would not be contrary to the best interest of the City.

12.4.3 Requests for leaves of absence without pay must be written and submitted to the department head and Personnel Officer. The Personnel Officer may grant a permanent employee leave of absence without pay for a period not to exceed one (1) year, during which time no benefits and no seniority credit will accrue. Approval shall be in writing and a copy filed with the Personnel Division. Upon expiration of a regularly approved leave, or within five (5) working days after notice to return to duty, the worker shall be reinstated in the position held at the time the leave was granted. Failure on the part of a worker on leave to report promptly at its expiration, or within three (3) working days after notice to report to duty, may be deemed notice of resignation and/or cause for disciplinary action.

~~12.4.4 During unpaid leaves of absence, the worker may elect to use accrued vacation time.~~

12.5 Jury Duty and Subpoenas

12.5.1 A worker required to report for jury duty or to answer a subpoena as a witness on behalf of the City, provided the witness has no financial interest in the outcome of the case, shall be granted a leave of absence with pay from his/her assigned duties until released by the court, provided the worker remits to the City all fees received from such duties other than mileage or subsistence allowances within thirty (30) days from the termination of jury service.

12.5.2 This leave of absence with pay shall extend to workers' whose regular shift is a shift outside of the hours of 8:00 A.M. to 5:00 P.M., so that such

workers shall not be required to work their regular shift on a day in which they perform jury duty or respond to a subpoena.

12.5.3 When a worker returns to complete a regular shift following time served on jury duty or as a witness, such time falling within work shift shall be considered as time worked for purposes of shift completion and overtime computation. In determining whether or not a worker shall return to his/her regular shift following performance of the duties above, reasonable consideration shall be given to such factors as travel time and a period of rest.

12.6 Military Leave

Military leave of absence shall be granted and compensated in accordance with all applicable laws. Workers entitled to military leave shall give the appointing power an opportunity, within the limits of military regulations, to determine when such leave shall be taken.

12.7 Bereavement Leave

A worker ~~with six (6) months or more service~~ shall be allowed regular pay for not more than 24 hours (or a prorated amount for permanent part time workers) when absent because a death has occurred in the immediate family. For purpose of bereavement leave, members of the immediate family shall be limited to mother, stepmother, father, stepfather, mother-in-law, father-in-law, grandmother, grandfather of the worker, or spouse, brother, stepbrother, sister, stepsister, child, grandchild, domestic partner or dependent of the worker.

To qualify for bereavement leave in the event of the death of a domestic partner, the worker must have filed a declaration of domestic partnership with the ~~Personnel~~ Human Resources Department prior to the request to utilize such leave.

Employees may use ~~personal~~ other appropriate leave for bereavement purposes for relations not included above provided such leave is approved in advance by the Department ~~head~~ Director.

12.8 Maternity Leave of Absence Without Pay

12.8.1 Maternity leave of absence without pay or benefits may be granted upon request to non-disabled probationary and permanent female workers for that period of time necessary for the worker to prepare for and recover from the effects of childbirth.

~~12.8.2 Maternity leave shall be granted when the following conditions have been met:~~

~~12.8.2.1~~ The worker shall notify her department head in writing accompanied by her physician's certificate of pregnancy as soon as possible after pregnancy has definitely been determined, but no later than ninety (90) days prior to tentative date on which the leave is to begin. Such notice shall include the tentative dates on which the leave shall begin and end.

~~12.8.2.2~~ Within thirty (30) days of the beginning of the maternity leave, the worker shall submit to the Personnel Officer the specific date she intends to begin the leave, accompanied by her physician's written statement attesting to the worker's ability to continue performing the full schedule of her duties and responsibilities. She shall continue on active duty until the specific date providing she performs the full duties and responsibilities of her position and furnishes additional health statements from her physician upon reasonable request.

~~12.8.2.3~~ Prior to the establishment of a specific date for return to duty, the worker shall submit to the Personnel Officer a notice of intention to return to duty, accompanied by her physician's statement certifying that the worker is medically qualified to assume full duties and responsibilities.

12.8.2.4 The ~~Personnel Officer~~ Human Resources Director or his/her designee may designate the specific beginning and ending dates to meet the needs of the worker and the City.

12.8.3 The worker on leave shall be returned to an equivalent position within her classification.

~~12.8.4~~ A maternity leave, absent physical disability, is granted without pay for the duration of the leave. The worker may elect to continue medical and dental insurance coverage for up to one (1) year during this leave at her own expense.

12.9 Leave for Pregnancy Disability

12.9.1 Workers who are working are entitled to use personal illness and injury leave for disabilities caused or contributed to by pregnancy, miscarriage, childbirth, and recovery therefrom on the same terms and conditions governing leaves of absence for other illness or medical disability. Such leave shall not be used for child care, child rearing, or preparation for childbearing, but shall be limited to those disabilities as set forth above. The length of such disability leave, including the date on which the leave shall commence and the date on which the duties are to be resumed, shall be determined by the worker and worker's physician; however, the

~~Personnel Officer~~ Human Resources Director may require a medical verification of ~~the extent of disability through a physical examination of the worker by a physician appointed by the City at City expense.~~

12.9.2 Workers are entitled to leave without pay or other benefits for disabilities because of pregnancy, miscarriage, childbirth, or recovery therefrom when sick leave had been exhausted. The date on which the worker shall resume duties shall be determined by the worker on leave and the worker's physician; however, the ~~Personnel Officer~~ Human Resources Director may require a verification of ~~the extent of disability through a physical examination of the unit member by a physician appointed by the City.~~

12.9.3 The worker on leave for pregnancy disability shall be entitled to return to an equivalent position within her classification.

12.10 Parental Leave

A worker/parent of either sex may be granted a leave of absence without pay for the purpose of fulfilling parenting responsibilities during the period of one (1) year following the birth of a child or the filing of application for adoption and actual arrival of child in the home. Such leave is to be for a maximum period of six months.

12.11 Miscellaneous Leave Provisions

12.11.1 Leaves of absence without pay which exceed four (4) weeks and are for leaves other than military, ~~or job related disability~~ shall not be included in determining seniority.

12.11.2 At the conclusion of a leave of absence a worker shall be returned to an equivalent position within his/her classification.

12.11.3 For any unpaid leave of absence the worker may elect to continue insurance coverage for up to the duration of his/her leave of absence at his/her own expense.

12.11.4 For any paid leave of absence, all benefits continue to accrue.

12.11.5 The ~~Personnel Officer~~ Human Resources Director ~~and or his/her~~ designee will designate the specific beginning and ending dates to meet the needs of the worker and the City, which shall not be less than four weeks nor exceed one unpaid year.

~~12.11.6 At the specified date for return to duty from unpaid leave, if the worker has been disabled, the worker's notice of intention to return to duty shall be~~

~~accompanied by a physician's statement certifying that the worker is medically qualified to assume full duties and responsibilities. If a worker is not medically qualified to assume full duties, on the date specified in Section 12.11.5, he/she shall be granted leave accumulated in accordance with Section 12.1.1 but shall not be entitled to any other benefits.~~

12.11.7 At the conclusion of a leave of absence for any disability the worker may be required to submit a physician's statement certifying that he/she is medically qualified to resume work.

~~12.11.8 Leaves shall not be unreasonably denied.~~

12.11.9 All provisions of this Article shall be administered in conformance with the ~~Family and Medical Leave Act~~ all Federal and State Laws.

12.12 Educational Leave and Tuition Reimbursement

12.12.1 The City shall contribute Four Thousand Dollars (\$4,000.00) annually on July 1st of each year to AFSCME educational leave and tuition reimbursement fund. The City will reimburse expenses for tuition, books and curriculum fees incurred by a worker, for classes completed in accredited institutions of learning or approved specialized training groups leading to an academic degree or improved job related skills. Programs must be approved in advance. Workers wishing to engage in educational programs involving work time may be granted rescheduled time if departmental operations permit. Payment from this fund shall be made on a tax-exempt basis only where the expenses are from educational expenses directly related to the worker's current employment, as defined by IRS law.

12.12.2 Workers may request an advance of funds subject to the approval of the ~~Personnel Officer~~ Human Resources Director. Advances may be granted for tuition, books and other curriculum fees in exchange for a repayment agreement in the event advances are not supported or courses are not satisfactorily completed as indicated by a grade of "C" or better. The worker may not elect to take a "pass-fail" grade if the letter system of grading is offered.

12.12.3 All workers assigned by the City to attend meetings, workshops, or conventions shall have their dues and reasonable expenses paid by the City and shall be allowed to attend such workshops, meeting and conventions on paid City time. Such required educational functions shall be reimbursed from departmental training funds and shall not be counted against the worker's allowance or the annual tuition reimbursement.

Workers may under the tuition reimbursement fund request reimbursement for trade publications, technical books, and printed materials related to the worker's employment.

- 12.12.4 Claims for qualified expenditures shall first be reimbursed to an individual maximum of seven hundred dollars (\$700) per fiscal year. After payment of all such claims, on June 30, should there be unused funds remaining in this fund, qualified claims in excess of seven hundred dollars (\$700) already paid, and received no later than July 15 of that year, shall be reimbursed on a pro-rata basis not to exceed a total annual individual reimbursement of Two Thousand Five Hundred Dollars (\$2,500).
- 12.12.5 The City will reimburse expenses for fees incurred by a worker, for courses completed in stress management, self defense, conflict resolution, and time management from this fund. Participation is limited to One Hundred Fifty Dollars (\$150.00) per worker per year, with a maximum for all such claims of Five Hundred Dollars (\$500.00) for the fiscal year.
- 12.12.6 Any unused balance in the fund remaining at the end of the fiscal year shall be added to the subsequent year's fund allotment, except that, upon implementation of this Agreement, provided the fund balance exceeds Eight Thousand Dollars (\$8,000), up to Four Thousand Dollars (\$4,000) shall be transferred to the dental and vision fund to provide additional funding for dental and vision claims during the term of this Agreement. At the end of each claims period, and after the status of the claims have been determined, the City shall provide the Union with that information and the Union, within five (5) days, will advise the City on how much of the Four Thousand Dollars (\$4,000) shall be transferred to the dental fund.

12.13 Health Savings Account

The parties agree to meet during the term of this Agreement to discuss the possible establishment of a Health Savings Account (HSA) ~~that would be totally funded by employee contributions~~. Any plan developed as a result of these discussions would be subject to approval by the City Council. Nothing herein shall be deemed to commit the City to provide a Health Savings Account.

ARTICLE 13: BENEFIT PROGRAMS

13.1 Medical

- 13.1.1 The City shall continue the existing coverage for medical insurance plans for workers through the term of this Agreement.

13.1.2 Each active and each retired worker shall receive a City contribution equal to the minimum employer contribution for agencies participating in the Public Employees' Medical and Hospital Care Act (PEMHCA).

13.1.3 ~~Each active worker shall be allocated an amount, inclusive of the City contribution specified in Section 13.1.2, to be used to purchase qualified benefits as described in this Section. The amount shall be allocated to each worker according to the health benefits selected, as follows:~~

\$1,646.33 per month	family coverage
\$1,281.02 per month	two-person coverage
\$625.51 per month	single coverage
\$186.88 per month	no coverage

13.1.43 ~~Effective with the implementation of plan year 2012 and thereafter, e~~Each active worker shall be allocated an amount, inclusive of the City contribution specified in Section 13.1.2, to be used to purchase qualified benefits as described in this Section. The amount shall be allocated to each worker according to the health benefits selected, as follows:

\$1,681.50 per month	- family coverage
\$1,296.55 per month	- two-person coverage
\$648.26 per month	- single coverage
\$186.88 per month	- no coverage

13.1.4 Effective with the implementation of plan year 2014 and thereafter, each active worker shall be allocated an amount, inclusive of the City contribution specified in Section 13.1.2, to be used to purchase qualified benefits as described in this Section. The amount shall be allocated to each worker according to the health benefits selected, as follows:

<u>\$1,931.07 per month</u>	<u>- family coverage</u>
<u>\$1,485.44 per month</u>	<u>- two-person coverage</u>
<u>\$742.72 per month</u>	<u>- single coverage</u>
<u>\$324.00 per month</u>	<u>- no coverage</u>

13.1.4 Effective with the implementation of plan year 2015 and thereafter, each active worker shall be allocated an amount, inclusive of the City contribution specified in Section 13.1.2, to be used to purchase qualified benefits as described in this Section. The amount shall be allocated to each worker according to the health benefits selected, as follows:

<u>\$2,085.56 per month</u>	<u>- family coverage</u>
<u>\$1,604.28 per month</u>	<u>- two-person coverage</u>
<u>\$802.14 per month</u>	<u>- single coverage</u>
<u>\$349.00 per month</u>	<u>- no coverage</u>

- 13.1.5 Each worker may use his/her allocated amount for:
- a. Health insurance in accordance with PERS regulations and Federal law;
 - b. Additional life insurance, provided by the City's insurance carrier, up to the maximum allowed by the City's carrier;
 - c. Child care expenses not otherwise reimbursed by the City;
 - d. Any personal medical, dental and vision care expenses not covered by the City's plans, including but not limited to deductibles, co-payments, medication and medical equipment.
 - e. If any worker expends less than the total of his/her allocated amount above the minimum employer contribution in 13.1.2, then that worker will be entitled to receive 80% of such unused amount in cash, subject to appropriate tax withholding.
- 13.1.6 Workers who have at least ten (10) continuous years of permanent service with the City and who retire under PERS shall be reimbursed by the City at the rate of one hundred dollars (\$100.00) per month toward the retiree's worker only health care premium once the worker has exhausted the sick leave conversion to retiree health credits under Section 12.1.5.3. This reimbursement shall be in addition to the minimum employer contribution for agencies participating in the Public Employees' Medical and Hospital Care Act (PEMHCA). This section shall not apply to workers hired in a permanent classified position in this unit after October 23, 2009.
- 13.1.7 For part-time workers who are a member of the unit, the City shall prorate the dollar amount allocated under Sections 13.1.3, 13.1.4, and 13.1.6.
- 13.1.8 Workers whose medical insurance premium costs exceed the combined allocation available through the cafeteria plan and Section 13.1.2 shall have the excess cost of their medical premiums paid with before-tax compensation through a premium conversion plan.
- 13.1.9 Each worker must enroll in an available PEMHCA health insurance plan or demonstrate that he or she has health insurance coverage that is at least eighty percent (80%) comparable overall to a PEMHCA plan in order to receive cash back under Section 13.1.5 (e).
- 13.1.10 Workers who wish to have domestic partners covered under the cafeteria plan may do so after filing the "Declaration of Domestic Partnership" form with the California Secretary of State and complying with any other requirements necessary to qualify for domestic partner health benefits under the PEMHCA health plans. It is understood that the premiums and benefits provided as a result of covering domestic partners may be taxable, and that the City will administer the program in accordance with State and

Federal Tax regulations.

- 13.1.11 The parties share an interest in addressing the increase in the cost of PEMHCA benefits. The City shall meet and confer with the Union prior to contracting with the alternative provider, consortia or group. However, the Union will have the option to remain in the PEMHCA program.

13.2 Dental and Vision

- 13.2.1 ~~The City shall contribute One Hundred Fifty Five Dollars (\$155.00) per worker per month to the City's self insured dental and vision program.~~

~~Effective January 1, 2012,~~ The City shall contribute One Hundred Seventy Five Dollars (\$175.00) per worker per month to the City's self insured dental and vision plan.

- 13.2.2 For purposes of dental reimbursement, the dental claims periods shall run from January 1 to June 30 and from July 1 to December 31. The maximum reimbursement for any claims period shall not exceed One Thousand Four Hundred Dollars (\$1,400.00) for a worker and Seven Hundred Dollars (\$700.00) for a worker's dependents or domestic partners. The maximum claim for vision shall not exceed Five Hundred Dollars (\$500.00) annually for any worker and Two Hundred Fifty Dollars (\$250.00) annually for a worker's dependents or domestic partners. Effective with the dental claim period beginning January 1, 2012, the maximum reimbursement for any claims period shall not exceed One Thousand Five Hundred Dollars (\$1,500.00) for a worker and Seven Hundred Fifty Dollars (\$750.00) for a worker's dependents or domestic partners.

The maximum reimbursement for vision shall be separate from the maximum reimbursement for dental.

- 13.2.3 On presentation of the City's Dental and Vision Reimbursement Forms accompanied by appropriate receipts, workers will be reimbursed for dental and vision care expenses not covered by other insurance plans up to the maximums set forth in Section 13.2.2 above. Worker reimbursement requests shall be processed upon receipt. At the midpoint between each claims period, workers may submit dependent or domestic partner reimbursement requests and the City will pay fifty percent (50%) of such request. The balance of any dependent or domestic partner adjustments will be made at the end of the normal claims period, provide sufficient funds are available. If the quarterly payments result in the fund having a negative balance, the negative amount will be adjusted during the next claims period. In that case, the parties will meet and discuss ways of eliminating future negative balances.

13.2.4 Any excess of funds shall be rolled over to the next period.

13.2.5 Domestic partner dental benefits may be taxable to the employee and the benefit will be administered in accordance with State and Federal Tax regulations.

13.3 Plan Descriptions

Descriptions of the insurance plans provided herein are contained in the PERS Basic Health Plan Book. The descriptions are for informational purposes only and do not affect the obligations hereunder.

13.4 City Recreation Programs

13.4.1 The City shall contribute Five Thousand Six Hundred Dollars (\$5,600.00) annually on July 1 each year to the AFSCME recreation reimbursement fund. The worker may request a recreation voucher from the Personnel Division for fees incurred by the worker and/or his/her dependents for participation in recreation programs run by the City's Community Services Department. The processing of the voucher shall be on a first come first served basis. Vouchers must be submitted to the Personnel Division during the fiscal year the expense was incurred. Such payments shall be made on a tax-exempt basis only where the employee and/or the dependent is enrolled on a space available basis, as defined by IRS law. The worker shall be subject to a maximum reimbursement of Six Hundred Dollars (\$600.00) for fees incurred during the first six months of the fiscal year, and a total of One Thousand Dollars (\$1,000.00) total in any entire fiscal year.

13.4.2 In the event that there are unused funds remaining in the recreation reimbursement fund on June 30 of any year, the funds shall be applied to the City's self insured dental program for this unit.

13.4.3 Employees may charge up to \$250.00 per year for recreation room rentals to this fund.

13.5 City Child Care Programs

The City shall contribute Eight Thousand Dollars (\$8,000.00) on July 1 of each year to the AFSCME Child Care reimbursement fund, and there shall be a One Thousand Two Hundred Dollar (\$1,200.00) maximum amount available to any individual employee, reimbursable at the rate of One Hundred Dollars (\$100.00) per month for as long as funds are available. These funds may be used to reimburse a worker for child care provided by any licensed child care provider or put toward the cost of any City run child care program in advance of actual enrollment in that program. Participants in this program will not be allowed to claim family members or any other care givers who are not licensed child care providers.

Such payments shall be made on a tax-exempt basis only where the employee and/or dependent is enrolled on a space available basis, as defined by IRS law.

In the event that there are unused funds remaining in the City Child Care Fund on June 30 of any year, the remaining money shall be prorated toward claims in excess of One Thousand Two Hundred Dollar (\$1,200.00) annual maximum, up to a total reimbursement of Two Thousand Dollars (\$2,000.00) for any fiscal year.

Any remaining money in the fund after the proration is applied shall be carried over and applied to the subsequent year's Child Care reimbursement fund.

13.6 Employee Assistance Program

The City shall continue to provide an employee assistance program to workers as currently provided.

13.7 Life Insurance

The City will provide to all workers life insurance at the rate of 1-1/2 times each worker's regular yearly wage.

ARTICLE 14: RETIREMENT

14.1 Retirement benefits for employees hired by the City prior to October 23, 2011, shall be those established by the California Public Employees' Retirement System (CalPERS) for local miscellaneous members 2.7% at age 55 formula, single highest year.

14.2 ~~Effective as soon as a contract amendment with CalPERS can be processed, retirement~~ Retirement benefits for new employees hired by the City on or after February 12, 2012, who are not new members as defined by CalPERS, shall be those established by the California Public Employees' Retirement System (CalPERS) for local miscellaneous members 2.0% at age 60 formula, highest three years.

14.3 For new employees, as defined by CalPERS, hired on or after January 1, 2013, retirement benefits shall be those established by the California Public Employees' Retirement System (CalPERS) for Miscellaneous Members 2.0% at age 62 formula, highest three years.

14.34 The City shall pay none of the employee's contribution to CalPERS. The full unit member's contribution shall be deducted from the unit member's pay by the City and forwarded to CalPERS in accordance with the rules and regulations governing such contributions.

- 14.45 The City will continue to apply Internal Revenue Code 414 (h)(2) on the employee's contribution to CalPERS.
- 14.56 Beginning with fiscal year 2011-12, should the employer rate rise above 15.850%, the increase shall be shared equally between the employee and the employer. As an example, if the employer rate for 2011-12 is 16.000%, the City shall pay 15.925% and the employee shall pay 8.075% (inclusive of the 8.000% fixed employee contribution).
- 14.7 Effective as soon as practicable and after January 1, 2014, the employee contribution towards the employer's contribution to the Public Employees' Retirement System (CalPERS) shall be taken as a pre-tax deduction from the employees' paycheck each payroll period. The City and the Union agree that the employee contribution towards the employer's contribution will continue past the expiration of the MOU. If for any reason the City is precluded from making this deduction or the deduction cannot be made on a pre-tax basis, the parties agree to meet and confer regarding ways to cure the defect.

ARTICLE 15: GRIEVANCE PROCEDURE

15.1 Definitions

15.1.1 A grievance is ~~defined as:~~

~~15.1.1.1 An alleged violation, misinterpretation or misapplication of the provisions of this Memorandum of Understanding, Personnel Rules, or other City ordinances, resolutions, policy and/or procedure manuals affecting the working conditions of the workers covered by this Agreement; or~~

15.1.2 A "Disciplinary appeal" is an appeal from a disciplinary action of a Letter of Reprimand or higher, against an employee covered by this Memorandum of Understanding.

~~15.1.1.2 An appeal from a disciplinary action of any kind against a worker covered by this Memorandum of Understanding.~~

15.1.2 A "grievant" is any worker adversely affected by an alleged violation of the specific provision of this Memorandum, or the Union.

15.1.3 A "day" is any day in which the City Hall of Menlo Park is open for business.

15.1.4 The “immediate supervisor” is the lowest level administrator who has been designated to adjust grievances and who has immediate jurisdiction over the grievant.

15.2 General Provisions

15.2.1 Every effort will be made by the parties to settle grievances at the lowest possible level.

15.2.2 All documents dealing with the processing of a grievance shall be filed separately from the personnel files of the participants, ~~except that this provision shall not apply to grievances challenging discipline imposed by the City under Article 21 of this Memorandum.~~

15.2.3 No party to a grievance shall take any reprisals against the other party to the grievance because the party participated in an orderly manner in the grievance procedure.

15.2.4 Failure of the grievant to adhere to the time deadlines shall mean that the grievance is settled. The grievant and the City may extend any time deadline by mutual agreement.

15.2.5 Every effort will be made to schedule meetings for the processing of grievances at times which will not interfere with the regular work day of the participants.

15.2.6 Either the City or the Grievant may be represented at any step of the grievance procedure by an individual of the party’s choice.

15.2.7 Any ~~unit member~~ employee may at any time present grievances to the City and have such grievances adjusted without the intervention of the Union, as long as the adjustment is reached prior to advisory arbitration and is not inconsistent with the terms of this Memorandum; provided that the City shall not agree to a resolution of the grievance until the Union has received a copy of the grievance and the proposed resolution and has been given the opportunity to file a response. Upon request of the grievant, the grievant may be represented at any stage of the grievance procedure by a representative of the Union.

15.2.8 Failure of a unit member to file a grievance over an adverse action which constitutes a “grievance” as defined herein shall not constitute a waiver of other unit members’ rights to file future grievances involving the same or similar adverse actions.

15.2.9 The City and Union may agree to consolidate grievances at Level III and beyond.

15.3 Grievance Procedure (for grievances as defined in 15.1.1)

Grievances will be processed in accordance with the following procedures. ~~The City and the Union agree that a written appeal by a permanent employee of discipline imposed by the City under Article 21 of this Memorandum shall proceed directly to Level III, except that grievances of written reprimands and suspensions of one (1) day or less shall begin with Level I.~~

15.3.1 ~~Level I - Informal Resolution~~Immediate Supervisor

15.3.1.1 Any ~~unit member~~employee who believes he/she has a grievance shall present the grievance orally to the immediate supervisor within ten (10) days after the grievant knew, or reasonably should have known, of the circumstances which form the basis for the grievance. Failure to do so will render the grievance null and void. The immediate supervisor shall hold discussions and attempt to resolve the matter within ten (10) days after the presentation of the grievance. It is the intent of this informal meeting that at least one (1) personal conference be held between the aggrieved ~~unit member~~employee and the immediate supervisor.

15.3.2 ~~Level II - Formal Written Grievance~~Department Director

15.3.2.1 If the grievance is not ~~settled during the informal conference~~resolved at Level I and the grievant wishes to press the matter, the grievant shall present the grievance in writing on the appropriate form to the ~~immediate supervisor~~Department Director within ten (10) days after the ~~informal conference~~oral decision of the immediate supervisor. The written information shall include:

- a) a description of the specific grounds of the grievance including names, dates, and places necessary for a complete understanding of the grievance;
- b) a listing of the provisions of this Memorandum which are alleged to have been violated;
- c) a listing of the reasons why the immediate supervisor's proposed resolution of the problem is unacceptable; and
- d) a listing of specific actions requested by the grievant of the City which will remedy the grievance.

15.3.2.2 The ~~immediate supervisor~~ Department Director or designee shall communicate the decision to the grievant in writing within ten (10) days after ~~receiving receipt of the~~ grievance. If the ~~Department Director or designee~~ immediate supervisor does not respond within the time limits, the grievant may appeal to the next level.

15.3.2.3 With the concurrence of the City, a worker or the Union may choose to file the formal grievance initially at Level III (the ~~Department Head~~ Director) instead of Level ~~III~~ I.

15.3.2.4 Within the above time limits either party may request a personal conference.

~~15.3.3~~ Level III - Appeal to Department Head

~~15.3.3.1~~ If the grievant is not satisfied with the decision at Level II, the grievant may within ten (10) days of the receipt of the decision at Level II appeal the decision on the appropriate form to the department head. This statement shall include a copy of the original grievance and appeal, and a clear, concise statement of the reasons for the appeal.

~~15.3.3.2~~ Grievances initially filed at this level challenging discipline imposed by the City under Article 21 of this Memorandum shall be filed in written form and shall include:

- ~~a)~~ name, classification, and supervisor of grievant;
- ~~b)~~ a description of the specific grounds of the grievance including names, dates, and places necessary for a complete understanding of the grievance; and
- ~~c)~~ a listing of specific actions requested by the grievant of the City which will remedy the grievance.

~~15.3.3.3~~ The department head shall communicate the decision to the grievant within ten (10) days. If the department head does not respond within the time limits provided, the grievant may appeal to the next level.

~~15.3.3.4~~ Within the above time limits either party may request a personal conference.

15.3.4 Level III - Appeal to City Manager

15.3.43.1 If the grievant is not satisfied with the decision at Level III, the grievant may, within ten (10) days of the receipt of the decision at Level III, appeal the decision to the City Manager. The statement shall include a copy of the original grievance, all decisions rendered and a clear and concise statement of the reasons for the appeal.

15.3.43.2 The City Manager or designee shall respond to the grievance in writing within ten (10) days of receipt of the written appeal.

15.3.54 Level IV - Arbitration

15.3.54.1 If the grievant is not satisfied with the decision at Level ~~IV~~III, the grievant may within five (5) days of the receipt of the decision submit a request in writing to the Union for arbitration of the dispute. Within fifteen (15) days of the grievant's receipt of the decision at Level ~~IV~~III, the Union shall inform the City of its intent as to whether or not the grievance will be arbitrated. The Union and the City shall attempt to agree upon an arbitrator. If no agreement can be reached, they shall request that the State Mediation and Conciliation Service supply a panel of five (5) names of persons experienced in hearing grievances involving City workers and who are members of the National Academy of Arbitrators (NAA). Each party shall alternately strike a name until only one (1) name remains. The remaining panel member shall be the arbitrator. The order of striking shall be determined by lot.

15.3.54.2 If either the City or the Union so requests, a separate arbitrator shall be selected to hear the merits of any issue raised regarding the arbitrability of a grievance. No hearing on the merits of the grievance will be conducted until the issue of arbitrability has been decided. The process to be used in selecting an arbitrator shall be as set forth in 15.3.5.1.

15.3.54.3 The arbitrator shall, as soon as possible, hear evidence and render a decision on the issue or issues submitted to him. If the parties cannot agree upon a submission agreement, the arbitrator shall determine the issues by referring to the written grievance and the answers thereto at each step.

15.3.54.4 The City and the Union agree that the jurisdiction and authority of the arbitrator so selected and the opinions the arbitrator expresses will be confined exclusively to the interpretation of the express provision or provisions of this Memorandum at issue between the parties. The arbitrator shall have no authority to add

to, subtract from, alter, amend, or modify any provisions of this Memorandum or impose any limitations or obligations not specifically provided for under the terms of this Memorandum. The arbitrator shall be without power or authority to make any decision that requires the City or the administration to do an act prohibited by law.

15.3.54.5 After a hearing and after both parties have had an opportunity to make written arguments, the arbitrator shall submit in writing to all parties his/her findings and award. ~~In situations where a termination is being arbitrated, the parties shall endeavor to conclude the hearing within sixty (60) days of the request for arbitration, and the written arguments shall be due within fourteen (14) days of the mailing of the transcripts.~~

15.3.54.6 The arbitrator shall make a final and binding determination.

15.3.54.7 The fees and expenses of the arbitrator shall be shared equally by the City and the Union (including the cost of any list of arbitrators requested pursuant to Section 15.3.4.1). All other expenses shall be borne by the party incurring them, and neither party shall be responsible for the expense of witnesses called by the other. Either party may request a certified court reporter to record the entire arbitration hearing. The cost of the services of such court reporter shall be paid by the party requesting the reporter or shared by the parties if they both mutually agree. If the arbitrator requests a court reporter, then the costs shall be shared by both parties.

15.4 Disciplinary Appeals

15.4.1 A "disciplinary appeal" is a formal written appeal of a Notice of Disciplinary Action (post-Skelly) of any punitive disciplinary action including dismissal, demotion, suspension, reduction in salary, letters of reprimand, or transfer for purposes of punishment. However, letters of reprimand are not subject to the arbitration provisions of this procedure. This procedure also shall not apply to the rejection or termination of at will employees, including those in probationary status. Any reduction in pay for change in assignment which occurs in the course of regular rotation and is not punitive shall not be subject to this procedure.

15.4.2 Persons on probationary status (entry-level or promotional) may not appeal under this agreement rejection on probation.

15.4.3 Letters of Reprimand may be appealed under this section only to the City Manager level (Section 15.4.4.)

15.4.4 Any appeal to any punitive disciplinary action (as defined in Section 15.1.2) shall be presented in writing to the City Manager within ten (10) days after receipt of the Notice of Disciplinary Action. Failure to do so will be deemed a waiver of any appeal. The City Manager or designee shall hold a meeting to hear the appeal within ten (10) days after the presentation of the appeal and shall issue a decision on the appeal within ten (10) days after the presentation of the appeal. For letters of reprimand, the City Manager's decision shall be final. However the employee may write a response and have that response included in his or her personnel file.

15.4.5 For appeals from dismissal, demotion, suspension, or reduction in salary, if the employee is not satisfied with the decision of the City Manager, the employee may, within ten (10) days of the receipt of the decision, submit a request in writing to the Union for arbitration of the dispute. Within twenty (20) days of the City Manager's decision, the Union shall inform the City of its intent as to whether or not the disciplinary matter will be arbitrated. The Union must be the party taking the matter to arbitration.

15.4.6 The parties shall attempt to agree to the selection of an arbitrator and may agree to strike names from a list provided by an outside agency such as the State Mediation and Conciliation Service. However, in the event that the City and the Union cannot agree upon the selection of an arbitrator within forty-five (45) days from the date that the Union has notified the City of its intent to proceed to Arbitration, either party may request a list of five (5) labor arbitrators who shall be retired judges of the Superior Court of the County of San Mateo. The Union and City shall attempt to agree to the selection of a retired judge. If no agreement can be reached, each party shall alternately strike a name from the list until one (1) name remains, who shall serve as the arbitrator.

15.4.7 The City and Union agree that the arbitrator shall prepare a written decision containing findings of fact, determinations of issues and a disposition either affirming, modifying or overruling the disciplinary action being appealed. The parties expressly agree that the arbitrator may only order as remedies those personnel actions which the City may lawfully impose.

15.4.8 The fees and expenses of the arbitrator (including the cost of any list of arbitrators) shall be shared equally by the City and Union. All other expenses shall be borne by the party incurring them, and neither party shall be responsible for the expense of witnesses called by the other. Either party may request a certified court reporter to record the entire arbitration hearing. By mutual agreement, the cost of the services of such

court reporter shall be shared equally by the parties. However, each party shall be responsible for the cost of transcripts that they order.

15.4.9 Nothing herein constitutes a waiver of City or employee rights otherwise granted by law.

ARTICLE 16: EFFECT ON EXISTING PRACTICES

16.1 Changes in Personnel Rules and Department Regulations

During the term of this Memorandum of Understanding, the parties hereto will meet and confer regarding changes proposed by the City in the City's Personnel Rules and Department Rules and Regulations.

16.2 Effect of Agreement

This Agreement completely supersedes any prior agreements between the parties. It also supersedes any conflicting provision in the City's Personnel Rules.

16.3 Existing Practices

Existing practices and/or benefits which are not referenced in this Memorandum and which are subject to the meet and confer process shall continue without change unless modified subject to the meet and confer process.

16.4 Waiver Clause

Except as provided in Section 16.3, Existing Practices, the workers waive their right to meet and confer during the term of this Agreement on any matter raised during the meeting and conferring which preceded this Agreement.

ARTICLE 17: NONDISCRIMINATION

~~The City agrees that there shall be no discrimination against any worker in regard to any of the terms and conditions of employment on account of that worker's race, religion, national origin, cohabitation, political activities, age, disability, sex, sexual orientation, Union membership or legitimate Union activities under this Agreement.~~

17.1 The parties agree that they, and each of them, shall not discriminate against any employee on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, sex, sexual orientation, medical condition or disability. The parties further agree that this Section shall not be subject to the Grievance Procedure provided in this Agreement.

17.2 The parties agree that they, and each of them, shall not discriminate against any employee because of membership or lack of membership in the Union, or because of

any authorized activity on behalf of the Union. The parties further agree that this Section may be subject to the Grievance Procedure provided in this Agreement.

ARTICLE 18: MANAGEMENT RIGHTS

18.1 Except to the extent that the rights are specifically limited by the provisions of this Agreement, the City retains all rights, powers, and authority granted to it or which it has pursuant to any law, including, but not limited to: The right to direct the work force; increase, decrease or re-assign the work force; hire, promote, demote; discharge or discipline for cause; transfer or reclassify employees; assign employees days of work, shifts, overtime and special work requirements, and to determine the necessity, merits, mission and organization of any service or activity of the City or of any City Department, Agency or Unit.

18.2 The City has the sole and absolute right to determine the nature and type of, assign, reassign, revoke assignments of or withdraw assignments of, City equipment, including motor vehicles, to or from employees during, after or before hours of duty.
~~The City hereby retains and reserves unto itself, without limitation, all powers, rights, authority, duties and responsibilities conferred upon and vested in it by the laws of the Constitution of the State of California, and of the United States, including, but not limiting the generality of the foregoing, the right:~~

~~18.1.1 — To set standards and levels of service;~~

~~18.1.2 — To determine the procedures and standards of selection for employment and promotions;~~

~~18.1.3 — To assign workers, including bargaining unit members, to do station maintenance, repair, painting and similar work;~~

~~18.1.4 — To direct its workers;~~

~~18.1.5 — To determine the methods and means to relieve its workers from duty because lack of funds or other lawful reasons;~~

18.1.6~~3~~ To determine the methods, means and numbers and kinds of personnel by which City operations are to be conducted, including the right to contract or subcontract bargaining unit work provided that the City will meet and confer in advance on the impact of subcontracting on work load and safety and any other matter within the scope of representation;

~~18.1.7 — To determine methods of financing;~~

~~18.1.8 — To determine size and composition of the work force and allocate and assign work by which the City operations are to be conducted;~~

- ~~18.1.9 To determine and change the number of locations, relocations and types of operations, processes and materials to be used in carrying out all City functions;~~
- ~~18.1.10 To make all decision relating to merit, necessity or organization of City Service;~~
- ~~18.1.11 To discharge, suspend, demote, reprimand, withhold salary increases and benefits, or otherwise discipline workers in accordance with applicable laws;~~
- ~~18.1.12 To establish employee performance standards including, but not limited to, quality and standards, and to require compliance therewith;~~
- ~~18.1.13 To take necessary actions to carry out its mission in emergencies; and~~
- ~~18.1.14 To exercise complete control and discretion over its organization and the technology of performing its work.~~
- ~~18.1.15 To take any and all steps necessary to discharge the City's responsibilities to provide for the safety of the public it serves and to provide employees with a safe working environment; provided, however, nothing herein shall preclude the Union from providing input, consulting and/or meeting and conferring with the City as required by law on such safety issues so long as such actions do not prevent the City from discharging these responsibilities.~~

18.23 The exercise of the foregoing powers, rights, authority, duties, and responsibilities by the City, the adoption of policies, rules, regulations and practices in furtherance thereof, and the use of judgment and discretion in connection therewith shall be limited only by the specific and express terms of this Memorandum and then only to the extent such specific and express terms hereof are in conformance with the Constitution and laws of the United States and the Constitution and laws of the State of California.

18.34 The exercise by the City through its Council and management representatives of its rights hereunder shall not in any way, directly or indirectly, be subject to any grievance procedure nor subject to meeting and conferring.

ARTICLE 19: CONCERTED ACTIVITIES

19.1 As used in this Article 19, "strike or work stoppage" means the concerted failure to report for duty, the willful absence from one's position, the stoppage of work, or the abstinence in whole or in part from the full, faithful performance of the duties of

employment for the purpose of inducing, influencing or coercing a change in the conditions of compensation, or the rights, privileges or obligations of employment.

- 19.2 It is agreed and understood that there will be no strike, work stoppage, slowdown, or refusal to fully and faithfully perform job functions with responsibilities, or any interference with the operations of the City, or any concerted effort designed to improve its bargaining position which interferes with, impedes, or impairs City operations by the Union or by its officers, agents or members. The Union agrees that neither the Union nor its officers, agents or members will, in any manner whatsoever, honor, assist or participate in any picketing activities, sanctions or any other form of interference with City operations by any other non-unit employees or members of other employee associations or groups.
- 19.3 Furthermore, the Union agrees that the provisions in this Article 19 are enforceable by the City in a Court of law. The City may, upon its own election, initiate such court action as it deems appropriate to enjoin or impose damages on the Union, its officers, agents or members for activities referred to herein.
- 19.4 It is further agreed and understood that neither the Union nor its officers, agents, or members shall engage in any boycott, picketing or any other concerted attempts to discourage, impair or negatively affect the businesses of members of the City Council.
- 19.5 Nothing herein shall be deemed to limit the remedies available to the City in dealing with concerted activities as described hereinabove.

ARTICLE 20: SEPARABILITY

If any provision of this Agreement shall be declared void or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement shall remain in full force and effect, except that either party to the Agreement may request the other party to meet and confer in regard to amending the Agreement to replace the provisions declared void or unenforceable. However, there will be no obligation on either party to agree on a replacement provision.

ARTICLE 21: DISCIPLINARY ACTION

- 21.1 For just cause, the City has the right to discipline, demote, or discharge permanent workers for unsatisfactory work or conduct. Disciplinary action, if taken must be acted upon within forty-five (45) days of the date of discovery of the basis for the discipline unless the City demonstrates that at the end of the forty-five (45) day period, it was engaged in an active, ongoing investigation of the allegations. ~~In such cases, disciplinary action must be taken within ten (10) days of the completion of the investigation.~~

21.2 Non-probationary workers whose work or conduct is unsatisfactory but not sufficiently deficient to warrant discipline, demotion, or discharge will be given a written notification of unsatisfactory work or conduct and an opportunity to improve. Failure to correct deficiencies and improve to meet standards may result in discipline, demotion or discharge. Reprimands shall not be subject to the arbitration provisions of Article 15, ~~Grievance Procedure~~Disciplinary Appeals.

21.3 Notice of disciplinary action must be in writing and served on the worker and their authorized Union representative in person or by ~~registered-certified and regular mail~~ prior to the disciplinary action becoming effective. The notice must be filed on a timely basis with the ~~Personnel Officer~~Human Resources Department and included in the worker's personnel file. The notice of disciplinary action shall include:

21.3.1 Statement of the nature of the disciplinary action;

21.3.2 Effective date of the action;

21.3.3 Statement of the reasons for the proposed action;

21.3.4 Statement in ordinary and concise language of the act or the omissions upon which the reasons for the proposed disciplinary action are based; and

~~21.3.5 — Copies of any documents or other items of evidence upon which the disciplinary action was fully or in part based.~~

21.3.6⁵ In all cases of disciplinary action, the notice shall include a statement advising the worker of his/her right to ~~grieve~~grieve-appeal such action and the right to Union representation.

21.3.7 In cases of demotion, discharge, or suspension ~~of five (5) days or more of workers in permanent status at the time of the discipline, the notice~~notice of intended discipline shall include a statement of the worker's right to respond, either orally, at a meeting requested by the worker, or in writing. The opportunity to respond shall be afforded prior to the action becoming effective, but the worker must respond no later than five (5) days after receipt of notice of intended disciplinary action. ~~If the worker has been removed from the job during such five (5) days period, the worker must contact the Personnel Division daily. A hearing~~conference, if requested, shall be scheduled and held as soon as possible but in no event later than thirty (30) days after receipt of notice of intended disciplinary action.

~~In cases of suspensions of less than five (5) days, the opportunity to respond as stated above shall normally occur prior to the action becoming effective. If the opportunity to respond is not afforded prior to the effective date, such right shall occur during or immediately after the suspension.~~

21.3.8 Nothing herein shall prohibit the Union from discussing the issue of a time limit on the duration in which the disciplinary action will remain in the worker's personnel file, however, by entering into such discussions, there shall be no commitment on the part of the City to agree to a time limit.

ARTICLE 22: TRANSFER

22.1 Definition

22.1.1 For purposes of this Article, a “transfer” shall consist of a change in work location of a worker from one work site to another work site within the City. Such a transfer does not encompass the process of assignment of a specific position and responsibilities within the department or work location. A worker assigned to more than one work site shall be considered as being transferred only when moved from one City-wide program to another program. A transfer may be initiated by a worker (“voluntary”) or by the City (“administrative”).

22.2 Voluntary Transfers as a Result of Posting and Filling Vacancies

22.2.1 A “vacancy” is a new position, an opening arising from a resignation, retirement, or termination, any position to which a worker is not assigned or which is not committed for purposes of leaves, unresolved administrative transfers or layoffs.

22.2.2 Notices of vacancies shall be posted for at least five (5) working days on the bulletin board in the City’s administrative offices. Such notices shall be posted as soon as the City determines that a vacancy exists and shall include the position description, location, and other special requirements. A copy of the vacancy notice shall be forwarded to the Union President and a second copy shall be forwarded to the Union office.

22.2.3 The request for transfer will be sent to the ~~Personnel Officer~~ Human Resources Director with a copy to the ~~Department Head~~ Director. A conference shall be held at the request of the worker or the Human Resources Director ~~Personnel Officer~~ in order to discuss the request.

22.2.4 For purposes of selection between two or more workers requesting transfer to a vacant position, the City shall consider the training experience, competencies, length of service in the City, past evaluations, and qualifications of each worker.

22.2.5 When the City has considered two or more workers requesting a transfer to a vacant position to be relatively equal on the basis of training, experience, competence, past evaluations, and qualifications, the worker with the most City-wide seniority shall be selected for transfer to the vacant position.

22.2.6 The City shall notify the worker requesting transfer, in writing, of the City’s acceptance or denial of the request. The City shall provide written reasons for not granting the transfer request upon the request of the worker.

Transfer requests shall be acted upon prior to filling positions by promotion or outside applicants.

- 22.2.7 Only one (1) voluntary transfer may be granted per worker in any one (1) year period.

22.3 Administrative Transfers

- 22.3.1 An administrative transfer may be initiated by the ~~Personnel Officer~~ Human Resources Director or his/her designee and shall be based exclusively on the work related special needs of the City and/or welfare of the workers involved and will not be for punitive or capricious reasons.

- 22.3.2 In the event that circumstances require that a worker be transferred on an administrative basis, the worker and the Union shall be informed of the reason(s) in writing prior to such action and shall be afforded an opportunity to meet with the Human Resources Director~~Personnel Officer~~ regarding the proposed transfer.

- 22.3.3 For purposes of selecting which worker shall be administratively transferred in order to meet the needs of the City, the City shall consider the training, experience, competencies, length of service in the City, past evaluations, qualifications, and current classification of each worker considered. All things being relatively equal, the worker with the least City-wide seniority will be transferred.

- 22.3.4 If total time of service with the City for two (2) or more workers considered equal is the same, then, as between those workers, the transfer will be determined by a lottery.

22.4 Length of Service Defined

- 22.4.1 For the purpose of this Article, "length of service" means all hours in paid status including holiday, vacation, and paid leave, but does not include any hours compensated for overtime or standby, military leave, unpaid illness, unpaid industrial accident leave, or hours served as temporary or contract employee in classification other than the classification from which the worker is being transferred.

- 22.4.2 No seniority credit shall be earned during periods of separation from service with the City, including suspension without pay as a result of disciplinary action.

ARTICLE 23: SAFETY

- 23.1 It is the City's intention to provide the safest possible equipment and working conditions to the workforce of the City of Menlo Park. Toward that end, the City is committed to making the necessary expenditures to purchase this equipment.
- 23.2 The Union and the City agree to continue to participate in the City Safety Committee.

ARTICLE 24: TERM OF AGREEMENT

This Agreement shall remain in full force and effect up to and including ~~October 31, 2013~~ June 30, 2015, and thereafter shall continue in effect year by year unless one of the parties notifies the other in writing no earlier than ninety (90) days prior to the expiration or subsequent contract anniversary and no later than sixty (60) days prior to the expiration or subsequent contract anniversary, of its request to modify, amend, or terminate the Agreement. If the parties enter into subsequent meeting and conferring regarding a successor agreement, the terms and conditions of this Agreement shall remain in effect until a successor Agreement is reached, or until meeting and conferring is concluded.

The terms of this Agreement shall be effective upon the adoption of this Agreement by the City Council except as otherwise provided by specific sections of this Agreement.

Dated: _____

City of Menlo Park

Local 829, A.F.S.C.M.E., AFL-CIO

MEMORANDUM OF AGREEMENT

In addition to the modifications to the Memorandum of Understanding between American Federation of State, County and Municipal Employees, Local 829, AFL-CIO and the City of Menlo Park, the parties, having met and conferred agree as follows:

1. ~~Workers who are receiving a two and one half percent (2.5%) premium in place of special merit will continue to receive the two and one half percent premium.~~
2. ~~To apply for all Departments, except for urgent and compelling reasons, workers who are ill will not be called at home when calling in absent. They shall call daily unless they have submitted a doctors note stating length of absence. They may call in early and leave word with any supervisor stating the following:~~

- A. ~~Non detailed nature of illness.~~
- B. ~~Estimated length of absence.~~
- C. ~~Any necessary information about work which needs attention during the workers' absence.~~

~~_____ This paragraph does not modify the provisions of Section 12.1.3.~~

3. ~~The parties agree to the Menlo Park Labor Management Committee as outlined in Appendix D.~~
4. ~~The City agrees to meet and confer with the Union over the job specifications on all unit positions impacted by the need for water distribution and treatment certification and appropriate compensation for such duties.~~

Dated _____

_____ City of Menlo Park A.F.S.C.M.E., Local 829, AFL-CIO

APPENDIX "A"

CLASSIFICATIONS REPRESENTED BY
AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES,
LOCAL 829, AFL-CIO

BELLE HAVEN FAMILY SERVICES PROGRAM MANAGER
BRANCH LIBRARY MANAGER
BUILDING OFFICIAL
BUSINESS MANAGER - DEVELOPMENT SERVICES
CHILDREN'S SERVICES MANAGER
CITY ARBORIST
COMMUNITY SERVICES MANAGER
CUSTODIAL SERVICES SUPERVISOR
DEVELOPMENT SERVICES MANAGER
ENVIRONMENTAL PROGRAMS MANAGER
FACILITIES SUPERVISOR
FINANCIAL SERVICES MANAGER
FLEET SUPERVISOR
GYMNASTICS PROGRAMS COORDINATOR
HOUSING MANAGER
INFORMATION SERVICES MANAGER
LIBRARIAN III
LITERACY PROGRAM MANAGER
PARKS AND TREES SUPERVISOR
PROGRAM SUPERVISOR/TITLE 5
PROGRAM SUPERVISOR/TITLE 22
RECREATION PROGRAM COORDINATOR
RECREATION SUPERVISOR
REVENUE AND CLAIMS MANAGER
SENIOR CIVIL ENGINEER
SENIOR TRANSPORTATION ENGINEER
STREETS AND WATER SUPERVISOR
SUPPORT SERVICES MANAGER
YOUTH SERVICES COORDINATOR

APPENDIX "C-1"

CITY OF MENLO PARK DENTAL PLAN

ELIGIBLE EMPLOYEES:

All present full-time salaried employees are eligible to participate in the plan.

Newly hired employees are eligible to participate in the plan following six months of continuous employment.

DEPENDENTS:

Dependents will be covered by the plan only if there should be sufficient funds to pay 100% of allowable employees claims.

Dependents shall be defined under this program as the employee's spouse and his/her children up to the age of 26.

MAXIMUM COVERAGE:

For each six-month period reimbursements shall be limited to the maximum coverage as stated in Section 13.2. Maximum coverage for workers who work less than full-time shall be prorated on the basis of hours worked as compared to full-time employment. Payments on claims will be based upon standard fees as determined by the dental committee.

REQUEST FOR REIMBURSEMENT:

A City of Menlo Park Dental Reimbursement Form must be completed by the employee's dentist indicating the type of service before the claim will be approved for reimbursement by the City. These forms are available through the Personnel Division. The forms should be returned to Personnel at the completion of treatment.

TERMINATION OF INSURANCE:

When the employee terminates with the City, his/her dental insurance ceases. Any outstanding claims up to the date of termination will be considered for payment as long as the employee has worked three of the six months in the reimbursement period.

COVERAGE

- Routine office visits and oral examinations, but not including more than one such examination of the same Covered Person in any six-month period.
- Fluoride or other prophylaxis treatments

- Dental X-Rays
- Extraction
- Teeth cleaning
- Oral surgery, including excision of impacted teeth
- Crown, bridges, except as specified under “exclusions and limitations”
- Orthodontic care, treatment, services and supplies
- Anesthetics administered in connection with oral surgery or other covered dental services
- Fillings
- Treatment of periodontal and other diseases of the gums and tissues of the mouth
- Endodontic treatment, including root canal therapy
- Initial installation of full or partial dentures or fixed bridgework to replace one or more natural teeth extracted while insured
- Replacement of an existing partial or full removable denture or fixed bridgework to replace extracted natural teeth; but only if evidence satisfactory to the City is presented that:
 - a. The replacement or addition of teeth is required to replace one or more additional natural teeth extracted while insured under the plan; or
 - b. The existing denture or bridgework was installed at least 5 years prior to its replacement and that the existing denture or bridgework cannot be made serviceable; or
 - c. The existing denture is an immediate temporary denture and replacement by a permanent denture is required, and takes place within 12 months from the date of installation of the temporary denture
- Replacement of a lost or stolen prosthetic device or bridgework
- Repair or recementing of crowns, inlays and fixed bridgework
- Repair or relining of dentures
- Other covered charges as determined by the Dental Committee

EXCLUSIONS AND LIMITATIONS

Covered dental expenses will not include charges:

- For any dental work covered under a Major Medical Expense Plan
- Incurred because of an accidental bodily injury which arises out of or in the course of employment, or a sickness entitling to the insured to benefits under the Workers' Compensation Act or similar legislation
- Incurred in a Veteran's Hospital by the hospital or by a dentist employed by the hospital
- Which are primarily for cosmetic purposes
- Incurred as a result or act of war, declared or undeclared
- Incurred for the initial installation of dentures and bridgework when such charges are incurred for replacement of congenitally missing teeth, or for replacement of natural teeth all of which were lost when the employee was not insured under the plan
- For space maintainers
- Incurred as a result of a need for prosthetic devices including bridges and crowns and the fitting thereof which were ordered while the employee was not insured under the plan, or which were delivered after termination of insurance
- Not found to be valid upon verification with the dentist rendering the service

HOW IT WORKS

The City of Menlo Park has agreed to contribute to a dental fund a monthly amount per employee. Accumulated funds will be used to reimburse employees for dental expenses they have incurred during a particular six month period, in accordance with Section 13.2. Any excess of funds shall be rolled over to the next period.

FORMS PROCEDURE

1. Obtain dental forms from the Personnel Division.
2. Submit the form to your dentist for his completion.
3. At the completion of your dental work or near the end of the reimbursement period, sign the form for that work which has been completed. Your dentist will also need to sign the form. Please return the form to the Personnel Division.

APPENDIX "C-2"

CITY OF MENLO PARK VISION PLAN

ELIGIBLE EMPLOYEES:

All present full-time or part-time permanent employees who are represented by A.F.S.C.M.E. and their dependents are eligible to participate in the vision plan.

Newly hired employees are eligible to participate in the vision plan after six months of continuous employment.

MAXIMUM COVERAGE:

For each one year period reimbursements shall be limited to the maximum coverage as stated in Section 13.2. Maximum coverage for workers who work less than full-time shall be prorated on the basis of hours worked as compared to full-time employment. Payments on claims will be based upon standard fees.

REQUEST FOR REIMBURSEMENT:

A City of Menlo Park Employees' Vision Claim Form must be completed by the employee indicating the type of service before the claim will be approved for reimbursement by the City. These forms are available through the Personnel Division. The forms should be returned to Personnel at the completion of treatment, and accompanied by a receipt from a qualified optometrist, ophthalmologist or optician. An accepted and properly completed request for reimbursement form will be eligible for prorated reimbursement within the one year period in which the vision care was performed.

TERMINATION OF INSURANCE:

When the employee terminates with the City, his/her vision insurance ceases. Any outstanding claims up to the date of termination will be considered for payment as long as the employee has worked three of the twelve months in the reimbursement period.

COVERAGE

- Routine eye examinations by an optometrist or ophthalmologist, but not including more than one such examination of the same Covered Person in any six-month period
- Eyeglasses, including lenses and frames

- Hard or soft contact lenses
- Other covered charges as determined appropriate

EXCLUSIONS AND LIMITATIONS

Covered vision expenses will not include charges:

- For any eye care covered under the employee's regular medical or health plan
- For noncorrective sunglasses, unless required for medical reasons
- For industrial and athletic safety frames and lenses
- For lens adornment, such as engraving and jewelry
- Incurred because of an accidental bodily injury which arises out of or in the course of employment, or a sickness entitling the insured to benefits under the Workers' Compensation Act or similar legislation
- Incurred in a Veteran's Hospital by the hospital or by an optometrist or ophthalmologist employed by the hospital
- Incurred as a result of act of war, declared or undeclared
- Not found to be valid upon verification with the optometrist, ophthalmologist or optician rendering the service

FORMS PROCEDURE

1. Obtain a Vision Claim form from the Personnel Division.
2. Complete the form and submit it with receipts to the Personnel Division.

APPENDIX "D"

Menlo Park Labor Management Committee Goal

GOAL

The Union and Management have a sincere desire to maintain and improve their progressive, mature and cooperative labor relations/personnel relationship throughout the length of the contract.

MEETINGS

In order to facilitate this, the parties agree to meet as necessary to discuss work and personnel/labor relations related issues of interest to either the workers or management. These meetings shall not replace informal grievance meetings nor the responsibilities of the parties to meet and confer pursuant to the law and the agreement. However topics may include preliminary discussions of matters which may later develop into more formal concerns to be dealt with in official forums.

PARTICULARS

In attendance will be representatives from the City of Menlo Park, as determined by the issues to be discussed. A Union staff person and three members selected by the union shall represent the workers. Additional department heads, members or consultants may be included as necessary.

Agenda shall be set in advance and mutually agreed to except that there shall be a regular item for either party to confirm or dispel rumors in labor relations/personnel topics since the last meeting.

Additional meetings may be set with mutual agreement.

Minutes shall be taken with each side alternately taking responsibility for taking and reproducing them. Confidential personal issues shall be discussed off the record and summarized in the minutes.

CALPERS LABOR MANAGEMENT COMMITTEE

Effective for the term of this agreement, the City and Union agree to the establishment of a Labor Management Committee (LMC) to serve as an advisory committee and to facilitate employee education and involvement in is

issues regarding CalPERS retirement benefits, including but not limited to, potential future costs increases and the impacts of said cost increases to the financial stability of the City.

The City and the Union shall each select their own representatives and in equal number, with no more than three (3) on each side. Each side is encouraged to propose issues for discussion, and the committee will jointly set priorities. Decision making within this forum will be by consensus. The LMC will set up regular meetings to occur not less than once per quarter and a means for calling additional meetings to handle issues on an ad hoc basis.

The LMC is not authorized to meet and confer or create contractual obligations nor are they to change the MOU to authorize any practice in conflict with existing contracts or rules.

APPENDIX "A"

CLASSIFICATIONS REPRESENTED BY AMERICAN FEDERATION OF STATE,
COUNTY AND MUNICIPAL EMPLOYEES, LOCAL 829, AFL-CIO

BELLE HAVEN FAMILY SERVICES PROGRAM MANAGER
BRANCH LIBRARY MANAGER
BUILDING OFFICIAL
BUSINESS MANAGER - DEVELOPMENT SERVICES
CHILDREN'S SERVICES MANAGER
CITY ARBORIST
COMMUNITY SERVICES MANAGER
CUSTODIAL SERVICES SUPERVISOR
DEVELOPMENT SERVICES MANAGER
ENVIRONMENTAL PROGRAMS MANAGER
FACILITIES SUPERVISOR
FINANCIAL SERVICES MANAGER
FLEET SUPERVISOR
GYMNASTICS PROGRAMS COORDINATOR
HOUSING MANAGER
INFORMATION SERVICES MANAGER
LIBRARIAN III
LITERACY PROGRAM MANAGER
PARKS AND TREES SUPERVISOR
PROGRAM SUPERVISOR/TITLE 5
PROGRAM SUPERVISOR/TITLE 22
RECREATION PROGRAM COORDINATOR
RECREATION SUPERVISOR
REVENUE AND CLAIMS MANAGER
SENIOR CIVIL ENGINEER
SENIOR TRANSPORTATION ENGINEER
STREETS ~~AND WATER~~ SUPERVISOR
SUPPORT SERVICES MANAGER
TECHNICAL SERVICES MANAGER
WATER SYSTEM SUPERVISOR
YOUTH SERVICES COORDINATOR

APPENDIX "B"
AFSCME SALARY SCHEDULE
12/15/13 - 6/30/15

ATTACHMENT C

Job Title	Steps	Min Hour	Max Hour	Min Biweekly	Max Biweekly
Custodial Services Supervisor	5	\$27.8445	\$33.4256	\$2,227.56	\$2,674.05
Gymnastics Program Coordinator	5	\$29.1331	\$34.9981	\$2,330.65	\$2,799.85
Program Supervisor - Title 5	5	\$29.1331	\$34.9981	\$2,330.65	\$2,799.85
Program Supervisor - Title 22	5	\$29.1331	\$34.9981	\$2,330.65	\$2,799.85
Recreation Program Coordinator	5	\$29.1331	\$34.9981	\$2,330.65	\$2,799.85
Youth Services Coordinator	5	\$29.1331	\$34.9981	\$2,330.65	\$2,799.85
Belle Haven Family Services Pgm Mgr	5	\$33.4256	\$40.2303	\$2,674.05	\$3,218.42
Literacy Program Manager	5	\$33.4256	\$40.2303	\$2,674.05	\$3,218.42
Recreation Supervisor	5	\$35.8651	\$43.2111	\$2,869.21	\$3,456.89
Business Manager - Development Services	5	\$36.6439	\$44.1692	\$2,931.51	\$3,533.54
City Arborist	5	\$36.6439	\$44.1692	\$2,931.51	\$3,533.54
Facilities Supervisor	5	\$36.6439	\$44.1692	\$2,931.51	\$3,533.54
Fleet Supervisor	5	\$36.6439	\$44.1692	\$2,931.51	\$3,533.54
Parks and Trees Supervisor	5	\$36.6439	\$44.1692	\$2,931.51	\$3,533.54
Streets Supervisor	5	\$36.6439	\$44.1692	\$2,931.51	\$3,533.54
Librarian III	5	\$37.5571	\$45.2741	\$3,004.57	\$3,621.93
Revenue and Claims Manager	5	\$37.5571	\$45.2741	\$3,004.57	\$3,621.93
Water System Supervisor	5	\$38.4006	\$46.2834	\$3,072.05	\$3,702.67
Branch Library Manager	5	\$39.3633	\$47.4306	\$3,149.06	\$3,794.45
Support Services Manager	5	\$41.2393	\$49.7322	\$3,299.14	\$3,978.57
Environmental Programs Manager	5	\$42.1525	\$50.8320	\$3,372.20	\$4,066.56
Financial Services Manager	5	\$42.1525	\$50.8320	\$3,372.20	\$4,066.56
Children's Services Manager	5	\$46.2834	\$55.8769	\$3,702.67	\$4,470.15
Community Services Manager	5	\$46.2834	\$55.8769	\$3,702.67	\$4,470.15
Housing Manager	5	\$46.2834	\$55.8769	\$3,702.67	\$4,470.15
Technical Services Manager	5	\$47.4306	\$57.2617	\$3,794.45	\$4,580.94
Building Official	5	\$48.4896	\$58.5998	\$3,879.17	\$4,687.99
Senior Civil Engineer	5	\$48.4896	\$58.5998	\$3,879.17	\$4,687.99
Senior Transportation Engineer	5	\$48.4896	\$58.5998	\$3,879.17	\$4,687.99
Information Services Manager	5	\$53.2948	\$64.4158	\$4,263.58	\$5,153.26
Development Services Manager	5	\$53.2948	\$64.4158	\$4,263.58	\$5,153.26

City/AFSCME Negotiations | 2013

TENTATIVE AGREEMENT-ARTICLE 1: RECOGNITION

This document sets forth the full agreement of the parties reached during these negotiations. Anything that is not included in this Agreement is not part of this Tentative Agreement.


This Agreement is considered tentative and shall not be considered final or binding until ratified by the AFSCME Membership and approved by City Council.

The parties understand that in the event either party rejects this Agreement, each party reserves the right to modify, amend and/or add proposals.

FOR CITY:

FOR AFSCME:


 Gina Donnelly
 Human Resources Director
 Date 11/13/13


 Sharon McAleavy
 AFSCME Business Agent
 Date 11/13/2013

ARTICLE 1: RECOGNITION

- 1.1 The Union is recognized as the exclusive representative of the classifications for City ~~workers-employees~~ as listed in Appendix "A" to this Agreement. Nothing herein shall be construed to discriminate against any individual who chooses to exercise his/her right of self-representation under Section 3502 of the Government Code.
- 1.2 Each newly established job classification shall be assigned to an appropriate representation unit by the Human Resources Director, after consultation with recognized employee organizations, if they find that there is an appropriate unit to which such job classifications may be assigned. An employee organization may appeal in writing from such assignment to the Human Resources Director within thirty (30) calendar days of said determination. If the Union is unsatisfied with the results of said appeal, the Union may invoke impasse procedures in accordance with Government Code 3500. Whenever, during the term of this Agreement, a worker is hired or reclassified to a position not contained in Appendix "A" and not contained in any other bargaining unit, his/her eligibility for inclusion in the bargaining unit shall be governed by the satisfaction of the following criteria:

In general the City shall adhere to objectives which require that the appropriate unit shall be the broadest feasible grouping of positions that share an identifiable community of interests. Factors to be considered may include:

- a. Similarity of the general kinds of work performed, types of qualifications required and the general working conditions.
- b. History of representation in the City and similar employment.
- c. Consistency with the organizational patterns of the City of Menlo Park.
- d. Number of employees and classifications, and the effect on the administration of employer-employee relations created by the fragmentation of classifications and proliferation of units.
- e. Effect on the classification structure and impact on the stability of employer-employee relationship of dividing single or related classifications among two or more units.

~~The meet and confer process shall be used to determine whether newly created positions shall be in the bargaining unit.~~

~~1.2.1 Permanent or provisional supervisory classifications that are subject to PERS membership where the worker supervises and signs performance evaluations for one or more permanent positions.~~

~~1.3 Section 1.2 shall not apply to any person who is an independent contractor.~~

1.43 The following ~~groups of workers~~ employees are not eligible for representation by this bargaining unit:

1.43.1 All sworn police and sworn police management classifications which are contained in other bargaining units;

1.43.2 Members of the Management Team who are not subject to merit system employment procedures or protection;

~~1.4.3 All non-supervisory classifications which are contained in other bargaining units;~~

1.43.4 ~~3~~ Independent contractors;

1.5 ~~On a monthly basis the City shall provide the Union with a listing of all temporary workers on the City payroll. Such listing shall include each temporary worker's department, rate of pay, classification, number of hours worked during the month, and cumulative hours worked.~~

City/AFSCME Negotiations | 2013

TENTATIVE AGREEMENT-ARTICLE 2: UNION SECURITY

This document sets forth the full agreement of the parties reached during these negotiations. Anything that is not included in this Agreement is not part of this Tentative Agreement.


This Agreement is considered tentative and shall not be considered final or binding until ratified by the AFSCME Membership and approved by City Council.

The parties understand that in the event either party rejects this Agreement, each party reserves the right to modify, amend and/or add proposals.

FOR CITY:

FOR AFSCME:


 Gina Donnelly
 Human Resources Director
 Date 11/13/13


 Sharon McAleavey
 AFSCME Business Agent
 Date 11/13/2013

ARTICLE 2: UNION SECURITY

2.1 Agency Shop

Consistent with the provisions of the California Government Code, Section 3502.5, an employee covered by this agreement shall either: (1) become a member of the Union and pay regular Union dues, or (2) pay to the Union an agency (representation) fee as permitted by law, or (3) present to the Union and the City's Human Resources Director a written declaration that he or she is a member of a bona fide religion, body, or sect that has historically held conscientious objections to joining or financially supporting public employee organizations. An employee who qualifies for this exemption shall, in lieu of the agency fee payment, pay an amount equal to the agency fee to one of the following non-religious, non-labor charitable organizations: To be determined. An employee who claims such exemption must submit written proof of such charitable payment annually to the Union and the Human Resources Director. If the employee fails to provide such written proof, the employee will be required to pay the agency fee.

2.2 Fee Deduction

If any employee in a classification covered by this MOU fails to authorize one of the above deductions within thirty (30) calendar days of date of hire or within thirty (30) calendar day's notice of the provisions of this agency shop, the City shall deduct the

agency fee from the employee's paycheck. The City shall determine the timing of such automatic deductions. The requirement that employees who are not members of the Union pay this representation agency fee shall remain in effect until the earlier of: (1) expiration of this Agreement; (2) termination of the Agency Shop clause by action of the bargaining unit; or (3) legislation invalidating the manner in which Agency Shop was adopted. In the event that employees in the representation unit vote to rescind Agency Shop, the provisions of Section 3.3 – Maintenance of Membership, shall apply to dues-paying members of the Union.

2.3 Maintenance of Membership

Any employee who becomes a member of AFSCME shall not revoke such authorization except during the thirty (30) calendar day period between ninety (90) calendar days and sixty (60) calendar days preceding the expiration of this Memorandum or Understanding.

Revocation during said period shall be by written, signed statement furnished to the City with a copy sent to the Union (by the City).

An employee who so withdraws from Union membership shall still be subject to the provisions of Agency Shop (Section 2.6.1 above).

An employee who is subsequently employed in a position outside of the AFSCME unit shall not be required to continue dues deduction.

2.4 Payroll Deduction

2.4.1 The Union may have the regular dues of its members within the representation unit deducted from employees' paychecks under procedures prescribed by the City for such deductions. Dues deductions shall be made only upon signed authorization from the employee upon a form furnished by AFSCME and distributed by the City, and shall continue until: (1) such authorization is revoked, in writing, by the employee pursuant to the provisions of this Section 3.4; or (2) the transfer of the employee out of the representation unit.

2.4.2 The Union shall notify the City at least thirty (30) days in advance of any change in its dues and fees.

2.4.3 Employees may authorize dues deductions only for the organization certified as the recognized employee organization of the unit to which the employees are assigned.

2.4.4 Employees may voluntarily elect to have contributions deducted from their paychecks under procedures prescribed by the District for the PEOPLE fund.

Such deductions shall be made only upon signed authorization from the employee and shall continue until such authorization is revoked in writing.

2.4.5 If, after all other involuntary and insurance premium deductions are made in any pay period, the balance is not sufficient to pay the deduction of Union dues, agency fee, or charity fee required by this Section, no such deduction shall be made for the current pay period.

2.4.6 The provisions of Section 3.4.1 above shall not apply during periods that an employee is separated from the representation unit, but shall be reinstated upon the return of the employee to the representation unit. For the purpose of this section, the term separation includes transfer out of the representation unit, layoff, and leave of absence without pay.

2.5. Union Obligations

2.5.1 The Union shall provide the City with a copy of the Union's Hudson Procedure for the determination and protest of its agency fees. The Union shall provide a copy of said Hudson Procedure to every agency fee payor covered by this Memorandum of Understanding and annually thereafter, and as a condition to any percentage change in the agency fee.

2.5.2 The Union will supply the City with deduction authorization forms and/or membership applications as well as other informational materials it wishes to be distributed to new employees.

2.5.3 Annually, the Union shall provide the City with copies of the financial report which the Union annually files with the California Public Employee Relations Board, the United States Department of Labor (Form LM-2), or the Union's balance and operating statement for the prior year. Failure to file such a report within sixty (60) days after the end of its fiscal year shall result in the termination of all agency fee deductions without jeopardy to any employee, until such report is filed.

2.5.4 The Union shall refund to the City any amount paid to it in error upon presentation of supporting evidence.

2.6 City Obligations

2.6.1 Any new employees hired into positions covered by this Memorandum of Understanding shall be provided by the City and shall execute an "Employee Authorization for Payroll Deduction" form selecting one of the following: (1) Union dues; (2) agency fee; or (3) if he/she qualifies pursuant to the

requirements of Section 2.1 above, a fee equal to agency fee payable to one of three negotiated charities.

2.6.2 P.E.O.P.L.E. Checkoff. All workers who choose to do so may request an additional deduction from their paychecks to be forwarded to the Union and accounted for in a separate notation. Such additional deduction shall be used for political campaign purposes and shall be totally voluntary.

2.6.3 All transmittal checks shall be accompanied by documentation which denotes the employee's name, employee ID number, amount of deduction and member or fee payor status.

2.6.4 The City shall hand out agreed upon Union materials along with Agency Shop forms.

2.7 Hold Harmless

The Union shall indemnify, defend, and hold the City harmless against any and all claims, demands, suits, orders, or judgments, or other forms of liability that arise out of or by reason of this Union Security section, or any action taken or not taken by the City under this Section 2. This includes, but is not limited to, the City Attorney's fees and costs.

~~2.1 When a person is hired in any of the covered job classifications, the City shall notify that person that the Union is the recognized bargaining representative for the worker's representation unit and give the worker a current copy of the Memorandum of Understanding.~~

~~2.2 Workers shall be free to become a member of the union or to refrain from becoming a member of the Union. Workers who voluntarily become Union members shall maintain their membership in the Union for the duration of this Memorandum of Understanding, provided, however, that workers may resign Union membership during the month of September, of the year this Memorandum of Understanding expires, by notifying the Union and the Personnel Division by certified mail.~~

~~2.3 The City shall deduct Union membership dues or insurance fees and any other mutually agreed upon payroll deduction from the biweekly pay of member workers. The dues deduction must be authorized in writing by the worker on an authorization card acceptable to the City and the Union. The City shall remit the deducted dues and other fees to the Union as soon as possible after deduction.~~

~~2.4 The Union shall indemnify and hold harmless the City from any damage, liability, cost, or attorneys' fees in the event of any action in which the City is named as a~~

~~party, which action involves the deduction of dues, use of dues after deduction, negligence of the Union regarding said dues or any similar claim.~~

2.58 Upon request from the Union, but not more than once every six (6) months, the City shall supply the Union with a list of the names, addresses, and classifications of all unit workers except those who file written notice with the ~~Personnel Division~~Human Resources Department objecting to release of addresses, in which case information will be transmitted without address. Once a month, the City shall supply the Union with a list of representation unit new hires, ~~terminations and retirements~~separations which occurred during the previous month. Additionally, once a month the City shall supply to the Union a list, generated by the City, that includes all represented employees, their Department, division and an indication of their membership status.

2.69 Except in cases of emergency, the Union shall be informed sufficiently in advance in writing by Management before any proposed changes not covered by this Memorandum of Understanding are made in benefits, working conditions, or other terms and conditions of employment which require the meet and confer or meet and consult process.

~~2.7 P.E.O.P.L.E. Checkoff. All workers who choose to do so may request an additional deduction from their paychecks to be forwarded to the Union and accounted for in a separate notation. Such additional deduction shall be used for political campaign purposes and shall be totally voluntary.~~

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City/AFSCME Negotiations | 2013

TENTATIVE AGREEMENT-ARTICLE 7: PAY RATES AND PRACTICES

This document sets forth the full agreement of the parties reached during these negotiations. Anything that is not included in this Agreement is not part of this Tentative Agreement.

This Agreement is considered tentative and shall not be considered final or binding until ratified by the AFSCME Membership and approved by City Council.

The parties understand that in the event either party rejects this Agreement, each party reserves the right to modify, amend and/or add proposals.

FOR CITY:

FOR AFSCME:


 Gina Donnelly
 Human Resources Director

11/13/13
 Date


 Sharon McAleavy
 AFSCME Business Agent

11/13/2013
 Date

ARTICLE 7: PAY RATES AND PRACTICES

7.1.X Sixty (60) days prior to the expiration of the MOU, the City shall conduct a salary survey of four (4) comparable mid-management classifications in different pay ranges and shall utilize the fourteen (14) traditional comparison cities. The Union and City shall meet in advance to discuss which classifications shall be compared.

The results of the survey shall be considered during contract negotiations. *AM*

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ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-191

Agenda Item #: F-5

REGULAR BUSINESS: Consider adopting Salary Ranges for non-represented and confidential employees, provide feedback on the Council policy regarding setting salary ranges, authorize the City Manager to administer salary increases within the range and authorize the City Manager to distribute one time bonuses of up to \$5,000

RECOMMENDATION

Staff recommends adopting a Resolution which will:

1. Provide legal compliance with the Government Code by publicly adopting a salary range for unrepresented and confidential employees.
2. Reauthorize the Control Point methodology, and/or provide direction regarding desired changes regarding Council policy for setting salaries.
3. Authorize the City Manager to modify compensation for unrepresented employees commensurate with an annual evaluation within the adopted Salary Range.
4. Authorize performance bonuses of up to \$5,000 per affected employee.

POLICY ISSUES

There are a number and variety of policy and compensation matters that need to be addressed by the City Council. Since the scope of these matters may not be achievable in any single City Council meeting, the policy issues are prioritized below ranging from minimal legal compliance to broader compensation policy modification. Items not resolved can be brought back at a future meeting.

The purpose of this report is to recommend for management as well as confidential employees:

1. The City Council attain legal compliance by adopting a Resolution establishing publicly adopted salary ranges.
2. The City Council reauthorize the Control Point Policy and/or provide general feedback on desired elements of a Compensation Policy for Council consideration for future Council discussion.

3. Anticipate that a Resolution setting **all** (represented and unrepresented) salary ranges will be presented annually as part of the budget process.
4. Adopt a Resolution to provide explicit authority to the City Manager to effectively manage the organization, including rewarding performance by allowing merit increases commensurate with an evaluation of the work performed.
5. Authorize the City Manager to provide more structure to the existing but deferred bonus program for implementation by the end of the fiscal year.

It should also be noted that while the City Manager and City Attorney's salaries should be included in the Resolution, both are covered by individual and separate contracts which set out salary and benefits. Neither would necessarily be covered by the proposed compensation policy, unless the City Council wished to use the same policy principles.

BACKGROUND

In 1994, the City of Menlo Park implemented a Management Pay for Performance System for its management classified positions. The system consists of two parts: an annual goal setting and performance appraisal process, and a market-indexed compensation system that includes salary schedule adjustments and pay for performance bonuses. There are currently 16 positions classified as management and three positions classified as confidential. Management employees are those considered to be appointed "at will" by the City Manager, or in other words have limited privileges regarding their employment rights. Confidential employees are those considered to handle sensitive information which would create conflicts if they were to belong to an employee group or union

Based on current Council policy, the City conducts an annual survey of comparable positions in fourteen cities of comparable size in San Mateo and Santa Clara counties or immediately adjacent to the City. The survey cities are listed in Attachment C. Market averages are computed for each position, which the City then uses to benchmark its salaries. The same market survey approach is used when memoranda of understanding are being negotiated with the City's collective bargaining units. The City sets its control point for salaries at the average of the survey cities in order to maintain a reasonably competitive compensation structure in the marketplace.

By Council Policy, actual salary increases would also factor in the current salary of the incumbent in comparison to the range and a percentage increase approved by the City Council. City Council last increased unrepresented salaries in April 2007, although the salary ranges continued to be updated through 2011-12 as authorized by the Resolution. In approximately 2009, the City Manager instituted a wage freeze for unrepresented positions. This wage freeze differs from represented employees who continued to receive merit increases if they were eligible for such increases. Due to various changes in benefit structures, unrepresented employees have not had an adjustment since 2007. Managers who worked for the City in 2007, take home *less* today than in 2007.

The Council previously considered this item during the budget discussion in June 2013 and at the July 16th City Council meeting. The Council requested additional information prior to taking action including a comparison of car allowances (Attachment E) and health benefits (Attachment F) with the survey cities.

ANALYSIS

The purpose of this report is to provide the additional information requested by the City Council, and reach conclusion on a number of complex issues. In an effort to clarify the recommended actions, this report is broken into three different sections in priority order:

1. Legal compliance,
2. Determination of a compensation policy, and
3. Authorizing the City Manager to incent and reward performance.

Before addressing the possible approaches, it is important to identify which positions are affected by this compensation policy. All Department Heads are included:

Assistant City Manager	Police Chief
Public Works Director	Finance Director
Community Services Director	Community Development Director
Human Resources Director	Library Services Director

The Executive Management Group also includes Assistant Department Heads and/or Division Heads:

Police Commander	Engineering Services Manager
Transportation Services Manager	Assistant Public Works Director
Assistant to the City Manager	City Clerk
Economic Development Manager	

Confidential Employees

Human Resources Analyst	Human Resources Assistant
Executive Secretary to the City Manager	

Reorganization plans are being developed for the Police Department, Community Development and the Community Services Department which would reclassify three new positions to the total Executive Management Group: Lieutenant, Community Services Superintendent and Assistant Community Development Director.

In addition, the three "Confidential" positions are not separately identified in any pay plan, although each of the three positions is "linked" to pay ranges in the American Federation of State, County and Municipal Employees Memorandum of Understanding (MOU). Representation by policy would create an inherent conflict due to the access to highly confidential information. These classifications receive a 2.5% confidential allowance in recognition of their unrepresented status.

1. Legal Compliance

The Government Code Section 20636(b)(1) requires a publicly available pay schedule. This Section was further clarified by California Code of Regulations (CCR) Section 570.5 to require that the pay schedule has been “duly approved and adopted by the employer’s governing body in accordance with requirement of applicable public meeting laws” and “identifies the position title for every employee position.” To comply with CCR requirement, staff recommends adopting the attached Resolution (Attachment A) identifying the current positions and a salary range consistent with the City Council’s current compensation policy. This Resolution achieves compliance by listing the salary range for all Executive Management and Confidential positions.

The three confidential positions salaries are increased 4.5% consistent with the recent AFSCME contract. The past practice has been to set the confidential position salaries and benefits to be consistent with AFSCME, not with salary survey information.

2. Management Compensation Approaches

To abbreviate this report, Attachment B provides overviews of compensation models including:

- A. the current “Control Point Policy”,
- B. an alternative of standardizing to fewer salary range as proposed during the first presentation during the budget discussion in June, and/or
- C. a less structured approach to salary setting based on economic factors (cost of living and ability to pay), comparative Executive positions in survey cities and internal reporting relationships within the city.

As background, each comparison city’s business model functions differently based on the span of services and the governance principles of the City Council. Each approach has value, and in some cases overlapping worth in determining how to set salary ranges, but ultimately the determination of policy is based on the values of the City Council.

Not all cities have a written policy regarding salary setting but even if a written policy exists, the factors listed above often also influence the final determination of a City Council as they set salary ranges. Having a clear compensation policy is considered a Best Practice that assists the staff in preparing recommendations for City Council consideration in labor relations. A graph summarizing the City Council policies of our survey cities is provided as Attachment C.

The City Council’s current policy uses an average of the survey cities as the cap on the salary range for each position. This approach results in salary ranges that are average compared to the survey cities. Because wage and performance pay has been essentially frozen for a number of years, longer term employees are often lower in their salary range than employees who were hired more recently.

3. Administrative Authority to Incent and Manage Performance

Unlike most General Law Cities, the City of Menlo Park municipal code does not provide explicit authority to the City Manager to adjust the pay of unrepresented employees. Based on the business practices in other municipalities, this lack of authority is extremely unusual. The City Manager's ability to manage the organization is restricted, with no authority to incent or reward high performance. In most California General Law cities, the City Manager has the authority to periodically increase/decrease the salaries of management employees based on performance up to the top of the salary range. For a high performing management employee it would be normal for the City Manager to give raises annually up to the salary range cap.

In prior years, the City Council authorized the City Manager to provide salary increases up to a certain limit for all Executive Management classifications. This approach provides a cost of living increase but no performance or merit increases. The most recent increase authorized by the City Council was in March 2007 approximately six years ago. At that time the Council authorized increases of up to 4%.

The City Manager does have the authority to hire a new employee anywhere within the salary range, resulting in a frustrating conundrum of authority which allows appointment of a new Department Head at a higher salary than the separating experienced Department Head. We lack the institutional knowledge to understand the purpose of this approach, but can verify, based on the results of a recent survey, that all of the other cities in San Mateo County provide authority to the City Manager to administer the Council approved pay plan.

To enable the City Manager to manage the organization, staff recommends modifying the Resolution to authorize the City Manager to administratively reward performance by increasing/increasing salaries at his discretion within the range established in Attachment A. The detail survey for each classification is provided in Attachment D.

Bonus Program

A previous City Council established a Bonus program, to reward performance as part of their action in 1994. This program has not been active in recent years due to the economic recession, but could be revitalized for the unrepresented employees.

The City Council members have expressed interest in bonus programs to help reward high performers, including some of the represented groups which will be under discussion during the current contract with AFSCME to work out the details. Given the prior history with a performance program for unrepresented employees, staff recommends the Council consider authorizing the City Manager to set performance goals for the unrepresented employees by January 30, 2014 for consideration of a bonus by fiscal year end at the discretion of the City Manager in an amount not to exceed \$5,000 per employee and a total amount not to exceed \$90,000. This effort could serve as an opportunity to reincorporate a bonus program.

The parameters of the program would be similar to the process that occurred in prior years, although specific goals and outcomes will need to be updated to be consistent with the current Council's goals. The City Manager will set goals to incentivize achievement of particular outcomes following the Council's goal setting currently scheduled for January 27, 2014 (subject to Council approval).

IMPACT ON CITY RESOURCES

Adopting salary ranges will not impact City resources but authorizing the City Manager to administer salary increases within the range may impact the budget. The budget may be more directly impacted by the high level of staff turnover and the need to hire new employees closer to the cap of the range since our salary ranges are not competitive in an overall market that is experiencing a high level of turnover of highly experienced staff.

The Fiscal Year 2013-2014 budget provides for limited salary increases for employees and includes funding for the bonus program.

ENVIRONMENTAL REVIEW

A compensation policy is not subject to environmental review.

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Resolution approving salary ranges
- B. A summary of Policy Approaches to Salary Setting
- C. A graph of Council Policies of the Survey Cities
- D. Detailed survey for each position
- E. Survey of Car Allowances
- F. Survey of Health Benefits

Report prepared by:
Starla Jerome-Robinson
Assistant City Manager

RESOLUTION NO.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK AMENDING THE MANAGEMENT/CONFIDENTIAL EMPLOYEE COMPENSATION SCHEDULE

WHEREAS, PURSUANT TO THE California Government Code, the City Council shall periodically update and approve compensation schedules for City employees, either through approval of collective bargaining agreements and/or through approval of a resolution(s) establishing or modifying compensation ranges for employees not covered by collective bargaining agreements; and

WHEREAS, the City Manager is responsible for the preparation and recommendation to the City Council for updates to the compensation schedule for management and confidential employees; and

WHEREAS, the City Manager is responsible for the efficient administration of all of the affairs of the City which are under his control, including oversight of, intermittent performance reviews for designated managers and confidential staff and performance related salary adjustments; and

WHEREAS in addition to his general powers as administrative head, and not as a limitation thereon, it shall be his duty and he shall have the power:

To control, order and give directions to all heads of departments, subordinate officers, and employees of the city, except the city attorney; and to transfer employees from one department to another, and to consolidate or combine offices, positions, departments or units under his direction;

To appoint and remove any officers and employees of the city except the city attorney, subject to the rules relating to personnel management;

To exercise control over all departments of the city government and over all appointive officers and employees thereof, except the city attorney;

To amend the Management and Confidential Employees Compensation System as necessary in accordance with the Management Pay for Performance System for Employees in Positions Classified as Management and Confidential; and

To increase salaries for employees in positions classified as Management and Confidential to any point within the attached salary range for the classification of each employee.

NOW, THEREFORE BE IT RESOLVED, that the City of Menlo Park, acting by and through its City Council, having considered and been fully advised in the matter and good cause appearing therefore do hereby approve the recitals set forth above and the

Compensation Schedule attached hereto as Exhibit A, incorporated herein by this reference.

BE IT FURTHER RESOLVED by the City Council of the City of Menlo Park that the City Council does hereby authorize the City Manager to administer the Management Compensation System to grant compensation increases within the authorized Salary Ranges in accordance with the Management Pay for Performance System for employees in positions classified as Management and Confidential.

BE IT FURTHER RESOLVED that any enacted compensation provisions contained in previous resolutions of the City Council are hereby superseded and replaced by the compensation provisions contained in this Resolution, except for the Commander salary range previously established on June 14, 2011 which remains the same at \$139,200-\$174,000.

I, Pamela Aguilar, City Clerk of Menlo Park, do hereby certify that the above and foregoing Council Resolution was duly and regularly passed and adopted at a meeting by said Council on the tenth day of December 2013, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this tenth day of December 2013.

Pamela Aguilar
City Clerk

EXHIBIT A

City of Menlo Park Management Compensation Schedule July 1, 2013 through June 30, 2014					
	--- 2011-2012 ---		--- 2013-2014 ---		
Classification	Annual Minimum	Annual Maximum (CP)	Annual Minimum	Annual Maximum (CP)	
ASSISTANT CITY MANAGER	\$ 149,616	\$ 187,020	\$ 152,544	\$ 190,680	1.96%
ASSISTANT DIRECTOR OF PUBLIC WORKS	\$ 111,082	\$ 138,852	\$ 120,586	\$ 150,732	8.56%
ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR			\$ 114,490	\$ 143,112	
ASSITANT TO THE CITY MANAGER			\$ 98,419	\$ 123,024	
BUSINESS DEVELOPMENT MANAGER	\$ 103,690	\$ 129,612	\$ 111,149	\$ 138,936	7.19%
CHIEF OF POLICE	\$ 149,856	\$ 187,320	\$ 152,678	\$ 190,848	1.88%
CITY CLERK	\$ 90,374	\$ 112,968	\$ 94,406	\$ 118,008	4.46%
COMMANDER (shown for information only)	\$ 132,010	\$ 165,012	\$ 131,280	\$ 164,100	* -0.55%
	Based on survey - not the June 2011				
COMMUNITY SERVICES SUPERINTENDENT			\$ 93,341	\$ 116,676	
DIRECTOR OF COMMUNITY DEVELOPMENT	\$ 142,214	\$ 177,768	\$ 142,550	\$ 178,188	0.24%
		Based on survey - not what the Chief recommends			
DIRECTOR OF COMMUNITY SERVICES	\$ 143,856	\$ 179,820	\$ 143,731	\$ 179,664	-0.09%
DIRECTOR OF LIBRARY SERVICES	\$ 135,754	\$ 169,692	\$ 137,059	\$ 171,324	0.96%
DIRECTOR OF PUBLIC WORKS	\$ 145,498	\$ 181,872	\$ 145,718	\$ 182,148	0.15%
ENGINEERING SERVICES MANAGER	\$ 123,811	\$ 154,764	\$ 120,586	\$ 150,732	-2.61%
FINANCE DIRECTOR	\$ 144,643	\$ 180,804	\$ 144,211	\$ 180,264	-0.30%
HUMAN RESOURCES DIRECTOR	\$ 134,813	\$ 168,516	\$ 129,984	\$ 162,480	-3.58%
LIEUTENANT			\$ 124,061	\$ 155,076	
TRANSPORTATION SERVICES MANAGER			\$ 120,586	\$ 150,732	

**Confidential Compensation Schedule
July 1, 2013 through June 30, 2014**

Human Resources Assistant*	\$ 73,172	\$ 76,464
Executive Secretary to the Ciyt Mgr*	\$ 78,345	\$ 81,870
Human Resources Analyst*	\$ 92,401	\$ 96,559
*Includes 2.5% pay as Confidential		

* shown for information only - actual salary range remains as adopted by City Council June 14, 2011 of \$139,200 - \$174,000

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Attachment B: Summary of Policy Approaches to Salary Setting

The Control Point Approach

The control point system was originally authorized by City Council in 1994. **Exhibit A** provides pages 4 and 5 of the report plus an example of the Control Point system referenced in the 1994 memo from the City Manager describing the Pay for Performance System.

The current policy and practice for adjusting the salary ranges (*not* salaries) is to survey 14 neighboring and/or like sized Cities. Each year, the Personnel Director would survey each City for the salary of each unrepresented employee classification, to set the control point. The control point was set at the average of the salaries of the 14 survey Cities for each Management position. The change in range (decreased/increased) would have two results. First, with a change in the salary range, it was possible that the City Manager could, but would not necessarily; provide an increase for a Department Head. A change in the range would also modify the salary range for appointment of new management employees by the City Manager. The Pay for Performance Plan also authorized a bonus program for the Executive Staff, which was frozen in 2008 by the City Manager due to economic restraints caused by the recession.

One option is to continue using the Control Point approach, which staff recommends. This approach has been used for the past 19 years by the City of Menlo Park, and will enable adoption of a salary range to achieve legal compliance.

This approach will result in the establishment of a salary survey for most positions. The attachment to the Resolution (ATTACHMENT A) provides an overview of the impact on each salary range if this method is continued. ATTACHMENT D shows the detail of each position's salary survey to provide the City Council with more information to better understand the conclusions of the salary survey.

One drawback to this approach is that not all of the positions have sufficient matching classifications in the other 14 cities to be statistically reliable. Specifically the Economic Development Manager, the Human Resources Director, the Director of Library Services and the Assistant to the City Manager are examples of positions which have only four or five comparable comparisons in the current survey cities. While each City has a position with a similar classification title, each City may not use the position differently or may not have the same scope of responsibilities as in Menlo Park.

Note that using the survey methodology some salary ranges increase and some decrease, based on the changes in the other survey cities. Currently the salaries of management classified employees range between 78% and 96% of the calculated *average*, except for the Police Commander positions. The Police Commander(s) salary ranges were adjusted (\$139,200 to \$174,000) in June 2011 to increase the Commander pay due to the compaction with the Sergeants pay. This salary range remains greater

Attachment B: Summary of Policy Approaches to Salary Setting

than the survey results, and staff does not recommend changing the salary range until the compaction issue with the Sergeants has been resolved.

Standardize to fewer Salary Ranges:

In June, a new approach to setting management and confidential employee salaries was introduced to the City Council. This approach was intended to clarify several vagaries to enable more efficient and effective employee recruitment and retention. The original staff recommendation structured the six Department Heads into a single salary range of \$135,000 to \$182,250, with a slight differential for the Chief of Police and the Assistant City Manager. All of the other classifications salary ranges were based on the most recent salary data available (as of June 2013 when the report was submitted to the City Council) or on historical internal relationships. As an example, the Transportation Services Manager is tied to the salary survey of the Engineering Services Manager and Assistant Public Works Director, not to a salary survey for Transportation Services Manager. These lateral positions have equivalent responsibility in the Public Works Department, emphasizing the appropriateness of consistent salary ranges. As discussed above, in some cases (such as the Transportation Services Manager) there are not sufficient comparative positions to feel confident that the survey considers the scope of responsibilities, and internal and external relationships.

This approach provides more flexibility to reward high performing employees but also allows for internal consistency between positions which have either a reporting relationship or an equivalent level of responsibility within the organization.

Consider Other Factors in setting salary ranges

As additional information, Attachment C, summarizes factors considered by City Council in the Cities we compare ourselves to. A review of the salary setting policies of other Cities was undertaken based on their written policies. In general, the factors considered include:

- Salary survey's of other Cities

- Maintenance of consistency with represented groups to create equity and sufficient pay difference between subordinates and supervisors

- Public and private employment salaries

- City Manager discretion

- Economic factors such as City's ability to pay and overall labor market

- Consideration of sufficient pay differential between a subordinate and supervisor

Pay for Performance System

The Pay for Performance System (PPS) is recommended for implementation in January 1995. The PPS was developed after reviewing several such systems. It incorporates many of the principles and components of the City of Sunnyvale system.

The basic components of the system are:

1. Control Point:

a. In the base year (1995), a control point is established for each management position equal to the average compensation of the 15 survey cities from the survey conducted in Feb. 1994 or 105% of the current compensation for the position, whichever is higher. Compensation is defined as salary plus PERS.

b. Thereafter, starting in January 1996 the control point will be established annually by, 1.) computing the average of the surveyed cities, 2.) computing the difference between the Menlo Park class and the average as a plus (+) or minus (-) percentage figure, 3.) developing an overall percentage adjustment using the previously agreed to percentage increase for non-management personnel and/or other measurable financial data such as the CPI, and the overall percentage adjustment is then applied to the percentage difference between the Menlo Park classes and the average in the market survey to set the control point. For example, if the overall average increase is 5% and the current control point for a management class is 1% over the average in the survey, the control point for that class is set at 4% over its present point. If on the other hand, the class is 1% under the average in the survey, the control point is set at 6% over the present point.

c. The exception to the above is where there are insufficient market comparisons and/or where horizontal or vertical relationships that are desirable to maintain. In such cases, the control point for a class that has no valid market comparison may be adjusted the same amount as another related class that does have a comparison or a class may be related upward or downward to another class. There are three classes (positions) that currently fit this category; they are Police Commander-Support Services, Transportation Manager and Director of Maintenance.

2. Performance Review/ Pay Determination

a. Managers are evaluated annually. Based on the evaluation, each manager receives an overall point rating which is used to determine the manager's compensation relative to the control point and whether and how much the manager receives as a

bonus. The evaluation system, point system, and compensation and bonus table as well as examples are attached.

SUMMARY

1. The proposed compensation and bonus program for 1995 is a 3% increase for ten of the thirteen management employees effective Feb. 1, 1995, the proposed increase for the ACM is 3% plus 5% and for the Finance Director is a 3% plus 5% to adjust for market conditions and the new Police Commander will receive 5% July 1, 1995. In addition the City Manager may grant bonuses of up to \$5000.
2. In January 1995, a Pay for Performance System will be implemented that takes into account performance and market conditions.

SAMPLE

CONTROL POINT SETTING WORKSHEET

Basic Adjustment 5%

Position: Manager

Current Control Pt.: \$52,000

I. MARKET COMPARISON METHOD

<u>Agency</u>	<u>Position</u>	<u>Annual Compensation</u>
San Carlos	Manager	\$ 50,000
Foster City	Manager	\$ 55,000
Los Gatos	Manager	\$ 49,700
Belmont	Manager	\$ 51,500
Market Average		<u>\$51,550</u>
Menlo Park Current Control Pt.		<u>\$52,000</u>
Difference in \$		<u>\$ 450</u>
Difference in %		<u>+ .9%</u>
Difference in % to nearest .5%		<u>+ 1%</u>
Basic Adjustment		<u>3%</u>
Adjustment		<u>2%</u>
New Control Point		<u>\$53,040</u>

II. Lateral Equity Method (inadequate market information for comparison)

Classification compared with (another equivalent position)
 New Control Point (whatever the compensation or control pt. is for the equivalent position)

III. Vertical Relationship Method

Classification related to (Higher Level Manager)
 New control point for related position \$58,000
 Plus or minus % relationship to related position -5%
 New Control Point \$55,240

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MP Survey Cities	Salary Survey	# of Cities Surveyed	Policy Target	Internal Relationship	Labor Market Availability	Car Allowance	Reference Document	Increases
Belmont	X	7	Median of the survey cities. Minimum of 4 cities. <=4% annually	X		\$150 to \$300	Comp & Benefits Program for Unrep Mangmnt Group	
Burlingame			To maintain consistency with other represented groups	X		\$200		3% Nov 2011 1% July 2013
Campbell			No Stated Policy			\$110		2% July 2012 2% July 2013
Cupertino			None Stated		Public and Private employment salaries & availability	\$300	Unrep EE Comp Program (Reso 13-061)	1.5% + .46% July 13 1.5% + .97% July 14 1.25% + 1.21% July 15 incl. equity adjustments
Foster City			No Policy			\$200		
Los Altos*	mation available							Not Settled
Los Gatos		No Stated Policy on the website						Not Settled
Millbrae				X	Public & Private salaries & availability		Personnel Rules	Not Settled

MP Survey Cities	Salary Survey	# of Cities Surveyed	Policy Target	Internal Relationship	Labor Market Availability	Car Allowance	Reference Document	Increases
Pacifica	X	9	Info Purposes				MOU - Represented	
Palo Alto	X	14		X			Compensation Plan	3% Oct 2012
Redwood City	X	9	City Manager discretion between the high/low salary	minimum 10% differential from subordinates	X	\$400	Exec. Mngmnt Salary/Benefit Summary	
San Bruno								
San Carlos	X	CM Discretion				\$250	Salary & Benefit Reso	3% July 13 & 3% July 14
Saratoga	X	7	Average of survey cities for each classificaiton			\$275	Reso adopting MOU w/Saratoga Managers	1.37% July 11 followed by 1 to 2.5 % in subsequent years

Attachment D

Detailed Information for Each Position

City of Menlo Park - Management Compensation Survey
 Position: Assistant Chief Administrative Officer
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Redwood City	Assistant City Manager	17,271	1,209	345	-	18,825	9/24/2012
Palo Alto	Assistant City Manager/Chief Operations Officer	17,118	-	-	-	17,118	10/6/12 (3%)
Los Altos	Assistant City Manager	15,225	1,218	-	-	16,443	7/1/2008
Cupertino	Director of Administrative Services	15,084	905	-	-	15,989	7/1/11 (1%)
San Carlos	Assistant City Manager	15,210	-	-	-	15,210	7/1/12 (2%)
Belmont	Assistant City Manager	14,990	-	140	-	15,130	6/16/09 (9.8%)
Foster City	Assistant City Manager	14,464	-	579	-	15,043	7/1/10 (2%)
Los Gatos	Assistant Town Manager	13,364	-	-	-	13,364	8/26/07 (3%)
Burlingame	No comparable position						
Campbell	No comparable position						
Millbrae	Assistant City Administrator/Gen Svcs - Inactive						
Pacifica	No comparable position						
San Bruno	No comparable position						
Saratoga	No comparable position						
Average of 14 comparison cities (8 other matches)						15,890	
Menlo Park	Assistant City Manager	15,890	-	-	-	15,890	7/1/2013
	Current compensation	15,255	-	-	-	15,255	4/20/2009
	2011-12 Control Point					15,585	% CP Adjust
	2013-14 Control Point					15,890	1.0196

City of Menlo Park - Management Compensation Survey
 Position: Assistant Director of Public Works
 Review Date: August 22, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Los Altos	Engineering Services Manager	15,225	1,218	-	0	16,443	7/8/12 (3%)
Burlingame	Assistant Director of Public Works	13,284	-	98	0	13,382	1/8/13 (1%)
San Carlos	City Engineer	13,120	-	-	0	13,120	9/10/12 (new)
Campbell	City Engineer	12,904	-	87	0	12,991	7/1/12 (2%)
Cupertino	Assistant Director of Public Works	12,236	734	-	0	12,970	7/1/11 (1%)
Belmont	Assistant Director of Public Works/City Engineer	12,775	-	135	0	12,910	7/1/11 (2.5%)
Los Gatos	Assistant Parks and Public Works Director/Town Engineer	12,589	-	-	0	12,589	8/25/08 (5%)
Palo Alto	Assist. Dir. of Public Works/Assist. City Engineer	12,544	-	-	0	12,544	10/6/12 (3%)
Millbrae	City Engineer	11,275	-	-	0	11,275	7/1/12 (-9.2%)
San Bruno	Deputy Public Works Director-Admin. & Engineering	11,214	-	56	0	11,270	2/4/08 (4%)
Redwood City	No comparable position						
Foster City	No comparable position						
Pacifica	No comparable position						
Saratoga	No comparable position						
Average of 14 comparison cities (10 other matches)						12,949	
Menlo Park	Assistant Director of Public Works	12,949	0	0	0	12,949	7/1/2013
	Current compensation	11,325	0	0	0	11,325	9/28/2008
	2010-11 Control Point					11,571	% CP Adjust
	2013-14 Control Point					12,949	1.1191

City of Menlo Park - Management Compensation Survey
 Position: Assistant Community Development Director
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Redwood City	Community Development Services Manager Assistant Director, Planning & Community Environment	13,127	919	263	-	14,308	7/1/2011
Palo Alto	Environment	12,779	-	-	-	12,779	5/18/13 (See Note)
Cupertino	City Planner	11,420	514	-	-	11,934	7/1/13 (2.2%)
Campbell	Planning Manager	11,663	-	87	-	11,750	7/1/13 (2%)
Los Altos	Planning Services Manager	10,686	855	-	-	11,541	7/8/12 (3%)
Belmont	Principal Planner	11,373	-	135	-	11,508	7/1/11 (2.5%)
Foster City	Planning Manager	10,816	-	433	-	11,249	7/1/10 (2%)
Millbrae	City Planner	11,142	-	-	-	11,142	1/1/13 (1.6%)
Los Gatos	Planning Manager	11,125	-	-	-	11,125	7/1/10 (New Class)
Burlingame	No Comparable Position						
Pacifica	No Comparable Position						
San Bruno	No Comparable Position						
San Carlos	No Comparable Position						
Saratoga	No Comparable Position						
Average of 14 comparison cities (9 other matches)						11,926	
Menlo Park	Assistant Community Development Director	11,926	0	0	0	11,926	7/1/2013
	Current compensation		0	0	0		9/28/2008
	2011-12 Control Point						% CP Adjust
	2013-14 Control Point					11,926	#DIV/0!

City of Menlo Park - Management Compensation Survey
 Position: Assistant to the City Manager
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Palo Alto	Assistant to the City Manager	9,987	-	-	-	9,987	10/6/12 (3%)
Campbell	Assistant to the City Manager	10,983	-	87	-	11,070	7/1/12 (2%)
San Carlos	Assistant to the City Manager	9,700	-	-	-	9,700	4/8/13-New Class
Cupertino	No comparable position						
San Carlos	No comparable position						
Belmont	No comparable position						
Foster City	No comparable position						
Los Gatos	No comparable position						
Burlingame	No comparable position						
Campbell	No comparable position						
Millbrae	No comparable position						
Pacifica	No comparable position						
San Bruno	No comparable position						
Saratoga	No comparable position						
Average of 14 comparison cities (3 other matches)						10,252	
Menlo Park	Assistant to the City Manager	10,250	-	-	-	10,252	7/1/2013
	Current compensation	8,299	-	-	-	8,299	6/3/2013
	2011-12 Control Point		-	-	-		% CP Adjust
	2013-14 Control Point					10,252	#DIV/0!

City of Menlo Park - Management Compensation Survey
 Position: Business Development Manager
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Redwood City	Community Development Supervisor	13,641	955	273	-	14,869	3/19/2012
Cupertino	Redevelopment/Economic Development Manager	11,171	670	-	-	11,841	7/1/2011
Los Altos	Economic Development Manager	10,541	843	-	-	11,384	7/8/2012
Palo Alto	Manager Economic Development & Redevelopment	11,067	-	-	-	11,067	10/6/2012
San Carlos	Redevelopment and Housing Manager	10,888	-	-	-	10,888	7/1/2012
Los Gatos	Economic Vitality Manager	9,421	-	-	-	9,421	8/26/2007
Belmont	No Comparable Position						
Burlingame	No Comparable Position						
Foster City	No Comparable Position						
Campbell	No Comparable Position						
Millbrae	No Comparable Position						
Pacifica	No Comparable Position						
San Bruno	No Comparable Position						
Saratoga	No Comparable Position						
Average of 14 comparison cities (6 other matches)						11,578	
Menlo Park	Business Development Manager	11,578	-	-	-	11,578	7/1/2013
	Current Compensation	8,999	0	0	0	8,999	12/20/2012
	2011-12 Control Point					10,801	% CP Adjust
	2013-14 Control Point					11,578	1.0719

City of Menlo Park - Management Compensation Survey
 Position: Chief of Police
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Redwood City	Police Chief	18,353	1,285	367	-	20,005	7/1/11-See Note
Los Altos	Police Chief	15,225	1,370	-	-	16,595	7/1/2008
Burlingame	Police Chief	16,166	-	98	-	16,264	1/8/13 (1%)
Foster City	Chief of Police	16,259	-	-	-	16,259	7/1/10 (2%)
Campbell	Police Chief	15,500	-	87	-	15,587	7/1/2011
Belmont	Police Chief	15,323	-	140	-	15,463	4/20/12 (2.2%)
Palo Alto	Police Chief	15,327	-	-	-	15,327	10/6/12 (3%)
Pacifica	Police Chief	14,593	-	-	-	14,593	1/1/10 (3.9%)
San Bruno	Chief of Police	14,386	-	144	-	14,530	3/31/08 (4%)
Los Gatos	Chief of Police	14,417	-	-	-	14,417	8/26/07 (3%)
Cupertino	No comparable position						
Millbrae	No comparable position						
San Carlos	No comparable position						
Saratoga	No comparable position						
Average of 14 comparison cities (10 other matches)						15,904	
Menlo Park	Chief of Police	15,904	0	0	0	15,904	7/1/2013
	Current compensation	15,416	0	0	0	15,416	2/15/2013
	2011-12 Control Point					15,610	% CP Adjust
	2013-14 Control Point					15,904	1.0188
San Mateo Co	Sheriff	16673	1020	0	0	17693	Info Only
Santa Clara Co	Sheriff	19317	3572	0	0	22889	Info Only
Atherton	Chief of Police	14272	1284	0	0	15556	Info Only
East Palo Alto	Chief of Police						

City of Menlo Park - Management Compensation Survey
 Position: City Clerk
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Los Altos	City Clerk	15,225	1,218	-	-	16,443	7/1/2008
Palo Alto	City Clerk	10,689	-	104	-	10,793	7/1/2008
Cupertino	City Clerk	9,472	568	-	-	10,040	7/1/11 (1%)
Campbell	City Clerk	9,834	-	87	-	9,921	7/1/12 (2%)
Redwood City	City Clerk	9,019	631	180	-	9,831	2/13/12 (7%)
San Carlos	Director of Com. Relations/City Clerk	9,788	-	-	-	9,788	7/1/12 (2%)
Foster City	City Clerk	9,209	-	368	-	9,577	7/1/10 (2%)
Saratoga	City Clerk	9,504	-	-	-	9,504	7/1/12 (2.5%)
Burlingame	City Clerk	9,191	-	98	-	9,289	1/8/13 (1%)
Millbrae	City Clerk	8,823	-	-	-	8,823	7/1/12 (-11.6%)
Pacifica	City Clerk	8,637	-	-	-	8,637	1/1/11 (3%)
Belmont	City Clerk	7,990	-	140	-	8,130	7/1/09 (2.8%)
San Bruno	City Clerk	7,000	-	70	-	7,070	2/10/2006
Los Gatos	No Comparable Position						
Average of 13 comparison cities						9,834	
Menlo Park	City Clerk	9,834	0	0	0	9,834	7/1/2013
Current Compensation		Vacant	0	0	0	0	
2011-12 Control Point						9414	% CP Adjust
2013-14 Control Point						9,834	1.0446

City of Menlo Park - Management Compensation Survey
 Position: Commander
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Redwood City	Police Captain	14,182	993	284	-	15,458	9/10/2012
Belmont	Police Captain	13,920	-	135	-	14,055	7/1/11 (2.5%)
Burlingame	Police Captain	13,590	-	98	-	13,688	12/17/12 (2.5%)
San Bruno	Police Commander	13,573	-	-	-	13,573	1/1/09 (3%)
Campbell	Police Captain	13,420	-	87	-	13,507	7/1/12 (2%)
Los Gatos	Police Captain	13,442	-	-	-	13,442	8/25/08 (7.5%)
Los Altos	Police Captain	12,248	1,102	-	-	13,350	7/8/12 (1%)
Foster City	Police Captain	13,072	-	-	-	13,072	7/1/10 (2%)
Pacifica	Police Captain	12,926	-	-	-	12,926	1/1/10 (3.2%)
Cupertino	No comparable position						
Millbrae	No comparable position						
Palo Alto	No comparable position						
San Carlos	No comparable position						
Saratoga	No comparable position						
Average of 14 comparison cities (9 other matches)						13,675	
Menlo Park	Police Commander	13,337	-	-	-	13,337	7/1/2013
	Current Compensation (Bertinin)	13,751	-	-	-	13,751	10/24/2011
	Current Compensation Commander			Vacant Position			
	2011-12 Control Point					13,337	% CP Adjust
	2013-14 Control Point					13,675	1.0253
San Mateo Co	Undersheriff	14306	876	0	1073	16255	Info Only
Santa Clara Co	Assistant Sheriff	14861	1337	0	0	16198	Info Only
Atherton	Police Lieutenant	11833	1064	0	0	12897	Info Only
East Palo Alto							

City of Menlo Park - Management Compensation Survey
 Position: **Community Services Superintendent**
 Review Date: August 2, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Palo Alto	Division Manager, Recreation and Golf	11,626	-	-	-	11,626	10/6/12 (3%)
Campbell	Recreation Services Manager	9,827	-	87	-	9,914	7/1/12 (2%)
Burlingame	Recreation Superintendent	9,603	-	98	-	9,701	1/8/13 (1%)
Belmont	Recreation Manager	9,198	-	135	-	9,333	7/1/11 (2.5%)
Foster City	Recreation Manager	8,764	-	351	-	9,115	7/1/10 (2%)
Millbrae	Recreation Superintendent	8,651	-	-	-	8,651	7/1/12 (-42.3%)
Saratoga	No comparable position						
Cupertino	No comparable position						
Los Altos	No comparable position						
Los Gatos	No comparable position						
Pacifica	No comparable position						
Redwood City	No comparable position						
San Bruno	No comparable position						
San Carlos	No comparable position						

Average of 14 comparison cities (6 other matches)

						9,723	
Menlo Park	Assistant Community Services Director	9,723	0	0	0	9,723	7/1/2013
	Current compensation	8,431	0	0	0	8,431	1/4/2010
	2013-14 Control Point		0	0	0	9,723	

City of Menlo Park - Management Compensation Survey
 Position: Director of Community Development
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Redwood City	Community Development Director	16,280	1,140	326	-	17,745	7/1/11 (New)
Los Altos	Assistant City Manager	15,225	1,218	-	-	16,443	7/1/2008
Foster City	Community Development Director	14,670	-	587	-	15,257	7/1/10 (2%)
Cupertino	Director of Community Development	14,179	851	-	-	15,030	7/1/11 (1%)
Saratoga	Community Development Director	14,678	-	200	-	14,878	7/1/12 (2.5%)
Belmont	Planning & Community Development Director	14,395	-	140	-	14,535	4/20/12 (5.6%)
Pacifica	Planning Director	14,348	-	-	-	14,348	1/1/10 (5.4%)
San Carlos	Community Development Director	14,336	-	-	-	14,336	7/1/12 (2%)
Millbrae	Community Development and Parks Director	14,278	-	-	-	14,278	7/1/12 (-11.5%)
Burlingame	Community Development Director	14,151	-	98	-	14,249	1/8/13 (1%)
Palo Alto	Director, Planning and Community Environment	14,217	-	-	-	14,217	10/6/12 (3%)
Campbell	Community Development Director	14,000	-	87	-	14,087	7/1/2011
San Bruno	Community & Economic Development Director	13,501	-	135	-	13,636	3/31/08 (4%)
Los Gatos	Community Development Director	13,364	-	-	-	13,364	8/26/07 (3%)
Average of 14 comparison cities (14 other matches)						14,849	
Menlo Park	Director of Community Development	14,849	0	0	0	14,849	7/1/2013
	Current compensation	13,218	0	0	0	13,218	9/28/2008
	2011-12 Control Point					14,814	% CP Adjust
	2013-14 Control Point					14,849	1.0024

City of Menlo Park - Management Compensation Survey
 Position: Director of Community Services
 Review Date: August 2, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Pacifica	Director of Parks, Beaches and Recreation	14,059	-	-	-	14,059	1/1/10 (6%)
Campbell	Recreation and Community Services Director	14,000	-	87	-	14,087	7/1/2011
Burlingame	Parks and Recreation Director	14,068	-	98	-	14,166	1/8/13 (1%)
San Carlos	Parks & Recreation Director	14,351	-	-	-	14,351	7/1/12 (2%)
Belmont	Parks and Recreation Director	14,259	-	140	-	14,399	4/20/12 (6.4%)
San Bruno	Community Services Director	14,386	-	144	-	14,530	3/31/08 (4%)
Foster City	Parks & Recreation Director	14,259	-	570	-	14,829	7/1/10 (2%)
Saratoga	Recreation and Facilities Director	14,678	-	200	-	14,878	7/1/12 (2.5%)
Palo Alto	Director of Community Services	14,954	-	-	-	14,954	10/6/12 (3%)
Cupertino	Director of Parks and Recreation	14,179	851	-	-	15,030	7/1/11 (1%)
Los Altos	Recreation Director	15,225	1,218	-	-	16,443	7/1/2008
Redwood City	Parks, Recreation and Community Services Director	16,453	1,152	329	-	17,934	7/1/11-See Note
Los Gatos	No comparable position						
Millbrae	No comparable position						
Average of 14 comparison cities (12 other matches)						14,972	
Menlo Park	Director of Community Services	13,681	0	0	0	13,681	7/1/2013
	Current compensation	12,167	0	0	0	12,167	1/4/2010
	2011-12 Control Point	14,985	0	0	0	14,985	% CP Adjust
	2013-14 Control Point	14,972	0	0	0	14,972	0.999

City of Menlo Park - Management Compensation Survey
 Position: Director of Library Services
 Review Date: August 2, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Los Gatos	Library Director	11,990	-	-	-	11,990	8/26/07 (3%)
Palo Alto	Director of Libraries	13,194	-	-	-	13,194	10/6/12 (3%)
Burlingame	City Librarian	14,369	-	98	-	14,467	1/8/13 (1%)
San Bruno	Community Services Director	14,386	-	144	-	14,530	3/31/08 (4%)
Redwood City	Library Director	15,783	1,105	316	-	17,203	7/1/11-See Note
Belmont	No comparable position						
Campbell	No comparable position						
Cupertino	No comparable position						
Foster City	No comparable position						
Los Altos	No comparable position						
Millbrae	No comparable position						
Pacifica	No comparable position						
San Carlos	No comparable position						
Saratoga	No comparable position						
Average of 14 cities (5 other matches)						14,277	
Menlo Park	Director of Library Services	14,277	0	0	0	14,277	
	Current Compensation	11,609	0	0	0	11,609	9/28/2008
	2011-12 Control Point	14,141	0	0	0	14,141	% CP Adjust
	2012-13 Control Point	14,141				14,277	1.010

City of Menlo Park - Management Compensation Survey
 Position: Director of Public Works
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Redwood City	Community Development Director	16,280	1,140	326	-	17,745	7/1/2011
Cupertino	Director of Public Works	15,391	923	-	-	16,314	7/1/11 (1%)
San Carlos	Public Works Director/City Engineer	15,924	-	-	-	15,924	7/1/12 (2%)
Campbell	Public Works Director	15,500	-	87	-	15,587	7/1/2011
Foster City	Director of Public Works	14,670	-	587	-	15,257	7/1/10 (2%)
Burlingame	Director of Public Works	14,967	-	98	-	15,065	1/8/13 (1%)
Palo Alto	Director of Public Works/City Engineer	14,954	-	-	-	14,954	10/6/12 (3%)
Belmont	Public Works Director	14,807	-	140	-	14,947	4/20/12 (3.6%)
Saratoga	Public Works Director	14,678	-	200	-	14,878	7/1/12 (2.5%)
San Bruno	Public Services Director	14,386	-	144	-	14,530	3/31/08 (4%)
Pacifica	Director of Public Works/City Engineer	14,501	-	-	-	14,501	1/1/10 (3%)
Millbrae	Public Works Director	14,263	-	-	-	14,263	7/1/12 (-11.6%)
Los Gatos	Director of Parks and Public Works	13,364	-	-	-	13,364	8/26/07 (3%)
Los Altos	No comparable position						
Average of 14 comparison cities (13 other matches)						15,179	
Menlo Park	Public Works Director	15,156	0	0	0	15,156	7/1/2013
	Current compensation	13,333	0	0	0	13,333	
	2011-12 Control Point					15,156	% CP Adjust
	2013-14 Control Point					15,179	1.0015

City of Menlo Park - Management Compensation Survey
 Position: Engineering Services Manager
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Defer red Comp ensati on	Other	Total	Last Adjust
Los Altos	Engineering Services Manager	15,225	1,218	-	0	16,443	7/8/12 (3%)
Burlingame	Assistant Director of Public Works	13,284	-	98	0	13,382	1/8/13 (1%)
San Carlos	City Engineer	13,120	-	-	0	13,120	9/10/12 (new)
Campbell	City Engineer	12,904	-	87	0	12,991	7/1/12 (2%)
Cupertino	Assistant Director of Public Works	12,236	734	-	0	12,970	7/1/11 (1%)
Belmont	Assistant Director of Public Works/City Engineer	12,775	-	135	0	12,910	7/1/11 (2.5%)
	Assistant Parks and Public Works Director/Town						
Los Gatos	Engineer	12,589	-	-	0	12,589	8/25/08 (5%)
Palo Alto	Assist. Dir. of Public Works/Assist. City Engineer	12,544	-	-	0	12,544	10/6/12 (3%)
Millbrae	City Engineer	11,275	-	-	0	11,275	7/1/12 (-9.2%)
San Bruno	Deputy Public Works Director-Admin. & Engineering	11,214	-	56	0	11,270	2/4/08 (4%)
Redwood City	No comparable position						
Foster City	No comparable position						
Pacifica	No comparable position						
Saratoga	No comparable position						
Average of 14 cities (10 other matches)						12,949	
Menlo Park	Engineering Services Manager	12,949	0	0	0	12,949	7/1/2013
	Current compensation	11,501	0	0	0	11,501	9/12/2012
	2011-12 Control Point	12,897	0	0	0	12,897	% CP Adjust
	2013-14 Control Point	12,949	0	0	0	12,949	1.004

City of Menlo Park - Management Compensation Survey
 Position: Finance Director
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Comp	Other	Total	Last Adjust
Redwood City	Finance Director	16,280	1,140	326	-	17,745	7/1/11-See Note
	Director, Admin. Services/Chief Financial Officer						
Palo Alto	Officer	16,706	-	-	-	16,706	10/6/12 (3%)
Los Altos	Finance Director	15,225	1,218	-	-	16,443	7/1/2008
Belmont	Finance Director	14,805	-	140	-	14,945	4/20/12 (6.7%)
Burlingame	Finance Director	14,828	-	98	-	14,926	1/8/13 (1%)
Saratoga	Finance/Administrative Services Director	14,678	-	200	-	14,878	7/1/12 (2.5%)
Foster City	Finance Director	14,259	-	570	-	14,829	7/1/10 (2%)
Campbell	Finance Director	14,000	-	87	-	14,087	7/1/2011
Millbrae	Finance Director	13,685	-	-	-	13,685	7/1/12 (-16.3%)
San Bruno	Finance Director	13,501	-	135	-	13,636	3/31/08 (4%)
Los Gatos	Finance and Admin Services Director	13,364	-	-	-	13,364	8/26/07 (3%)
Cupertino	No Comparable Position						
Pacifica	No Comparable Position						
San Carlos	No Comparable Position						
Average of 11 comparison cities (9 other matches)						15,022	
Menlo Park	Finance Director	15,022	0	0	0	15,022	7/1/2013
	Current Compensation	14,250	-	-	-	14,250	8/14/2013
	2011-12 Control Point					15067	% CP Adjust
	2013-14 Control Point					15022	0.997

City of Menlo Park - Management Compensation Survey
 Position: Human Resources Director
 Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Palo Alto	Chief People Officer/Director of Human Resources	14,217	-	-	-	14,217	10/6/12 (3%)
Burlingame	Human Resources Director	13,996	-	98	-	14,094	1/8/13 (1%)
Belmont	Human Resources Director	13,621	-	140	-	13,761	4/20/12 (6.2%)
San Bruno	Human Resources Director	13,501	-	135	-	13,636	3/31/08 (4%)
Los Gatos	Human Resources Director	11,990	-	-	-	11,990	8/26/07 (3%)
Campbell	No comparable position						
Cupertino	No comparable position						
Los Altos	No comparable position						
Millbrae	No comparable position						
Pacifica	No comparable position						
San Carlos	No comparable position						
Saratoga	No comparable position						
Average of 14 comparison cities (5 other matches)						13,540	
Menlo Park	Human Resources Director	13,540	-	-	-	13,540	7/1/2013
	Current compensation	11,249	-	-	-	11,249	
	2011-12 Control Point					14,043	% CP Adjust
	2013-14 Control Point					13,540	0.9642

City of Menlo Park - Management Compensation Survey

Position: Lieutenant

Review Date: August 19, 2013

City	Position	Salary	Employer Paid PERS	Deferred Compensation	Other	Total	Last Adjust
Foster City	Police Lieutenant	11,293	-	-	-	11,293	7/1/10 (2%)
San Bruno	Police Lieutenant	12,065	-	-	-	12,065	1/1/09 (3%)
Belmont	Police Lieutenant	12,555	-	135	-	12,690	7/1/11 (2.5%)
Redwood City	Police Lieutenant (Level 2)	12,886	-	-	-	12,886	9/9/13 (3%)
Palo Alto	Police Lieutenant	12,024	1,082	-	-	13,106	6/11/13 (-2.11%)
Redwood City	Police Lieutenant (Level 1)	15,498	-	-	-	15,498	9/9/13 (3%)
Los Altos	No comparable position						
Burlingame	No comparable position						
Campbell	No comparable position						
Pacifica	No comparable position						
Los Gatos	No comparable position						
Cupertino	No comparable position						
Millbrae	No comparable position						
San Carlos	No comparable position						
Saratoga	No comparable position						
Average of 14 comparison cities (10 other matches)						12,923	
Menlo Park	Lieutenant	12,923	0	0	0	12,923	7/1/2013
	Current compensation	XX	0	0	0	-	2/15/2013
	2011-12 Control Point						% CP Adjust
	2013-14 Control Point					12,923	#DIV/0!

	Belmont	Burlingame	Campbell	Cupertino	Foster City	Los Altos	Los Gatos	Millbrae	Pacifica
Car Allowance									
ASST CITY MANAGER	250			300	Auto	150		450	453
ASST COMMUNITY SERVICES DIR.			80	200				100	
ASST DIR. OF PUBLIC WORKS			80						
ASST TO THE CITY MANAGER			80						
BUSINESS DEVELOPMENT MNGR									
CHIEF OF POLICE	300	Auto	Auto		Auto	350	Auto		Auto
CITY CLERK		200	80	250	200		Auto		453
COMMANDER			Auto						Auto
DIR. OF COM. DEVELOPMENT	250	200	110	300	Auto			450	
DIR. OF COMMUNITY SERVICES	250	350	110	300	200	300		100	396
DIR. OF LIBRARY SERVICES		200			Auto				
	300	350	110	300				450	
ENG. SERVICES MANAGER			80						
FINANCE DIRECTOR	250	200	110		200			450	
HUMAN RESOURCES DIR.	250	200	80						
TRANS. SERVICES MANAGER			80						

	Palo Alto	Redwood City	San Bruno	San Carlos	Saratoga	Average	Menlo Park
Car Allowance							325
ASST CITY MANAGER	325	400		250		322	
ASST COMMUNITY SERVICES DIR.						127	
ASST DIR. OF PUBLIC WORKS		400				240	
ASST TO THE CITY MANAGER	325					203	
BUSINESS DEVELOPMENT MNGR		300				300	
CHIEF OF POLICE	325	Auto	Auto			Auto	
CITY CLERK	325	400	300	250		273	
COMMANDER		Auto	Auto			Auto	
DIR. OF COM. DEVELOPMENT	325	400	300	250	275	286	
DIR. OF COMMUNITY SERVICES	325	400	300	250	275	274	
DIR. OF LIBRARY SERVICES	325	400				308	
DIR. OF PUBLIC WORKS	325		300	250	275	296	
ENG. SERVICES MANAGER	325				275	227	
FINANCE DIRECTOR		400	300	250	275	271	
HUMAN RESOURCES DIR.	325		300			231	
TRANS. SERVICES MANAGER							

	Belmont	Burlingame	Campbell	Cupertino	Foster City	Los Altos	Los Gatos
Health Insurance	<i>PERS</i>	<i>PERS</i>	<i>PERS</i>	<i>PERS</i>	<i>PERS</i>	<i>PERS</i>	<i>PERS</i>

Unrepresented Executive Management Benefit. Actual classifications will vary by jurisdiction based on the composition and scope of services of the particular City/Town.

For EE's < 1/1/13 City contribution tied to family Kaiser rate (\$1,738.44). For EE's >1/1/13 no cash option.

City pays 95% of family Kaiser or 92.5% of Bule Shield Net Value. Can receive \$350 in cash if no benefits taken.

Maximum city contribution is \$1,100. Max cash rebate is \$995 if coverage not selected.

Maximum city contribution is \$802.

Maximum city contribution is \$1650. Max cash rebate is \$618 if coverage not selected.

Maximum city contribution is \$1,522. Full amount converted to pay if health insurance not selected.

City contributes 100% of single Kaiser plus 90% of EE+1 and 90% of family coverage. Cash option for non coverage varies between \$400 - \$800.

	Menlo Park	Millbrae	Pacifica	Palo Alto	Redwood City	San Bruno	San Carlos	Saratoga
Health Insurance	<i>PERS</i>	<i>PERS</i>	<i>PERS</i>	<i>PERS</i>	<i>PERS</i>	<i>Teamsters</i>	<i>PERS</i>	<i>PERS</i>

Unrepresented Executive Management Benefit. Actual classifications will vary by jurisdiction based on the composition and scope of services of the particular City/Town.

Max city contribution is \$2,800 or family coverage in PERS Care. No cash option.	Max city contribution is \$1,385. Max cash rebate is \$200 if coverage not selected.	Max city contribution is \$1,237. Max cash rebate is \$1,022/month if coverage not selected.	Max city contribution is \$1,836 or 90% of the second highest cost plan. Max cash rebate is \$284/month if coverage not selected.	Max city contribution is \$1,496 of \$1,527 cost. Benefits include coverage for medical, vision, drug plan and retiree health and welfare.	City pays \$115 and 90% of family Kaiser or \$1,679. EE's who waive medical coverage receive \$200/month.	City pays \$1,496 of \$1,527 cost. Benefits include coverage for medical, vision, drug plan and retiree health and welfare.	Maximum city contribution is \$1,390. If not covered EE receives \$338 per month.	For EE's < 7/1/11 City contribution tied to family PERS Choice rate (\$2,040). For EE's >7/1/11 family = \$1,500. two party coverage = \$1,200 and single coverage = \$600.
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ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-188

Agenda Item #: F-6

REGULAR BUSINESS: **Discuss recommendations for various seats for determination at the City Selection Committee meeting scheduled for December 13, 2013**

RECOMMENDATION

Staff recommends the City Council discuss the applicants to the various vacant regional seats in order to provide the Mayor with guidance for voting at the next City Selection Committee meeting scheduled for December 13, 2013.

BACKGROUND

The City Selection Committee meeting will take place on December 13, 2013. According to Council of Cities bylaws, the Mayor is designated as the voting member for each city. Following past practice, this item is on the agenda in order to provide input to the Mayor for voting purposes.

There are eight regional seats that will become vacant through the San Mateo County Council of Cities. Under consideration are the following:

- 1) Selection of one (1) Council Member to serve on the Bay Area Air Quality Management District (BAAQMD) representing Cities for a term of two (2) years beginning January 1, 2014 (currently held by Carol Klatt, Daly City)
- 2) Selection of one (1) Council Member to serve on the California Identification System (CAL-ID) representing Cities for a term of three (3) years beginning January 1, 2014 (currently held by Kirsten Keith, Menlo Park)
- 3) Selection of one (1) Council Member to serve on the Domestic Violence Council representing Cities for a term of four (4) years beginning January 2014 (currently held by David Lim, San Mateo)
- 4) Selection of one (1) Council Member to serve on the Domestic Violence Council as an Alternate for a term of four (4) years beginning January 2014 (currently held by Pedro Gonzalez, South San Francisco)
- 5) Selection of one (1) Council Member to serve on the San Mateo County Transportation Authority (SMCTA) representing Cities-At-Large for a term of two (2) years beginning January 1, 2014 (currently held by Naomi Patridge, Half Moon Bay)

- 6) Selection of one (1) Council Member to serve on the San Mateo County Transportation Authority (SMCTA) representing Northern Cities for a term of two (2) years beginning January 1, 2014 (Eligible cities: Brisbane, Colma, Daly City, Pacifica, San Bruno and South San Francisco) (currently held by David Canepa, Daly City)
- 7) Election of a Chairperson to the City Selection Committee for 2014
(Note: Candidates must be a current Mayor or Council Member)
- 8) Election of a Vice Chairperson to the City Selection Committee for 2014
(Note: Candidates must be a current Mayor or Council Member)

Letters of interest were due to the City Selection Committee by 3:00 p.m. on Thursday December 5, 2013. The full City Selection Committee agenda packet is included as Attachment A of the staff report.

IMPACT ON CITY RESOURCES

N/A

POLICY ISSUES

The proposed action is consistent with existing practices.

ENVIRONMENTAL REVIEW

N/A

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. San Mateo County City Selection Committee agenda packet

Report prepared by:
Pamela Aguilar
City Clerk

SAN MATEO COUNTY CITY SELECTION COMMITTEE

*Marina Fraser, Chairperson
Mary Ann Nihart, Vice Chairperson*

*Becky Romero, Secretary
400 County Center
Redwood City, 94063
650-363-1802*

TO: MAYORS OF SAN MATEO COUNTY
FROM: BECKY ROMERO, SECRETARY
SUBJECT: MEETING OF THE CITY SELECTION COMMITTEE
DATE: DECEMBER 5, 2013

Councilmember Marina Fraser, Chairperson of the San Mateo County City Selection Committee, has called for a meeting of the Committee at 6:15 p.m. on Friday, December 13, 2013, at the Colma Fire Station, 50 Reiner Street, Colma, 94014.

Please arrive on time

- 1) Roll Call
- 2) Approval of the minutes for the meeting of June 28, 2013
- 3) Selection of one (1) Council Member to serve on the Bay Area Air Quality Management District (BAAQMD) representing *Cities* for a term of two (2) years beginning January 1, 2014
 - i. Council Member Carol Klatt, Daly City, is seeking reappointment*
- 4) Selection of one (1) Council Member to serve on the California Identification System (CAL-ID) representing *Cities* for a term of three (3) years beginning January 1, 2014
 - i. Council Member Kirsten Keith, Menlo Park, is seeking reappointment*
- 5) Selection of one (1) Council Member to serve on the Domestic Violence Council representing *Cities* for a term of four (4) years beginning January 1, 2014
 - i. Council Member Herb Perez, Foster City, is seeking appointment*
 - ii. Council Member Catherine Carlton, Menlo Park, is seeking appointment*
- 6) Selection of one (1) Council Member to serve on the Domestic Violence Council as an *Alternate* for a term of four (4) years beginning January 1, 2014
 - i. Council Member Lori Liu, Brisbane, is seeking appointment*
- 7) Selection of one (1) Council Member to serve on the San Mateo County Transportation Authority (SMCTA) representing *Cities-At-Large* for a term of two (2) years beginning January 1, 2014
 - i. Council Member Naomi Patridge, Half Moon Bay, is seeking reappointment*

8) Selection of one (1) Council Member to serve on the San Mateo County Transportation Authority (SMCTA) representing *Northern Cities* for a term of two (2) years beginning January 1, 2014
(Eligible cities: Brisbane, Colma, Daly City, Pacifica, San Bruno and South San Francisco)

i. Vice Mayor David Canepa, Daly City, is seeking reappointment

9) Election of a Chairperson to the City Selection Committee for 2014

i. Council Member Mary Ann Nihart, Pacifica, is seeking appointment

10) Election of a Vice Chairperson to the City Selection Committee for 2014

i. Council Member Elizabeth Lewis, Atherton, is seeking appointment

11) Oral Communications

(Any subject not on the agenda may be presented at this time. These topics cannot be acted upon or discussed, but may be agendaized for a later meeting date.)

If you have any questions or require additional information, contact Becky Romero at (650) 363-1802.

SAN MATEO COUNTY CITY SELECTION COMMITTEE

*Marina Fraser, Chairperson
Mary Ann Nihart, Vice Chairperson*

*Becky Romero, Secretary
400 County Center
Redwood City, 94063
650-363-1802*

TO: MAYORS OF SAN MATEO COUNTY
FROM: REBECCA ROMERO, SECRETARY
SUBJECT: MEETING OF THE CITY SELECTION COMMITTEE
DATE: JUNE 20, 2013

Councilmember Marina Fraser, Chairperson of the San Mateo County City Selection Committee, called for a meeting of the Committee at 6:15 p.m. on Friday, June 28, 2013, at the Centennial Tower, One Tower Place, 1200 Airport Boulevard, South San Francisco, 94080 (650) 580-7532.

- 1) Roll Call – The following cities were present: Atherton, Brisbane, Burlingame, Colma, Daly City, Foster City, Half Moon Bay, Hillsborough, Menlo Park, Pacifica, Portola Valley, Redwood City, San Mateo and South San Francisco
- 2) Approval of the minutes for the meeting of May 17, 2013

Motion: South San Francisco / Second: Redwood City

- 3) Selection of two (2) Councilmembers to serve on the Association of Bay Area Governments (ABAG) representing Regular City Member for a term beginning July 1, 2013 and ending June 30, 2015
 - i. *Mayor Pedro Gonzalez, South San Francisco*
Motion: Atherton / Second: Burlingame
 - ii. *Mayor Pro Tem Mary Ann Nihart, Pacifica was nominated from the floor*
Motion: Redwood City / Second: Half Moon Bay
- 4) Selection of two (2) Councilmembers to serve on the Association of Bay Area Governments (ABAG) representing Alternate City Members for a term beginning July 1, 2013 and ending June 30, 2015
 - i. *Councilmember Wayne Lee, City of Millbrae*
Motion: South San Francisco / Second: Hillsborough
 - ii. *Vice Mayor David Canepa, Daly City was nominated from the floor*
Motion: Portola Valley / Second: Half Moon Bay

- 5) Selection of one (1) Councilmember to serve on the Local Agency Formation Commission (LAFCo) representing Regular City Member fulfilling a term ending the first Monday in May 2014

Councilmember Allan Alifano, Half Moon Bay	Councilmember Wayne Lee, Millbrae
Appointed	
Atherton	Brisbane
Colma	Burlingame
Daly City	Hillsborough
Foster City	San Mateo
Half Moon Bay	
Menlo Park	
Pacifica	
Portola Valley	
Redwood City	
South San Francisco	

- 6) Selection of one (1) Councilmember to serve on the Local Agency Formation Commission (LAFCo) representing Alternate City Member fulfilling a term ending the first Monday in May 2015

- i. Councilmember Michael O'Neill, City of Pacifica*
Motion: South San Francisco / Second: Pacifica

- 7) Oral Communications – **None**

The meeting was adjourned at 6:23 p.m.

CITY COUNCIL

RAYMOND A. BUENAVENTURA
DAVID J. CANEPA
MICHAEL P. GUINGONA
CAROL L. KLATT
SAL TORRES



OFFICE OF THE CITY COUNCIL
CITY OF DALY CITY

333 - 90TH STREET
DALY CITY, CA 94015-1895

PATRICIA E. MARTEL
CITY MANAGER

K. ANNETTE HIPONA
CITY CLERK

ANTHONY J. ZIDICH
CITY TREASURER

PHONE (650) 991-8008

December 5, 2013

Honorable Mayor and City Council Members,

I am writing once again to request your endorsement for my reappointment to the Bay Area Air Quality Management District (BAAQMD) Board as the City Representative for San Mateo County. It has been my privilege to serve San Mateo County cities in this capacity for the past eight years.

During my tenure on the BAAQMD Board I have worked as an effective advocate on behalf of San Mateo County interests, particularly with respect to regional air quality issues and the development of programs to increase public awareness about the need for positive air quality choices. At a time when all of our cities are focused on developing effective climate action plans and implementation strategies, the urgency to improve air quality in our region is an essential part of reducing our collective carbon footprint and eliminating the harmful health and environmental impacts of poor air quality.

As a Board member of the BAAQMD, I have been an active participant in many aspects of the District's policy areas and activities. Currently, my Board assignments include participation on the Stationary, Mobile Source, Public Outreach, Personnel and Legislative Committees. The knowledge and understanding gained through active involvement on the BAAQMD Board for the last eight years has proven to be beneficial to the interests of our constituents in San Mateo County. My colleagues on the Board have recognized the capable and consistent representation that I have demonstrated during my tenure and should I be reappointed to the BAAQMD, I have been asked to serve as the Secretary of the Board of Directors. It would be an honor to assume such a leadership role on the Board on behalf of San Mateo County.

I welcome the opportunity to discuss any issues of concern to your City that can be addressed by the BAAQMD Board. Your positive consideration and support of my reappointment at the City Selection Committee meeting on December 13 is very much appreciated.

Sincerely,

A handwritten signature in blue ink that reads "Carol L. Klatt".

Carol L. Klatt
Councilmember



Office of the Councilmember Kirsten Keith

December 3, 2013

Re: City Selection Committee for the California Identification System (CAL-ID)

I respectfully request your support for my reappointment to serve on the CAL-ID Committee as the Cities representative for an additional 3-year term.

I have served as a Menlo Park Councilmember since December 2010 and as Mayor from 2011-2012. In my Council role I have had the opportunity to participate on numerous regional boards and committees including C/CAG, the San Francisquito Creek Joint Powers Authority and on the Peninsula Division of the League of California Cities as Treasurer and this year as Vice President. Professionally, I have served in the justice system for 18 years as an attorney.

I have enjoyed my work with the CAL-ID Committee and sincerely look forward to continuing if reappointed.

Thank you for your consideration.

Best regards,

Kirsten Keith
Councilmember
City of Menlo Park



City of Foster City

ESTERO MUNICIPAL IMPROVEMENT DISTRICT

610 FOSTER CITY BOULEVARD
FOSTER CITY, CA 94404-2222
(650) 286-3200
FAX (650) 574-3483

December 3, 2013

Re: Domestic Violence Council
Member Opening- Cities Representative

Dear City Selection Committee,

I, Councilmember Herb Perez, respectfully request to be considered to serve on the San Mateo County Domestic Violence Council as a representative of the cities. I feel very passionately about issues related to domestic violence and have firsthand experience with the impacts of domestic violence being the son of an abusive father. I know how important it is to have services available to the victims of this abuse and I, myself, along with my mother have utilized these services. I am now and will continue to be a strong advocate for those affected by domestic violence.

As the business owner of Gold Medal Martial Arts and now as Councilmember of Foster City, I have long been a mentor to at risk youth, some of whom have shared similar experiences with me. I find it very rewarding to act as a mentor to these kids, especially those affected by abuse; and would like the opportunity to further serve these kids and my community by sitting on the Domestic Violence Council.

I appreciate your consideration and hope to turn my own experience into something positive.

Respectfully,

Herb Perez
S.P.

Herb Perez
Councilmember

From the Office of Mayor Pro Tem
Catherine Carlton



December 5, 2013

Rebecca Romero
400 County Government Center
Redwood City, CA 94063

Re: Interest in serving on the Domestic Violence Committee – *Cities Representative*

Honorable Mayor and City Council Members,

I am writing to request your consideration and support for my appointment as the representative to the Domestic Violence Committee for the 2014 term.

I have worked to support programs and legislation against Domestic Violence since 2009, including advocating for protections for domestically abused men, further protection of witnesses and victims from harassment after the abuser is sentenced, and I have supported various child abuse and anti-human trafficking programs. I would sincerely like to continue supporting this important work against Domestic Violence.

I sincerely appreciate your consideration and support for my appointment to this committee. Please feel free to contact me if you should have any questions or would like to discuss this issue further with me.

All the best,

A handwritten signature in black ink, appearing to be "Catherine Carlton", written over a horizontal line.

Catherine Carlton
Vice Mayor

Re: Domestic Violence Council
Member Opening – Cities Representative



CITY OF BRISBANE

50 Park Place
Brisbane, California 94005-1310
(415) 508-2100
Fax (415) 467-4989

December 4, 2013

To: My colleagues on the San Mateo County City Councils

RE: Appointment as Alternate to Domestic Violence Council

I am writing to express my interest in an appointment as an Alternate to the Domestic Violence Council. I was recently elected to my first term on the Brisbane City Council.

My background is as an Attorney practicing law for 11 years in the field of litigation. I have experience providing counseling for domestic violence victims on a pro bono basis. During college at Tufts University, I served as a Domestic Violence Legal Advocate, advising people seeking restraining orders in District Court in Massachusetts. In addition, during college I served as an intern for the Somerville Commission for Women, where I developed programs for domestic violence awareness and prevention, and collaborated with women's organizations to create a Massachusetts Commission for Women. For instance, I organized numerous "clothesline projects" featuring displays of t-shirts made by domestic violence victims, which were part of a large public outreach program. Furthermore, during law school at Northwestern University School of Law, I served as an intern for the Midwest Immigrant and Human Rights Center, whereby I assisted domestic violence victims in preparing petitions pursuant to the Violence Against Women Act (VAWA) and assisted in winning an asylum brief on behalf of a victim of human trafficking.

I have both the interest and experience to evaluate and provide meaningful input to domestic violence services in San Mateo County. I believe this issue is an important ongoing concern to our communities and the quality of life of our citizens. My substantial experience and strong interest in domestic violence prevention and awareness would be an asset to the Domestic Violence Council.

I am sincerely interested in getting involved in countywide issues and ask for your support in appointment to the Alternate position of the Domestic Violence Council.

Sincerely,

Lori S. Liu
Councilmember
City of Brisbane





CITY OF HALF MOON BAY

City Hall • 501 Main Street • Half Moon Bay • CA • 94019

December 2, 2013

Honorable Mayors of San Mateo County:

My name is Naomi Patridge and I am presently a Councilmember of the City of Half Moon Bay and member of the Transportation Authority. The purpose of this letter is to ask for your support and vote for my reappointment as an at large member of the San Mateo County Transportation Authority. I served on the Transportation Authority three terms from 2011 to 2013, 1999 to 2001 and 1996 to 1997. The Council of Cities Selection Committee will be appointing the member to the Transportation Authority and I am asking for your vote. The vote will take place on Friday, December 13th in Colma at 6:00 pm.

I find regional transportation issues challenging and interesting. I believe that the Authority works collaboratively to meet the needs and interest of all the cities. I will continue to work to advance the projects and programs of the Measure A Expenditure Plan.

As a member of the Transportation Authority, I have worked to represent all the cities. Thank you for your consideration. Please feel free to contact me at (650) 726-2512 or e-mail me at npatridge@sbcglobal.net.

Respectfully,

Naomi Patridge, Councilmember
City of Half Moon Bay

CITY COUNCIL

RAYMOND A. BUENAVENTURA
DAVID J. CANEPA
MICHAEL P. GUINGONA
CAROL L. KLATT
SAL TORRES



OFFICE OF THE CITY COUNCIL
CITY OF DALY CITY

333 - 90TH STREET
DALY CITY, CA 94015-1895

PATRICIA E. MARTEL
CITY MANAGER

K. ANNETTE HIPONA
CITY CLERK

ANTHONY J. ZIDICH
CITY TREASURER

PHONE (650) 991-8008

December 5, 2013

RE: Appointment to the San Mateo County Transportation Authority

Honorable Mayor and City Council Members:

I am writing to request your consideration and support for my reappointment as the North County representative to the San Mateo County Transportation Authority (TA). Since my appointment to the TA in March of this year, I have worked diligently on behalf of all of the cities in San Mateo County. I would like to continue to capably serve as a transportation advocate for your city for the next two years.

During my tenure on the TA, I have worked collaboratively with the other members of the Board to ensure that New Measure A funds continue to be allocated broadly for important transportation initiatives such as local shuttle services, railroad/grade separation projects, and bicycle/pedestrian projects that benefit cities throughout the county. Additionally, I continue to support funding to maintain Caltrain, as a reliable and convenient regional public transportation system.

Among the highlights of the TA's actions while I have served as a member of the Board are:

- Approved Guiding Principles for Project Selection for the New Measure A Grade Separation Projects;
- Authorized allocation of \$1.5 million in New Measure A Highway Program Funds to the City of San Carlos for the Highway 101/Holly Street Interchange Project Approval/ Environmental Document Phase;
- Reaffirmed the Investment Policy and authorized the investment of monies with the Local Agency Investment Fund;
- Authorized allocation of \$410,000 in New Measure A Alternative Congestion Relief Funds to the Peninsula Traffic Congestion Relief Alliance for FY 2014;
- Authorized allocation of \$3,354,000 in New Measure A Highway Program Category Funds to the City of Pacifica for the Route 1 San Pedro Creek Bridge Replacement Project;
- Authorized distribution of \$11,960,000 in New Measure A Funds and \$6,390,200 in Original Measure A Funds to the San Mateo County Transit District for allocation to Caltrain's FY 2014 capital and operating budgets and Paratransit Program;
- Authorized allocation of \$100,000 in New Measure A Funds to the San Mateo County Transit District for Shuttle Program Technical Assistance.

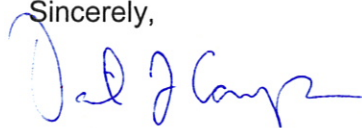
In addition, I have been appointed to the New Measure A Bicycle and Pedestrian Call for Projects Subcommittee through which I have been able to assist in the development of evaluation criteria for TA-funded bicycle and pedestrian projects.

RE: Appointment to the San Mateo County Transportation Authority
December 5, 2013
Page 2 of 2

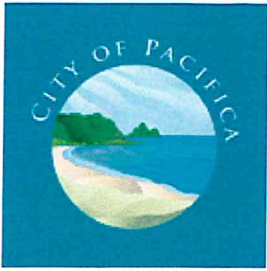
It is with the same commitment to best serve and address the diverse transportation needs of the entire county that I have demonstrated this past year that I seek your support to continue to represent you on the TA Board for the next two years.

Your positive consideration and support for my reappointment at the City Selection Committee meeting on December 13 is very much appreciated.

Sincerely,



David J. Canepa
Vice Mayor



Scenic Pacifica
Incorporated Nov. 22, 1957

CITY OF PACIFICA

170 Santa Maria Avenue • Pacifica, California 94044-2506
www.cityofpacifica.org

MAYOR
Len Stone

MAYOR PRO TEM
Mary Ann Nihart

COUNCIL
Sue Digre
Karen Ervin
Mike O'Neill

Rebecca Romero
Secretary, City Selection Committee
400 County Center
Redwood City, CA 94063

December 4, 2013

Thank you all for a great year! It has been an honor to serve as your Vice-Chair of the Council of Cities. Hon. Marina Frasier and Hon. Elizabeth Lewis have served with distinction. They have made a strong team and wonderful mentors. From each of them I have learned a great deal.

Throughout my first term on the Pacifica City Council I have worked diligently to become more involved in the whole of San Mateo County. I have learned much from each of you about the issues that impact your individual communities as well as those we share in common. It would be my privilege to put that knowledge to use in organizing stimulating programs for our monthly meetings. With this experience in mind, I submit myself for your consideration as Chair of the San Mateo County Council of Cities/City Selection Committee.

Sincerely,

Mary Ann Nihart
Pacifica City Council



Town of Atherton

91 Ashfield Road • Atherton, California 94027
(650) 752-0500 • Fax (650) 688-6528
www.ci.atherton.ca.us

November 27, 2013

City Selection Committee
Attn: Rebecca Romero
400 County Center
Redwood City, CA 94063

Re: Interest in serving on City Selection Committee

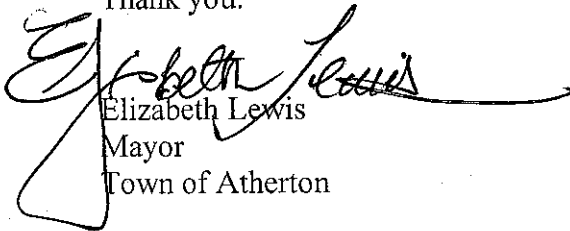
I am interested in serving as the Vice Chair of the City Selection Committee for the upcoming term of 2014.

I have served as Secretary/Treasurer this past year and the experience has been very rewarding.

Working with the other elected officials throughout San Mateo County is an honor and a privilege and I feel blessed to be a part of such a close-knit group.

Please consider me as the City Selection Committee Vice Chair for 2014.

Thank you.


Elizabeth Lewis
Mayor
Town of Atherton



ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-173

Agenda Item #: I-1

INFORMATIONAL ITEM: **Quarterly Financial Review of General Fund Operations as of September 30, 2013**

RECOMMENDATION

This is an informational item and does not require Council action.

BACKGROUND

In order to provide timely information to Council and the public, the City's Finance Department prepares a quarterly report on General Fund operations. The report provides a review of General Fund revenues and expenditures for the most recently completed quarter of the current fiscal year. These results are presented alongside results from the same time period for the previous year, with material differences being explained in the appropriate section of the staff report.

ANALYSIS

Overview

The report itself, which is included as Attachment A, was developed to apprise Council of the year-to-date status of the General Fund. Information included in this staff report is intended to highlight some of the critical elements of Attachment A and supplement that information with explanations of significant differences between first quarter results from fiscal years 2013-14 and 2012-13.

It is important to note that the budget-to-actual comparisons shown reflect actual transactions of the first quarter of each year as compared to the adjusted budget as it stood on September 30th of each year. The one major budget revision typically recorded in the first quarter of each year is the carry-over of expenditure commitments funded in the prior year's budget, also known as encumbrances. For fiscal year 2012-13, General Fund encumbrances from the prior year amounted to an additional \$272,551 for the expenditure budget. In the current fiscal year, \$388,033 in commitments has been carried forward.

Revenues

The table below shows a summary of first quarter budget-to-actual revenues for fiscal years 2013-14 and 2012-13:

	2013-14 Adopted Budget 9/30/2013	Actual 09/30/2013	% of Budget	2012-13 Adopted Budget 9/30/2012	Actual 09/30/2012	% of Budget
Property Tax	\$13,955,000	\$100,342	0.72%	\$13,658,000	\$64,280	0.47%
Sales Tax	6,331,400	848,665	13.40%	6,330,000	789,907	12.48%
Transient Occupancy Tax	3,743,000	0	0.00%	3,326,000	0	0.00%
Utility Users' Tax	1,184,620	116,480	9.83%	1,180,500	119,368	10.11%
Franchise Fees	1,812,300	86,797	4.79%	1,873,500	85,652	4.57%
Charges for Services	7,795,222	1,838,162	23.58%	6,370,600	1,900,642	29.83%
Licenses and Permits	4,459,465	1,578,124	35.39%	4,266,465	619,449	14.52%
Interest Income	410,000	325,810	79.47%	390,000	(28,591)	-7.33%
Rental Income	367,712	27,127	7.38%	380,018	19,805	5.21%
Intergovernmental Revenue	741,704	219,203	29.55%	911,263	204,533	22.45%
Fines & Forfeitures	1,319,980	257,395	19.50%	1,085,200	206,842	19.06%
Operating Transfers In/ Other Revenue	429,444	883,364	205.70%	418,123	107,571	25.73%
Total Revenues:	\$42,549,847	\$6,281,469	14.76%	\$40,189,669	\$4,089,458	10.18%

Through the first quarter of fiscal year 2013-14, General Fund revenues are well above revenues received through the same time period in 2012-13. In total, the percentage of budgeted revenues actually received as of September 30th was 14.76 percent for the current year, as opposed to 10.18 percent for the prior year. This increase, however, was driven predominantly by one-time revenues (\$772,000 sale of property proceeds from the Hamilton Avenue sale) and timing issues (\$800,000 in permitting revenue from Facebook was received in the first quarter of 2013-14, whereas in 2012-13 it was received in the second quarter).

Further, because of the timing of when several of our major revenue sources are remitted to the City, first quarter results often do not reveal much information about what revenues in total will be by the end of the fiscal year. For example, only a small portion of property tax is remitted in the first quarter (supplemental and transfer taxes), as the largest source of property tax, the secured tax, does not begin to be remitted until the second quarter. For transient occupancy tax, which is remitted quarterly, there is no revenue received in the first quarter, as taxes for July through September are not due to the City until the end of October. And while a material portion of sales tax has been remitted, what the City has received are revenue advances from the State, which are not based on actual activity. As such, a year-over-year comparison cannot be made until the State reconciles its advances based on actual activity, which does not happen for the first time this fiscal year until the second quarter.

For the other major revenue sources that are remitted on a timely basis such that a year-over-year comparison of first quarter results is applicable, a brief discussion of the variances is discussed below.

Charges for Services are down 3 percent from the first quarter of fiscal year 2012-13. This is entirely the result of timing issues related to when planning fee revenues are received. Overall, activity in Community Development and Community Services is still at a high level, and through the first quarter revenue estimates for 2013-14 remain on target. Significant increases in Community Services include recreation fee revenues (up \$135,000), facility rentals (up \$41,000), and child care fees (up \$35,000).

License and Permit revenues are up significantly over the first quarter of fiscal year 2012-13; however, as previously noted, this is predominantly the result of the City receiving its \$800,000 payment from Facebook in the first quarter as opposed to the second quarter, which is when it was received last fiscal year. Excluding that payment, first quarter revenues are 17.4% of the total budgeted amount, which exceeds the first quarter results from last fiscal year. This increase is driven by building permits, which are up over \$150,000.

While Interest Income appears to be up significantly in the first quarter, that amount does not reflect cash earned on the City's investment portfolio and instead is the annual first quarter adjustment to reverse prior year unrealized gains/losses required for fiscal year-end reporting. Specifically, this transaction reverses the unrealized loss that had to be booked to close out fiscal year 2012-13. Actual returns on the City's investment portfolio through the first quarter were comparable year-over-year, as annualized returns were 0.58 percent as of September 30, 2013, and 0.59 percent as of September 30, 2012.

The final item of note is in the Operating Transfers In/Other Revenue category. Revenues are up significantly in this area due to the City receiving its share of the sale proceeds (\$772,000) from the sale of the Hamilton Avenue property. Excluding that revenue, this category is tracking closely to the first quarter of the previous fiscal year.

Expenditures

Through the first quarter, General Fund operating expenditures are up \$221,437, or 2.55%, over the previous year. This increase is expected, as the 2013-14 adjusted budget is \$2.5 million higher than the previous year. Further, actual expenditures in 2013-14 are tracking slightly lower to budget in comparison to last year (20.8% vs. 21.6%) through the first quarter. It is important to note, however, that while total expenditures for the current year are only 20.8% of budget (through 25% of the fiscal year), first quarter results shown in the table below only include payroll through mid-September, which makes these results artificially low. This is the case for both fiscal years, so the year-over-year comparison is still applicable; however, the 20.8% value cannot be used to estimate actual expenditures for the entire fiscal year.

	2013-14 Adjusted Budget 9/30/2013	Actual 09/30/2013	% of Budget	2012-13 Adjusted Budget 9/30/2012	Actual 09/30/2012	% of Budget
Police	14,904,924	3,224,914	21.64%	14,707,833	3,148,296	21.41%
Public Works	5,566,311	1,177,994	21.16%	5,311,333	1,205,190	22.69%
Community Services	7,328,584	1,625,280	22.18%	7,080,558	1,538,257	21.73%
Library	2,109,769	519,915	24.64%	2,042,465	501,577	24.56%
Community Development	3,514,042	583,338	16.60%	2,987,249	540,938	18.11%
Administrative Services	6,757,144	1,129,465	16.72%	5,608,113	1,127,779	20.11%
Operating Transfers Out	2,554,600	638,650	25.00%	2,464,328	616,082	25.00%
Total Expenditures:	\$42,735,373	\$8,899,556	20.82%	\$40,201,879	\$8,678,119	21.59%

As demonstrated in the table above, Public Works, Community Development, and Administrative Services are currently tracking below where they were through the first quarter of fiscal year 2012-13, and the Police Department, Community Services, and Library are only slightly ahead (less than 0.5%) of last year's budget-to-actual ratio through the first quarter. Based on total expenditures through the first quarter, General Fund operating expenditures are on track to be within budgeted amounts for the fiscal year.

IMPACT ON CITY RESOURCES

There is no impact on City resources.

POLICY ISSUES

The quarterly budget-to-actual report is presented to facilitate better understanding of General Fund operations and the overall state of the City's current fiscal affairs by the public and the Council.

ENVIRONMENTAL REVIEW

This report is not subject to the California Environmental Quality Act (CEQA).

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Comparative General Fund Budget-to-Actual Report as of September 30, 2013

Report prepared by:
Drew Corbett
 Finance Director

City of Menlo Park - General Fund
Budget-to-Actual Report, FY 2013-14
As of September 30, 2013

ATTACHMENT A

A	B	C	D	E	(E-C)/C	G	H	(H-G)/G	G/C	G/D	H/E	Notes
	Adjusted Budget as of 6/30/13	Un-Audited Actual FY 2012-13	2012-13 Budget 9/30/2012	2013-14 Budget 9/30/2013	% Budget Change 9/30/13 to Un-Audited Actual FY 12-13	Actual YTD 09/30/2012	Actual YTD 09/30/2013	% Actual Change	% of Actual YTD 9/30/2013 to Audited Actual FY 12-13	% Actual-to- Budget 9/30/2012	% Actual-to- Budget 9/30/2013	
Property Tax	\$13,853,000	\$15,731,889	\$13,658,000	\$13,955,000	-11.29%	\$64,280	\$100,342	56.10%	0.41%	0.47%	0.72%	
Sales Tax	6,280,000	6,043,870	6,330,000	6,331,400	4.76%	789,907	848,665	7.44%	13.07%	12.48%	13.40%	(1)
Transient Occupancy Tax	3,326,000	3,468,256	3,326,000	3,743,000	7.92%	0	0	0.00%	0.00%	0.00%	0.00%	
Utility Users' Tax	1,165,499	1,095,256	1,180,500	1,184,620	8.16%	119,368	116,480	-2.42%	10.90%	10.11%	9.83%	(2)
Franchise Fees	1,873,500	1,765,216	1,873,500	1,812,300	2.67%	85,652	86,797	1.34%	4.85%	4.57%	4.79%	
Charges for Services	7,080,246	7,088,160	6,370,600	7,795,222	9.98%	1,900,642	1,838,162	-3.29%	26.81%	29.83%	23.58%	
Licenses and Permits	4,326,465	4,447,630	4,266,465	4,459,465	0.27%	619,449	1,578,124	154.76%	13.93%	14.52%	35.39%	
Interest Income	390,000	221,974	390,000	410,000	84.71%	(28,591)	325,810	-1239.55%	-12.88%	-0.76%	79.47%	
Rental Income	362,018	346,076	380,018	367,712	6.25%	19,805	27,127	36.97%	5.72%	5.21%	7.38%	
Intergovernmental Revenue	838,130	866,288	911,263	741,704	-14.38%	204,533	219,203	7.17%	23.61%	22.45%	29.55%	
Fines & Forfeitures	991,400	998,259	1,085,200	1,319,980	32.23%	206,842	257,395	24.44%	20.72%	19.06%	19.50%	
Operating Transfers In/ Other Revenue	420,123	1,178,628	418,123	429,444	-63.56%	107,571	883,364	721.19%	9.13%	25.73%	205.70%	
Total Revenues:	\$40,906,381	\$43,251,502	\$40,189,669	\$42,549,847	-1.62%	\$4,089,458	\$6,281,469	53.60%	9.46%	10.18%	14.76%	
Police	14,462,753	13,809,281	14,707,833	14,904,924	7.93%	3,148,296	3,224,914	2.43%	22.80%	21.41%	21.64%	
Public Works	5,535,335	5,100,813	5,311,333	5,566,311	9.13%	1,205,190	1,177,994	-2.26%	23.63%	22.69%	21.16%	
Community Services	7,079,105	6,810,373	7,080,558	7,328,584	7.61%	1,538,257	1,625,280	5.66%	22.59%	21.73%	22.18%	
Library	2,042,465	2,011,143	2,042,465	2,109,769	4.90%	501,577	519,915	3.66%	24.94%	24.56%	24.64%	
Community Development	3,197,249	2,774,032	2,987,249	3,514,042	26.68%	540,938	583,338	7.84%	19.50%	18.11%	16.60%	
Administrative Services	5,898,280	5,315,024	5,608,113	6,757,144	27.13%	1,127,779	1,129,465	0.15%	21.22%	20.11%	16.72%	
Operating Transfers Out	6,252,894	6,336,897	2,464,328	2,554,600	-59.69%	616,082	638,650	3.66%	9.72%	25.00%	25.00%	(3)
Total Expenditures:	\$44,468,081	\$42,157,563	\$40,201,879	\$42,735,373	1.37%	\$8,678,119	\$8,899,556	2.55%	20.58%	21.59%	20.82%	
Preliminary addition/draw on General Fund Reserves	(\$3,561,700)	\$1,093,939	(\$12,210)	(\$185,526)		(\$4,588,661)	(\$2,618,087)					
Carry-over encumbrances and Reappropriations from prior year subtracted from adjusted budget.	272,551		272,551	388,033								
Net addition to/draw on General Fund Reserves	(\$3,289,149)		\$260,341	\$202,507								
Net Operating Revenue	(\$3,289,149)		\$260,341	\$202,507								

NOTES:

- (1) State of California sales tax advances for July and August increased 7.49% over same period last year. These advances are adjusted once actual sales tax receipts are received by the State.
- (2) Utility Users' Tax in prior year reflects a refund for Tyco property (\$13,500) in Electric UUT.
- (3) 2012-13 Adjusted Budget and Un-audited Actual reflects Comprehensive Planning Fund Activity.

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ADMINISTRATIVE SERVICES DEPARTMENT

Council Meeting Date: December 10, 2013
Staff Report #: 13-174

Agenda Item #: I-2

INFORMATIONAL ITEM: **Review of the City's Investment Portfolio as of September 30, 2013**

RECOMMENDATION

This is an informational item and does not require Council action.

BACKGROUND

The City's investment policy requires a quarterly investment report to the Council, which includes all financial investments of the City and provides information on the investment type, value, and yield for all securities. The report also provides Council an update on the cash balances of the City's various funds.

ANALYSIS

Investment Portfolio as of September 30, 2013

Various reports are prepared monthly by Cutwater Asset Management, the City's investment advisory firm, and are attached to this staff report. The "Recap Of Securities Held" confirms that the historical (book) value of the total portfolio at the end of September was over \$83.5 million. The portfolio includes the General Fund, Water Fund, Special Revenue Funds, Successor Agency Funds, Capital Projects Fund, and funds for debt service obligations. Funds are invested in accordance with the City Council policy on investments using safety, liquidity and yield as selection criteria. Approximately \$34.5 million (41.3 percent) is invested in the State investment pool, the Local Agency Investment Fund (LAIF). LAIF is considered a safe investment and it provides the liquidity of a money market fund. Of the remaining \$49 million, \$19.5 million (23.4 percent) is invested in short-term Federal agency issues (U.S. Instrumentality), \$4 million (4.8 percent) is in U.S. Treasury securities, and \$25.5 million (30.5 percent) is in medium-term corporate notes. All the mentioned securities are prudent short-term investments, since they generally bear a higher interest rate than LAIF, provide investment diversification, and remain secure investment instruments.

At the end of September, the fair value (market value) of the City's securities was over \$130,696 less than the amortized historical cost, which is referred to as an unrealized loss. This is a decrease from the end of the previous quarter's unrealized loss of \$281,000. Fair value fluctuates from one period to another depending on the supply and demand for bonds and securities at a particular point in time. Therefore, there is often a difference between the historical cost (the value at the time of purchase) and the fair value (the value of the same security at a specific date), creating an unrealized gain or loss. Since the City's portfolio is fairly short-term in nature and the City generally holds the securities to maturity in order to avoid market risk, the information on the unrealized gains or losses is reported in the Comprehensive Annual Financial Report but does not represent an actual cash loss to the City.

Current Market Conditions

The U.S. economy continues to grow at a slow but steady pace. The real Gross Domestic Product (GDP) grew at an annual rate 2.5 percent during the second quarter of 2013. This compares favorably against the 1.1 percent GDP growth recorded in the first quarter of the year. The increase of the GDP during the second quarter was due, in part, to increases in private inventory investment, personal consumption expenditures, exports, and fixed investments.

The Federal Open Market Committee (FOMC) met in July, September, and October to discuss monetary policy. Even though the economy saw significant improvement over the second quarter of 2013, the FOMC is concerned about the rate of inflation and the continued high unemployment, which decreased to 7.3 percent. In light of the modest economic recovery, the FOMC is still determined that the federal funds rate remain at the current near-zero level at least through 2015. The FOMC anticipates this rate to be appropriate while the unemployment rate remains above 6.5 percent. It will continue purchasing additional agency mortgage-backed securities at a pace of \$40 billion per month and longer-term Treasury securities at a pace of \$45 billion per month. It is still anticipated that these actions will continue to put downward pressure on longer-term interest rates, support mortgage markets, and help improve other financial conditions. However, while mortgage markets and other financial conditions have seen slight improvements, rates on long-term Treasuries have increased over the last year, while short-term Treasury rates have declined. The FOMC will continue to monitor the market and will discuss appropriate policy actions when it meets again beginning on December 17th.

Investment Yield

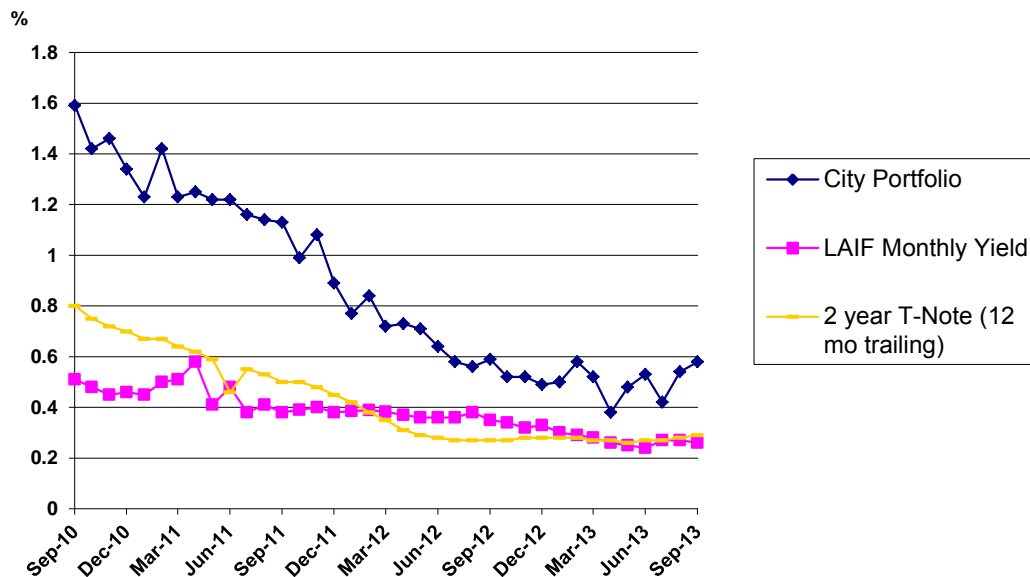
The annualized rate of return for the City's portfolio shown on the performance summary as of September 30, 2013, prepared by Cutwater, is 0.58 percent, net of fees. This rate of return is higher than the rate of the 2-year Treasury-Note (12-month trailing) of 0.29 percent and the rate of return earned through LAIF over the past quarter of 0.26 percent.

Over the third quarter of 2013, investment yields continued to decrease for short-term bonds and increase for long-term bonds despite the FOMC monetary policy. The same is true over the past year as interest rates increased, with longer-term securities of over two years increasing while short-term securities decreased. While investment opportunities in long-term Treasuries have improved compared to last year, they continue to be unattractive compared to agency securities and corporate bonds. The short-term Treasuries offer yields almost equal to what is available with LAIF. The difference can be seen by the change in U.S. Treasuries rates:

Term	September 30, 2012	June 30, 2013	September 30, 2013
3-month	0.09	0.03	0.01
6-month	0.13	0.09	0.03
2-year	0.23	0.27	0.32
5-year	0.63	1.39	1.38
10-year	1.63	2.49	2.61
30-year	2.82	3.50	3.69

As previously stated, almost 41.5 percent of the portfolio resides in the City's LAIF account, yielding 0.26 percent for the quarter ending September 30, 2013. Since the City does not need all of its funds to be liquid, investments in U.S. Treasury, agency, corporate notes, and commercial paper are made in an effort to enhance yields. The difference between the yields earned in the City's portfolio and those earned from LAIF have been decreasing significantly over the last four years. Since the City no longer holds any of the higher yielding investments purchased before 2009, the portfolio's yields will not be significantly higher than the yields earned from LAIF. Considering that the federal funds rate will remain low at least through 2015, this trend will continue for some time.

Comparative Rates of Return



Fees paid to Cutwater (totaling \$9,821 for the quarter ended September 30, 2013) are deducted from investment earnings before calculating the City’s net rate of return. Staff continues to work with the City’s investment advisors to meet the City’s investment objectives and rearrange the portfolio for maximum yield while providing safety for the principal amount.

Investment Transactions in the Third Quarter

Staff, with the assistance of Cutwater, continues to evaluate the purchase new long-term investments as others are called or matured or as the City does not require as much liquidity. However, since there were not any securities in the City’s portfolio that were called or matured during the third quarter, the City did not purchase any new investments during that time. Given that long-term securities carry higher yields and it is expected the federal funds rate will continue at its current level through 2015, there will be minimal exposure to interest rate risk should the City decide to invest in longer-term instruments as cash is available and/or other investments reach maturity.

The average number of days to maturity in the City’s portfolio decreased during the third quarter. The average number of days to maturity of the City’s portfolio as of September 30, 2013 was 480 days as compared to 521 days as of June 30, 2013. The average life of securities in LAIF’s portfolio as of September 30, 2013 was 239 days.

Cash and Investments by Fund

Overall, the City’s investment portfolio decreased by over \$2.8 million in the third quarter of 2013. The schedule below lists the change in cash balance by fund type.

Fund/Fund Type	Cash Balance	Cash Balance	Difference	%
	as of 09/30/13	as of 06/30/13		Change
General Fund	23,024,131	25,640,070	(2,615,939)	-10.20%
Bayfront Park Maintenance Fund	670,199	696,913	(26,714)	-3.83%
Recreation -in-Lieu Fund	1,365,467	1,169,076	196,391	16.80%
Other Expendable Trust Funds	1,427,754	1,066,776	360,978	33.84%
Transportation Impact Fee Fund	4,024,108	2,761,898	1,262,210	45.70%
Garbage Service Fund	870,145	863,087	7,058	0.82%
Parking Permit Fund	2,941,019	2,947,807	(6,788)	-0.23%
BMR Housing Fund	5,967,281	5,992,745	(25,464)	-0.42%
Measure A Funds	983,033	862,088	120,945	14.03%
Storm Water Management Fund	212,384	271,980	(59,596)	-21.91%
Successor Agency Funds	2,601,344	2,647,899	(46,555)	-1.76%
Measure T Funds	288,085	291,045	(2,960)	-1.02%
Other Special Revenue Funds	9,924,455	9,739,612	184,843	1.90%
Capital Project Fund- General	10,452,330	11,472,684	(1,020,354)	-8.89%
Water Operating & Capital	15,166,031	14,525,421	640,610	4.41%
Debt Service Fund	425,987	1,832,234	(1,406,247)	-76.75%
Internal Service Fund	3,185,241	3,585,207	(399,966)	-11.16%
Total Portfolio of all Funds	83,528,992	86,366,542	(2,837,550)	-3.29%

Cash and investment holdings in the General Fund decreased due to normal operations during the past quarter. Throughout the fiscal year, the negative net cash outlays for operations are offset by property tax revenues, received in December and April of every fiscal year. The General Capital Projects Fund decreased due to expenditures related to capital improvement projects. The most significant expenses were almost \$551,000 spent for the Street Resurfacing Program and over \$451,000 spent on the Downtown Irrigation Replacement Project. The Transportation Impact Fee Fund cash balance increased due to payment of over \$1.2 million from Facebook. The transportation impact fee is required to be paid on large projects by applicants prior to the issuance of a building permit.

The City's Municipal Water Funds increased due collection of water service fees which are offset by normal operating costs. Water fees are higher during the third quarter of the year due to the drier months, which require more water usage for landscaping needs. The City's Debt Service Funds decreased because of the semi-annual debt service payment for the City's general obligation bonds' principal and interest payments that were due on July 31, 2013. The decrease in the Internal Service Funds is due to remittance of the annual workers' compensation and general liability insurance premiums that are payable during the third quarter of 2013.

IMPACT ON CITY RESOURCES

Due to the liquidity of LAIF accounts, the City has more than sufficient funds available to meet its expenditure requirements for the next six months.

POLICY ISSUES

The City and the Successor Agency funds are invested in full compliance with the City's Investment Policy and State Law, which emphasize the following criteria, in the order of importance: safety, liquidity, and yield.

ENVIRONMENTAL REVIEW

This report is not subject to the California Environmental Quality Act (CEQA).

PUBLIC NOTICE

Public Notification was achieved by posting the agenda, with this agenda item being listed, at least 72 hours prior to the meeting.

ATTACHMENTS

- A. Cutwater Investment Reports for the period of September 1, 2013 – September 30, 2013

Report prepared by:
Geoffrey Buchheim
Financial Services Manager



Cutwater Asset Management
1900 Sixteenth Street, Suite 200
Denver, CO 80202
Tel: 303 860 1100
Fax: 303 860 0016

CITY OF MENLO PARK

Report for the period September 1, 2013 - September 30, 2013

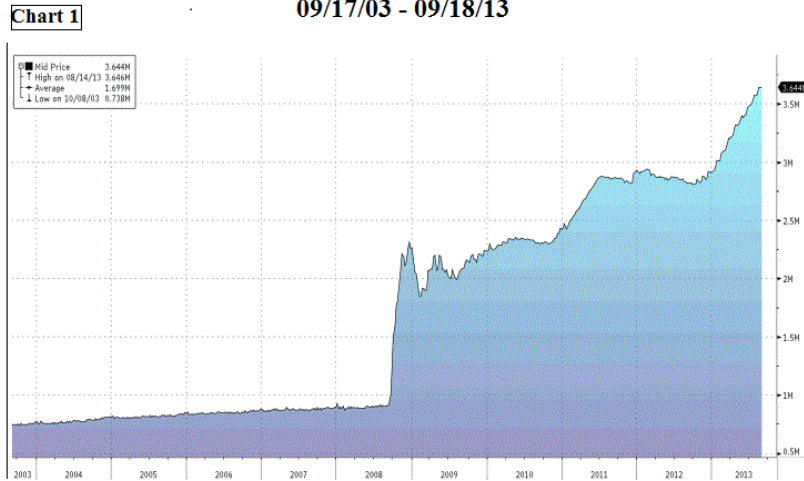
Please contact Accounting by calling the number above or email camreports@cutwater.com with questions concerning this report.

(This report was prepared on October 4, 2013)

Fixed Income Market Review September 30, 2013

U.S. Federal Reserve Balance Sheet

09/17/03 - 09/18/13

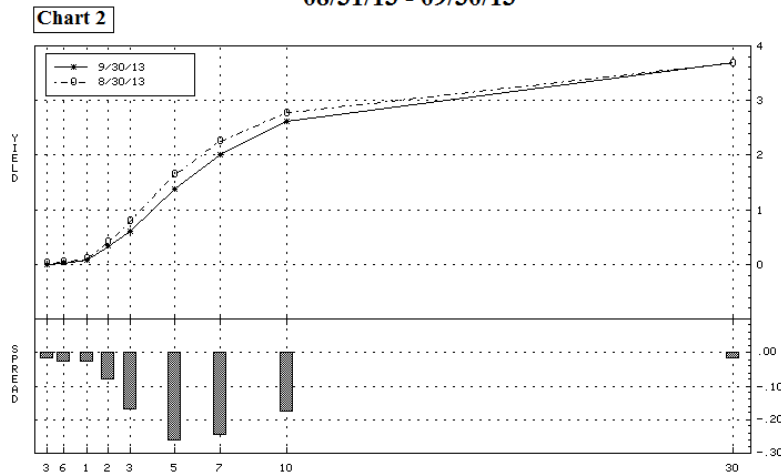


Economic Indicators & Monetary Policy – The Federal Reserve decided not to reduce its asset purchase program of \$85 billion per month at September’s Federal Open Market Committee (FOMC) meeting. Economists expected some level of tapering to occur at this meeting with the Federal Reserve balance sheet at record levels and vastly approaching \$4 trillion. (See Chart 1) U.S. Federal Reserve Chairman Ben Bernanke believes “conditions in the job market today are still far from what all of us would like to see” in order to begin paring back on asset purchases. Economists now expect the Federal Reserve to begin tapering at December’s FOMC meeting.

U.S. nonfarm payrolls increased by 169,000 in August compared to an expected rise of 180,000. This followed a 104,000 revised gain in July that had been previously reported as an increase of 162,000. The unemployment rate fell to 7.3 percent in August as workers left the workforce with a participation rate of only 63.2 percent, the lowest level since August 1978. U.S. retail sales only grew 0.2 percent in August as the largest part of the economy struggles to gain strength. This was the smallest gain in four months and less than the 0.5 percent advance that economists expected. Excluding auto purchases, retail sales grew 3.3 percent from last August.

Treasury Yield Curves

08/31/13 - 09/30/13



At the September 17th/18th FOMC meeting, policy-makers kept the federal funds target rate at a range of zero to 0.25 percent. The FOMC also decided to maintain its \$85 billion in monthly bond purchases to “promote a stronger economic recovery.” Policy-makers are expected to hold the benchmark rate near zero as long as unemployment is above 6.5 percent and the inflation outlook remains below 2.5 percent. The Committee believes that downside risks have diminished in the economy, “but the recent tightening of financial conditions observed” since the end of April “could slow the pace of improvement in the economy and labor market.” The next FOMC meeting is scheduled for October 29th/30th with only two meetings remaining in 2013.

Yield Curve & Spreads – U.S. Treasury yields declined in September after the Federal Reserve decided not to taper its asset purchases of \$85 billion per month as well as political unrest that resulted in the first partial shutdown for the U.S. government in 17 years.

At the end of September, the 3-month Treasury bill yielded 0.005 percent, 6-month Treasury bill yielded 0.03 percent, 2-year Treasury note yielded 0.32 percent, 5-year Treasury note yielded 1.38 percent, 10-year Treasury note yielded 2.61 percent, and the 30-year Treasury yielded 3.69 percent. (See Chart 2)

Additional Information
September 30, 2013

The opinions expressed above are those of Cutwater Asset Management and are subject to change without notice. All statistics represent month-end figures unless otherwise noted.

A current version of the investment adviser brochure for Cutwater Investor Services Corp., in the form of the Firm's ADV Part 2A, is available for your review. Please contact our Client Service Desk at 1-800-395-5505 or mail your request to:

Cutwater Investor Services Corp.
Attention: Client Services
113 King Street
Armonk, NY 10504

A copy of the brochure will be sent to you either by mail or electronically at your option.

In addition, a copy of the most recent version of the Firm's complete Form ADV can be downloaded from the SEC website at www.adviserinfo.sec.gov/.

**City of Menlo Park
Activity and Performance Summary
for the period September 1, 2013 - September 30, 2013**

Amortized Cost Basis Activity Summary

Beginning Amortized Cost Value	83,627,270.88
Additions	
Contributions	0.00
Interest Received	125,724.37
Accrued Interest Sold	0.00
Gain on Sales	0.00
Total Additions	125,724.37
Deductions	
Withdrawals	676,242.02
Fees Paid	3,269.50
Accrued Interest Purchased	0.00
Loss on Sales	0.00
Total Deductions	(679,511.52)
Accretion (Amortization) for the Period	(46,054.01)
Ending Amortized Cost Value	83,027,429.72
Ending Fair Value	82,896,734.07
Unrealized Gain (Loss)	(130,695.65)

Detail of Amortized Cost Basis Return

	Interest Earned	Accretion (Amortization)	Realized Gain (Loss)	Total Income
Current Holdings				
Cash and Equivalents	7,728.00	0.00	0.00	7,728.00
U.S. Treasury	2,859.94	(77.35)	0.00	2,782.59
U.S. Instrumentality	23,653.36	(7,129.48)	0.00	16,523.88
Corporate	54,944.69	(35,928.24)	0.00	19,016.45
Sales and Maturities				
U.S. Instrumentality	0.00	(2,918.94)	0.00	(2,918.94)
Total	89,185.99	(46,054.01)	0.00	43,131.98

Annualized Comparative Rates of Return

	Twelve Month Trailing	Six Month Trailing	For the Month
Fed Funds	0.13 %	0.10 %	0.09 %
Overnight Repo	0.12 %	0.06 %	0.05 %
3 Month T-Bill	0.06 %	0.03 %	0.01 %
6 Month T-Bill	0.09 %	0.06 %	0.02 %
1 Year T-Note	0.14 %	0.13 %	0.12 %
2 Year T-Note	0.29 %	0.32 %	0.40 %
5 Year T-Note	0.98 %	1.21 %	1.59 %

Summary of Amortized Cost Basis Return for the Period

	Total Portfolio	Excl. Cash Eq.
Interest Earned	89,185.99	81,457.99
Accretion (Amortization)	(46,054.01)	(46,054.01)
Realized Gain (Loss) on Sales	<u>0.00</u>	<u>0.00</u>
Total Income on Portfolio	43,131.98	35,403.98
Average Daily Historical Cost	83,739,541.01	49,042,461.68
Annualized Return	0.63%	0.88%
Annualized Return Net of Fees	0.58%	0.80%
Annualized Return Year to Date Net of Fees	0.50%	0.73%
Weighted Average Effective Maturity in Days	480	817

**City of Menlo Park
Activity and Performance Summary
for the period September 1, 2013 - September 30, 2013**

Fair Value Basis Activity Summary

Beginning Fair Value	83,296,861.08
Additions	
Contributions	0.00
Interest Received	125,724.37
Accrued Interest Sold	0.00
Total Additions	125,724.37
Deductions	
Withdrawals	676,242.02
Fees Paid	3,269.50
Accrued Interest Purchased	0.00
Total Deductions	(679,511.52)
Change in Fair Value for the Period	153,660.14
Ending Fair Value	82,896,734.07

Detail of Fair Value Basis Return

	Interest Earned	Change in Fair Value	Total Income
Current Holdings			
Cash and Equivalents	7,728.00	0.00	7,728.00
U.S. Treasury	2,859.94	3,632.00	6,491.94
U.S. Instrumentality	23,653.36	102,317.22	125,970.58
Corporate	54,944.69	50,795.51	105,740.20
Sales and Maturities			
U.S. Instrumentality	0.00	(3,084.59)	(3,084.59)
Total	89,185.99	153,660.14	242,846.13

Annualized Comparative Rates of Return

	Twelve Month Trailing	Six Month Trailing	For the Month
Fed Funds	0.13 %	0.10 %	0.09 %
Overnight Repo	0.12 %	0.06 %	0.05 %
3 Month T-Bill	0.11 %	0.10 %	0.12 %
6 Month T-Bill	0.20 %	0.19 %	0.24 %
1 Year T-Note	0.29 %	0.30 %	0.61 %
2 Year T-Note	0.27 %	0.26 %	2.07 %
5 Year T-Note	-1.55 %	-3.46 %	15.33 %

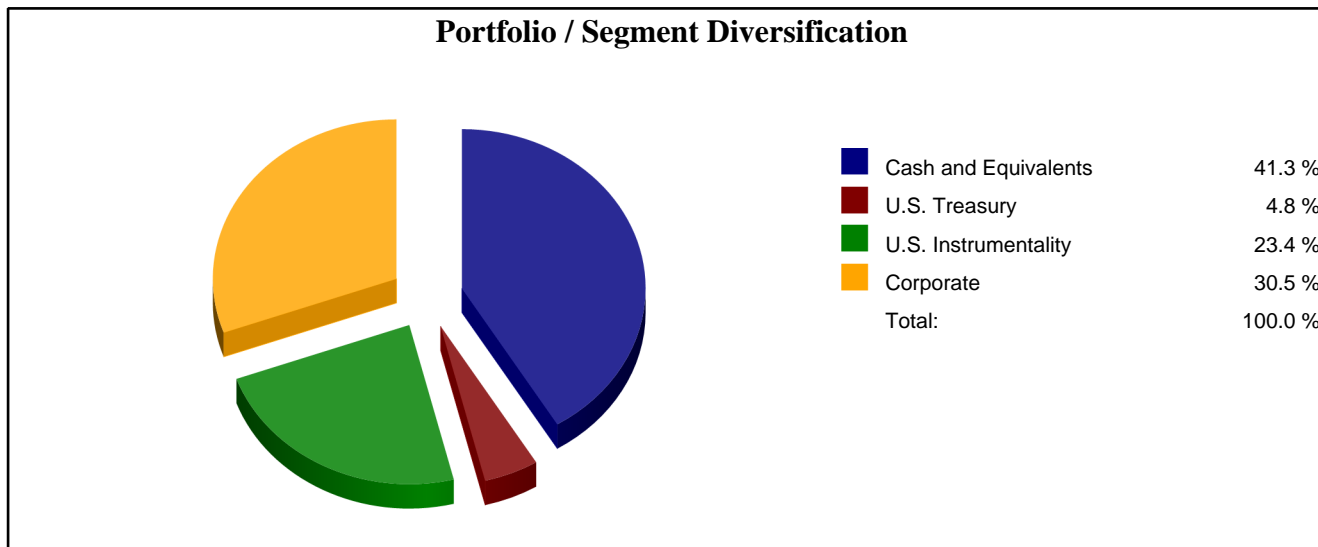
Summary of Fair Value Basis Return for the Period

	Total Portfolio	Excl. Cash Eq.
Interest Earned	89,185.99	81,457.99
Change in Fair Value	<u>153,660.14</u>	<u>153,660.14</u>
Total Income on Portfolio	242,846.13	235,118.13
Average Daily Historical Cost	83,739,541.01	49,042,461.68
Annualized Return	3.53%	5.83%
Annualized Return Net of Fees	3.48%	5.75%
Annualized Return Year to Date Net of Fees	0.04%	(0.16%)
Weighted Average Effective Maturity in Days	480	817

**City of Menlo Park
Recap of Securities Held
September 30, 2013**

	Historical Cost	Amortized Cost	Fair Value	Unrealized Gain (Loss)	Weighted Average Final Maturity (Days)	Weighted Average Effective Maturity (Days)	% Portfolio/Segment	Weighted Average Yield *	Weighted Average Market Duration (Years)
Cash and Equivalents	34,497,079.33	34,497,079.33	34,497,079.33	0.00	1	1	41.30	0.27	0.00
U.S. Treasury	4,011,796.88	4,013,098.81	4,031,640.00	18,541.19	381	381	4.80	0.85	1.03
U.S. Instrumentality	19,547,093.74	19,434,363.67	19,330,423.77	(103,939.90)	1,145	1,032	23.40	0.96	2.64
Corporate	25,473,021.85	25,082,887.91	25,037,590.97	(45,296.94)	721	721	30.50	0.88	1.92
Total	83,528,991.80	83,027,429.72	82,896,734.07	(130,695.65)	507	480	100.00	0.65	1.25

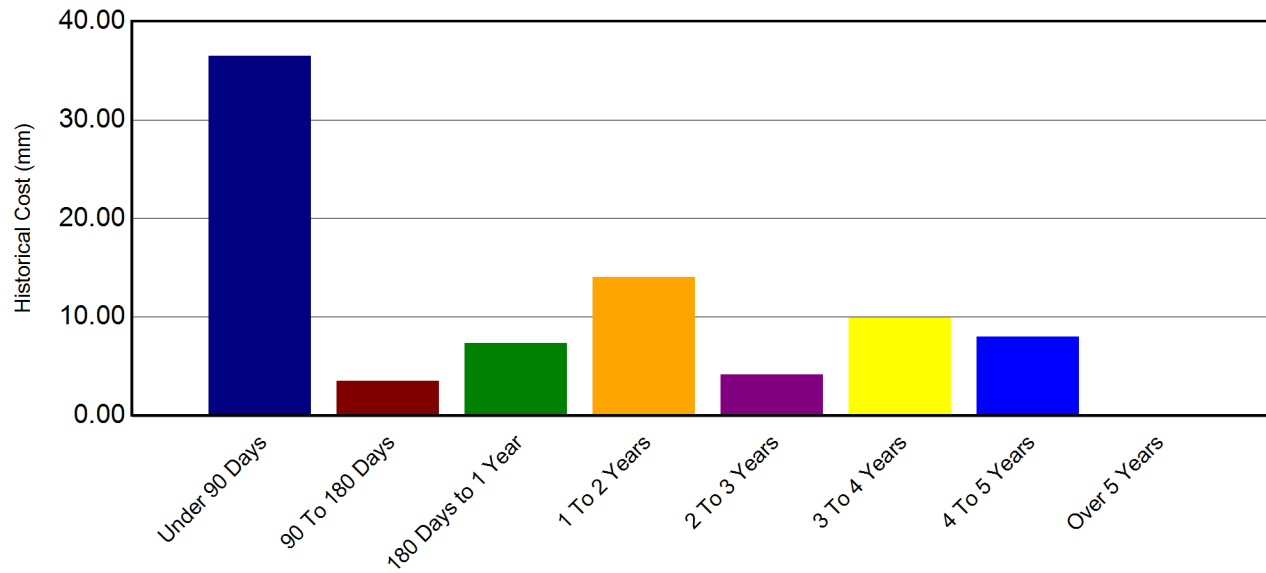
* Weighted Average Yield is calculated on a "yield to worst" basis.



**City of Menlo Park
Maturity Distribution of Securities Held
September 30, 2013**

Maturity	Historical Cost	Percent
Under 90 Days	36,482,860.58	43.68 %
90 To 180 Days	3,542,045.00	4.24 %
180 Days to 1 Year	7,377,601.88	8.83 %
1 To 2 Years	14,052,711.85	16.82 %
2 To 3 Years	4,153,158.75	4.97 %
3 To 4 Years	9,931,093.74	11.89 %
4 To 5 Years	7,989,520.00	9.56 %
Over 5 Years	0.00	0.00 %
	83,528,991.80	100.00 %

Maturity Distribution



**City of Menlo Park
Securities Held
September 30, 2013**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
Cash and Equivalents													
LAIF - City 98-19-22	09/30/13	0.271V		34,497,079.33	34,497,079.33	34,497,079.33	34,497,079.33	0.00	0.00	7,728.00	23,367.38	41.30	0.27
					0.00	0.00	0.00						
TOTAL (Cash and Equivalents)				34,497,079.33	34,497,079.33	34,497,079.33	34,497,079.33	0.00	0.00	7,728.00	23,367.38	41.30	
					0.00	0.00	0.00						
U.S. Treasury													
912828PL8	12/15/10	0.750	12/15/13	2,000,000.00	1,985,781.25	1,999,027.00	2,002,890.00	3,863.00	0.00	1,229.51	4,426.23	2.38	0.99
T-Note					0.00	389.20	(938.00)						
912828RB8	08/25/11	0.500	08/15/14	1,000,000.00	1,003,046.88	1,000,892.18	1,003,359.00	2,466.82	0.00	407.61	638.59	1.20	0.40
T-Note					0.00	(84.17)	117.00						
912828QX1	08/25/11	1.500	07/31/16	1,000,000.00	1,022,968.75	1,013,179.63	1,025,391.00	12,211.37	0.00	1,222.82	2,527.17	1.22	1.02
T-Note					0.00	(382.38)	4,453.00						
TOTAL (U.S. Treasury)				4,000,000.00	4,011,796.88	4,013,098.81	4,031,640.00	18,541.19	0.00	2,859.94	7,591.99	4.80	
					0.00	(77.35)	3,632.00						
U.S. Instrumentality													
31398A3G5	09/28/11	1.500	09/08/14	1,500,000.00	1,535,565.00	1,511,304.12	1,516,774.50	5,470.38	11,250.00	1,875.00	1,437.50	1.84	0.69
FNMA					0.00	(991.59)	(697.50)						
3136G0KG5	Call	06/05/12	06/04/15	2,000,000.00	2,001,400.00	2,000,472.43	2,004,508.00	4,035.57	0.00	1,041.67	4,062.50	2.40	0.59
FNMA			06/04/14		0.00	(57.61)	1,942.00						
3133XWNB1	09/28/11	2.875	06/12/15	1,500,000.00	1,606,845.00	1,548,881.78	1,563,790.50	14,908.72	0.00	3,593.75	13,057.29	1.92	0.92
FHLB					0.00	(2,369.07)	(1,045.50)						
3134G3MK3	Call	02/24/12	02/24/16	2,000,000.00	2,010,200.00	2,002,037.21	2,004,866.00	2,828.79	0.00	1,666.67	2,055.56	2.41	0.74
FHLMC			02/24/14		0.00	(418.60)	(620.00)						
3136FT3C1	Call	03/05/12	12/05/16	2,000,000.00	1,996,500.00	1,997,659.27	1,992,622.00	(5,037.27)	0.00	1,666.66	6,444.44	2.39	1.04
FNMA			03/05/14		0.00	60.48	13,018.00						
3135G0VM2	Call	04/03/13	03/14/17	1,000,000.00	1,000,700.00	1,000,332.75	986,618.00	(13,714.75)	3,750.00	625.00	354.17	1.20	0.68
FNMA			03/14/14		0.00	(60.87)	7,983.00						
3128MBFA0	01/23/13	6.000	04/01/17	1,303,587.42	1,386,283.74	1,372,708.35	1,378,788.77	6,080.42	6,517.93	6,517.94	6,517.94	1.66	2.95
FHLMC					0.00	(1,622.55)	443.22						
3135G0PP2	04/18/13	1.000	09/20/17	2,000,000.00	2,005,000.00	2,000,000.00	1,985,550.00	(14,450.00)	10,000.00	1,666.67	611.11	2.40	1.00
FNMA					0.00	(612.90)	20,726.00						
3137EADN6	01/22/13	0.750	01/12/18	2,000,000.00	1,984,380.00	1,986,547.53	1,949,690.00	(36,857.53)	0.00	1,250.00	3,291.67	2.38	0.91
FHLMC					0.00	258.04	21,060.00						
3137EADN6	02/15/13	0.750	01/12/18	2,000,000.00	1,980,960.00	1,983,382.50	1,949,690.00	(33,692.50)	0.00	1,250.00	3,291.67	2.37	0.95
FHLMC					0.00	318.75	21,060.00						

**City of Menlo Park
Securities Held
September 30, 2013**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
3136G1KN8 FNMA	Call 05/03/13	1.500	04/24/18 04/24/15	2,000,000.00	2,039,260.00 750.00	2,031,037.73 (1,633.56)	1,997,526.00 18,448.00	(33,511.73)	0.00	2,500.00	13,083.33	2.44	0.50
TOTAL (U.S. Instrumentality)				19,303,587.42	19,547,093.74 750.00	19,434,363.67 (7,129.48)	19,330,423.77 102,317.22	(103,939.90)	31,517.93	23,653.36	54,207.18	23.40	

Corporate

36962G4X9 GE Capital	02/02/12	2.100	01/07/14	1,500,000.00	1,531,845.00 0.00	1,504,426.68 (1,355.11)	1,507,062.00 (1,792.50)	2,635.32	0.00	2,625.00	7,350.00	1.83	0.99
931142DA8 Wal-Mart	07/26/11	1.625	04/15/14	1,000,000.00	1,020,000.00 0.00	1,003,943.66 (603.62)	1,007,803.00 444.00	3,859.34	0.00	1,354.17	7,493.06	1.22	0.88
478160AX2 Johnson & Johnson	05/20/11	1.200	05/15/14	1,000,000.00	998,830.00 0.00	999,757.64 32.18	1,005,474.00 (221.00)	5,716.36	0.00	1,000.00	4,533.33	1.20	1.24
36962GX41 GE Capital	12/14/11	5.650	06/09/14	750,000.00	818,760.00 0.00	769,007.44 (2,271.81)	777,733.50 (2,120.25)	8,726.06	0.00	3,531.25	13,183.33	0.98	1.86
94974BET3 Wells Fargo	10/22/12	3.750	10/01/14	2,000,000.00	2,122,880.00 0.00	2,063,259.80 (5,199.44)	2,064,992.00 (4,032.00)	1,732.20	0.00	6,250.00	37,500.00	2.54	0.56
084664AT8 Berkshire Hathaway F	10/23/12	4.850	01/15/15	3,000,000.00	3,284,850.00 0.00	3,164,821.07 (10,498.16)	3,166,680.00 (7,236.00)	1,858.93	0.00	12,125.00	30,716.67	3.93	0.56
713448BX5 PEPSICO Inc	09/21/12	0.750	03/05/15	1,000,000.00	1,005,430.00 0.00	1,003,154.86 (182.01)	1,003,244.00 2,765.00	89.14	3,750.00	625.00	541.67	1.20	0.53
717081DA8 Pfizer Inc	04/22/13	5.350	03/15/15	3,000,000.00	3,272,700.00 0.00	3,208,859.83 (11,822.25)	3,204,927.00 (3,456.00)	(3,932.83)	80,250.00	13,375.00	7,133.33	3.92	0.53
36962G5Z3 GE Capital	10/02/12	1.625	07/02/15	1,013,000.00	1,032,236.87 0.00	1,025,255.59 (575.38)	1,027,986.32 2,424.11	2,730.73	0.00	1,371.77	4,069.59	1.24	0.92
36962G4P6 GE Capital	09/21/12	1.000V	09/23/15	725,000.00	724,369.98 0.00	724,585.35 17.23	729,142.65 24.65	4,557.30	1,812.50	604.17	161.11	0.87	1.03
594918AG9 MICROSOFT CORP	07/26/11	1.625	09/25/15	1,000,000.00	1,003,400.00 0.00	1,001,617.35 (67.01)	1,023,295.00 1,101.00	21,677.65	8,125.00	1,354.16	270.83	1.20	1.54
38259PAC6 GOOGLE INC	10/16/12	2.125	05/19/16	1,000,000.00	1,053,370.00 0.00	1,039,121.72 (1,221.28)	1,036,614.00 3,279.00	(2,507.72)	0.00	1,770.84	7,791.67	1.26	0.62
459200GX3 IBM Corp	11/09/12	1.950	07/22/16	2,000,000.00	2,076,820.00 0.00	2,058,283.12 (1,705.85)	2,059,902.00 6,402.00	1,618.88	0.00	3,250.00	7,475.00	2.49	0.89
084670BD9 Berkshire Hathaway	02/02/12	1.900	01/31/17	1,500,000.00	1,528,050.00 0.00	1,518,720.49 (461.10)	1,529,443.50 12,493.50	10,723.01	0.00	2,375.00	4,829.17	1.83	1.51
88579YAE1 3M Company	12/19/12	1.000	06/26/17	2,000,000.00	2,014,560.00 0.00	2,012,036.27 (264.72)	1,966,366.00 21,954.00	(45,670.27)	0.00	1,666.67	5,277.78	2.41	0.84
037833AJ9	05/20/13	1.000	05/03/18	2,000,000.00	1,984,920.00	1,986,037.04	1,926,926.00	(59,111.04)	0.00	1,666.66	8,222.22	2.38	1.16

**City of Menlo Park
Securities Held
September 30, 2013**

CUSIP/ Description	Purchase Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost/ Accrued Interest Purchased	Amortized Cost/ Accretion (Amortization)	Fair Value/ Change In Fair Value	Unrealized Gain (Loss)	Interest Received	Interest Earned	Total Accrued Interest	% Port Cost	Yield
APPLE INC					944.44	250.09	18,766.00						
TOTAL (Corporate)				24,488,000.00	25,473,021.85	25,082,887.91	25,037,590.97	(45,296.94)	93,937.50	54,944.69	146,548.76	30.50	
					944.44	(35,928.24)	50,795.51						

GRAND TOTAL				82,288,666.75	83,528,991.80	83,027,429.72	82,896,734.07	(130,695.65)	125,455.43	89,185.99	231,715.31	100.00	
					1,694.44	(43,135.07)	156,744.73						

V = variable rate, current rate shown, average rate for Cash & Equivalents

City of Menlo Park
GASB 40 - Deposit and Investment Risk Disclosure
September 30, 2013

CUSIP	Type	Coupon	Maturity Date	Call Date	S&P Rating	Moody Rating	Par Value / Shares	Historical Cost	% Portfolio Hist Cost	Market Value	% Portfolio Mkt Value	Weighted Avg Mkt Dur (Yrs)
<u>LAIF</u>												
	Cash and Equivalents	0.271	01/30/3100				34,497,079.33	34,497,079.33	41.30	34,497,079.33	41.61	0.00
ISSUER TOTAL							34,497,079.33	34,497,079.33	41.30	34,497,079.33	41.61	0.00
<u>FNMA</u>												
3136G0KG5	U.S. Instrumentality	0.625	06/04/2015	06/04/2014	AA+	Aaa	2,000,000.00	2,001,400.00	2.40	2,004,508.00	2.42	0.68
31398A3G5	U.S. Instrumentality	1.500	09/08/2014		AA+	Aaa	1,500,000.00	1,535,565.00	1.84	1,516,774.50	1.83	0.93
3136FT3C1	U.S. Instrumentality	1.000	12/05/2016	03/05/2014	AA+	Aaa	2,000,000.00	1,996,500.00	2.39	1,992,622.00	2.40	3.11
3135G0VM2	U.S. Instrumentality	0.750	03/14/2017	03/14/2014	AA+	Aaa	1,000,000.00	1,000,700.00	1.20	986,618.00	1.19	3.40
3135G0PP2	U.S. Instrumentality	1.000	09/20/2017		AA+	Aaa	2,000,000.00	2,005,000.00	2.40	1,985,550.00	2.40	3.88
3136G1KN8	U.S. Instrumentality	1.500	04/24/2018	04/24/2015	AA+	Aaa	2,000,000.00	2,039,260.00	2.44	1,997,526.00	2.41	4.37
ISSUER TOTAL							10,500,000.00	10,578,425.00	12.66	10,483,598.50	12.65	2.74
<u>FHLMC</u>												
3134G3MK3	U.S. Instrumentality	1.000	02/24/2016	02/24/2014	AA+	Aaa	2,000,000.00	2,010,200.00	2.41	2,004,866.00	2.42	0.40
3128MBFA0	U.S. Instrumentality	6.000	04/01/2017		AA+	Aaa	1,303,587.42	1,386,283.74	1.66	1,378,788.77	1.66	1.78
3137EADN6	U.S. Instrumentality	0.750	01/12/2018		AA+	Aaa	4,000,000.00	3,965,340.00	4.75	3,899,380.00	4.70	4.19
ISSUER TOTAL							7,303,587.42	7,361,823.74	8.81	7,283,034.77	8.79	2.69
<u>GE Capital</u>												
36962G4X9	Corporate	2.100	01/07/2014		AA+	A1	1,500,000.00	1,531,845.00	1.83	1,507,062.00	1.82	0.27
36962GX41	Corporate	5.650	06/09/2014		AA+	A1	750,000.00	818,760.00	0.98	777,733.50	0.94	0.68
36962G5Z3	Corporate	1.625	07/02/2015		AA+	A1	1,013,000.00	1,032,236.87	1.24	1,027,986.32	1.24	1.73
36962G4P6	Corporate	1.000	09/23/2015		AA+	A1	725,000.00	724,369.98	0.87	729,142.65	0.88	1.96
ISSUER TOTAL							3,988,000.00	4,107,211.85	4.92	4,041,924.47	4.88	1.02
<u>T-Note</u>												
912828PL8	U.S. Treasury	0.750	12/15/2013		AA+	Aaa	2,000,000.00	1,985,781.25	2.38	2,002,890.00	2.42	0.21
912828RB8	U.S. Treasury	0.500	08/15/2014		AA+	Aaa	1,000,000.00	1,003,046.88	1.20	1,003,359.00	1.21	0.87
912828QX1	U.S. Treasury	1.500	07/31/2016		AA+	Aaa	1,000,000.00	1,022,968.75	1.22	1,025,391.00	1.24	2.77
ISSUER TOTAL							4,000,000.00	4,011,796.88	4.80	4,031,640.00	4.86	1.03
<u>Pfizer Inc</u>												
717081DA8	Corporate	5.350	03/15/2015		AA	A1	3,000,000.00	3,272,700.00	3.92	3,204,927.00	3.87	1.42
ISSUER TOTAL							3,000,000.00	3,272,700.00	3.92	3,204,927.00	3.87	1.42

City of Menlo Park
GASB 40 - Deposit and Investment Risk Disclosure
September 30, 2013

CUSIP	Type	Coupon	Maturity Date	Call Date	S&P Rating	Moody Rating	Par Value / Shares	Historical Cost	% Portfolio Hist Cost	Market Value	% Portfolio Mkt Value	Weighted Avg Mkt Dur (Yrs)
<u>Berkshire Hathaway Finance Cor</u>												
084664AT8	Corporate	4.850	01/15/2015		AA	Aa2	3,000,000.00	3,284,850.00	3.93	3,166,680.00	3.82	1.25
ISSUER TOTAL							3,000,000.00	3,284,850.00	3.93	3,166,680.00	3.82	1.25
<u>Wells Fargo</u>												
94974BET3	Corporate	3.750	10/01/2014		A+	A2	2,000,000.00	2,122,880.00	2.54	2,064,992.00	2.49	0.97
ISSUER TOTAL							2,000,000.00	2,122,880.00	2.54	2,064,992.00	2.49	0.97
<u>IBM Corp</u>												
459200GX3	Corporate	1.950	07/22/2016		AA-	Aa3	2,000,000.00	2,076,820.00	2.49	2,059,902.00	2.48	2.73
ISSUER TOTAL							2,000,000.00	2,076,820.00	2.49	2,059,902.00	2.48	2.73
<u>3M Company</u>												
88579YAE1	Corporate	1.000	06/26/2017		AA-	Aa2	2,000,000.00	2,014,560.00	2.41	1,966,366.00	2.37	3.64
ISSUER TOTAL							2,000,000.00	2,014,560.00	2.41	1,966,366.00	2.37	3.64
<u>APPLE INC</u>												
037833AJ9	Corporate	1.000	05/03/2018		AA+	Aa1	2,000,000.00	1,984,920.00	2.38	1,926,926.00	2.32	4.44
ISSUER TOTAL							2,000,000.00	1,984,920.00	2.38	1,926,926.00	2.32	4.44
<u>FHLB</u>												
3133XWNB1	U.S. Instrumentality	2.875	06/12/2015		AA+	Aaa	1,500,000.00	1,606,845.00	1.92	1,563,790.50	1.89	1.66
ISSUER TOTAL							1,500,000.00	1,606,845.00	1.92	1,563,790.50	1.89	1.66
<u>Berkshire Hathaway</u>												
084670BD9	Corporate	1.900	01/31/2017		AA	Aa2	1,500,000.00	1,528,050.00	1.83	1,529,443.50	1.84	3.22
ISSUER TOTAL							1,500,000.00	1,528,050.00	1.83	1,529,443.50	1.84	3.22
<u>GOOGLE INC</u>												
38259PAC6	Corporate	2.125	05/19/2016		AA	Aa2	1,000,000.00	1,053,370.00	1.26	1,036,614.00	1.25	2.55
ISSUER TOTAL							1,000,000.00	1,053,370.00	1.26	1,036,614.00	1.25	2.55

City of Menlo Park
GASB 40 - Deposit and Investment Risk Disclosure
September 30, 2013

CUSIP	Type	Coupon	Maturity Date	Call Date	S&P Rating	Moody Rating	Par Value / Shares	Historical Cost	% Portfolio Hist Cost	Market Value	% Portfolio Mkt Value	Weighted Avg Mkt Dur (Yrs)
<u>MICROSOFT CORP</u>												
594918AG9	Corporate	1.625	09/25/2015		AAA	Aaa	1,000,000.00	1,003,400.00	1.20	1,023,295.00	1.23	1.96
ISSUER TOTAL							1,000,000.00	1,003,400.00	1.20	1,023,295.00	1.23	1.96
<u>Wal-Mart</u>												
931142DA8	Corporate	1.625	04/15/2014		AA	Aa2	1,000,000.00	1,020,000.00	1.22	1,007,803.00	1.22	0.54
ISSUER TOTAL							1,000,000.00	1,020,000.00	1.22	1,007,803.00	1.22	0.54
<u>Johnson & Johnson</u>												
478160AX2	Corporate	1.200	05/15/2014		AAA	Aaa	1,000,000.00	998,830.00	1.20	1,005,474.00	1.21	0.62
ISSUER TOTAL							1,000,000.00	998,830.00	1.20	1,005,474.00	1.21	0.62
<u>PEPSICO Inc</u>												
713448BX5	Corporate	0.750	03/05/2015		A-	A1	1,000,000.00	1,005,430.00	1.20	1,003,244.00	1.21	1.42
ISSUER TOTAL							1,000,000.00	1,005,430.00	1.20	1,003,244.00	1.21	1.42

GRAND TOTAL

82,288,666.75 83,528,991.80 100.00 82,896,734.07 100.00 1.25

Highlighted totals are issuers representing 5.00% or more of the portfolio's market value

**City of Menlo Park
Securities Purchased
September 1, 2013 - September 30, 2013**

NOTE: There is no activity for the period.

City of Menlo Park
Securities Sold and Matured
September 1, 2013 - September 30, 2013

CUSIP/ Description	Sale or Maturity Date	Rate/ Coupon	Maturity/ Call Date	Par Value/ Shares	Historical Cost	Amortized Cost at Sale or Maturity / Acct/ (Amort)	Sale/ Maturity Price	Fair Value at Sale or Maturity / Chg.In Fair Value	Realized Gain (Loss)	Accrued Interest Sold	Interest Received	Interest Earned	Yield
<u>Cash and Equivalents</u>													
LAIF - City 98-19- 228	09/13/2013	0.271V		500,000.00	500,000.00	500,000.00	100.00	500,000.00	0.00	0.00	0.00	0.00	0.27
						0.00		0.00					
TOTAL (Cash and Equivalents)				500,000.00	500,000.00	500,000.00		500,000.00	0.00	0.00	0.00	0.00	
						0.00		0.00					
<u>U.S. Instrumentality</u>													
3128MBFA0 FHLMC	09/01/2013	6.000	04/01/2017	53,787.15	57,199.27	53,787.15	100.00	53,787.15	0.00	0.00	268.94	0.00	2.95
						(2,918.94)		(3,084.59)					
TOTAL (U.S. Instrumentality)				53,787.15	57,199.27	53,787.15		53,787.15	0.00	0.00	268.94	0.00	
						(2,918.94)		(3,084.59)					
GRAND TOTAL				553,787.15	557,199.27	553,787.15		553,787.15	0.00	0.00	268.94	0.00	
						(2,918.94)		(3,084.59)					

V = variable rate, current rate shown, average rate for Cash & Equivalents

**City of Menlo Park
Transaction Report
for the period September 1, 2013 - September 30, 2013**

Date	CUSIP	Transaction	Sec Type	Description	Maturity	PAR Value/Shares	Principal	Interest	Transaction Total	Balance
09/01/2013	3128MBFA0	Paydown	INS	FHLMC	04/01/2017	53,787.15	53,787.15	6,786.87	60,574.02	60,574.02
09/05/2013	713448BX5	Interest	COR	PEPSICO Inc	03/05/2015	1,000,000.00	0.00	3,750.00	3,750.00	64,324.02
09/08/2013	31398A3G5	Interest	INS	FNMA	09/08/2014	1,500,000.00	0.00	11,250.00	11,250.00	75,574.02
09/13/2013		Sold	CE	LAIF - City 98-19-22		500,000.00	500,000.00	0.00	500,000.00	575,574.02
09/14/2013	3135G0VM2	Interest	INS	FNMA	03/14/2017	1,000,000.00	0.00	3,750.00	3,750.00	579,324.02
09/15/2013	717081DA8	Interest	COR	Pfizer Inc	03/15/2015	3,000,000.00	0.00	80,250.00	80,250.00	659,574.02
09/20/2013	3135G0PP2	Interest	INS	FNMA	09/20/2017	2,000,000.00	0.00	10,000.00	10,000.00	669,574.02
09/23/2013	36962G4P6	Interest	COR	GE Capital	09/23/2015	725,000.00	0.00	1,812.50	1,812.50	671,386.52
09/25/2013	594918AG9	Interest	COR	MICROSOFT CORP	09/25/2015	1,000,000.00	0.00	8,125.00	8,125.00	679,511.52
Portfolio Activity Total									679,511.52	

Net Contributions:	0.00
Net Withdrawals:	676,242.02

Fees Charged:	3,269.50
Fees Paid:	3,269.50

**City of Menlo Park
Securities Bid and Offer
for the period 9/1/2013 - 9/30/2013**

Trans	Settle	Description	Call Date	Broker	Par Value	Discount	Price	YTM/YTC	Competitive Bids
		No Activity this period							

**City of Menlo Park
Upcoming Cash Activity
for the next 45 days**

Date	Transaction	CUSIP	Description	Coupon	Maturity Date	Next Call Date	Par / Shares	Principal	Interest	Transaction Total
10/01/2013	Interest	94974BET3	Wells Fargo	3.750	10/01/2014		2,000,000.00	0.00	37,500.00	37,500.00
10/15/2013	Estimated Paydown	3128MBFA0	FHLMC	6.000	04/01/2017		1,303,587.42	26,981.56	6,517.94	33,499.50
10/15/2013	Interest	931142DA8	Wal-Mart	1.625	04/15/2014		1,000,000.00	0.00	8,125.00	8,125.00
10/24/2013	Interest	3136G1KN8	FNMA	1.500	04/24/2018	04/24/2015	2,000,000.00	0.00	15,000.00	15,000.00
11/03/2013	Interest	037833AJ9	APPLE INC	1.000	05/03/2018		2,000,000.00	0.00	10,000.00	10,000.00

END OF REPORTS



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For any questions concerning this report please contact accounting either by phone or email to camreports@cutwater.com.

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Office of Economic Development

Quarterly Update Q3



November 2013

Business Leader Profile

Holiday Celebration is a Gift of Service

Menlo Park's vibrant business community is anchored by exceptional individuals who are working not only for the success of their business, but also for the enrichment of the community as a whole. Therefore, I intend to dedicate the first article in every Economic Development Quarterly Newsletter to highlighting the work of folks in Menlo Park who enhance our shared experience.

For this edition of the Update, I sat down with Brian Flegel. Brian is the latest generation of leadership in the Menlo Park institution, [Flegels' Interior Design & Distinctive Home Furnishings](#). Flegel's will soon celebrate 60 years of serving Menlo Park since first opening their doors in 1954. Brian's grandfather, Art, and later father, Mark, built the business to reflect the ideals of class and beautiful design that have become Menlo Park hallmarks. But their contributions go much further.

All three generations of Flegels have served their community on the Chamber of Commerce Board of Directors, individually choosing to augment their service in different ways. Art (pictured below sitting) played Santa Claus at downtown holiday celebrations for years, and supported efforts to establish Menlo Park's vibrant business community. Mark (standing left) is a Rotarian, and a strong supporter of the US Navy Fleet Week and the Peninsula Volunteers.

IN THIS ISSUE:

- Business Leader Profile
- Sales Tax Report
- Vacancy Report
- Specific Plan Review

RESOURCES:

[Menlo Park Office of Economic Development](#)

[Menlo Park Community Development](#)

TOP 25 SALES TAX GENERATORS:

- [Acclarent](#)
- [Als Roofing Supply](#)
- [Automatic Rain Company](#)
- [Beltramos Wine & Liquor](#)
- [Chevron Service Stations](#)
- [CVS Pharmacy](#)
- [DM Figley Company](#)
- [Draegers Supermarkets](#)
- [Flegel's Home Furnishings](#)
- [OfficeMax](#)
- [Pacific Biosciences](#)
- [Safeway Stores](#)
- [Sand Hill Resort & Hotel](#)
- [Sharon Heights Golf Country Club](#)
- [Shell Service Stations](#)
- [Shell Service Stations](#)
- [Staples Office Superstore](#)
- [Stanford Park Hotel and Restaurant](#)
- [Trader Joe's](#)
- [Triplepoint Capital](#)
- [Tyco Electronics Corporation](#)
- [Walgreen's Drug Stores](#)
- Willow Cove Service Stations

VACANCY REPORT:

Menlo Park's Retail vacancy remains stable at 1.3% in Q3, compared to 1.2% in Q2. This vacancy rate is well below the county average of 3.1%. According to [Terranomics](#) retail report for San Mateo County, tenants are increasingly looking to locate in high quality, mixed-use or freestanding projects, rather than the traditional strip mall. This is good news for Menlo Park, since retail in the city is dominated by small, freestanding stores. Additionally, the El Camino Real/Downtown Specific Plan provides the framework for



Brian (standing right) grew up here but, like many enlightened Californians, headed east to New England for education; eventually migrating back in 2006. "It was only going to be temporary, but returning home after being gone for a while, I was reminded of all of the aspects of Menlo Park that make this such a wonderful community," Brian explained. "There is a rare openness to new ideas and possibilities. It makes it easy to affect positive change for companies and the community alike. It is why Menlo Park enjoys a wonderfully rich business legacy." It was this commitment to affecting positive change that led Brian to participate in a grass-roots effort that evolved into the Annual Block Party event. Brian has chaired the Chamber Block Party Planning Committee all but one year since its inception in 2007.

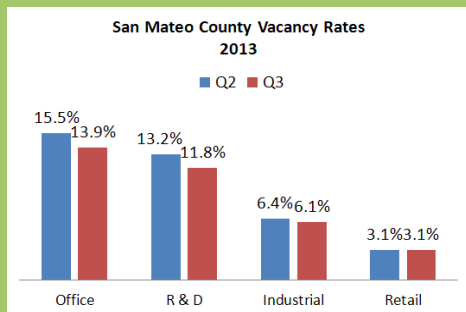
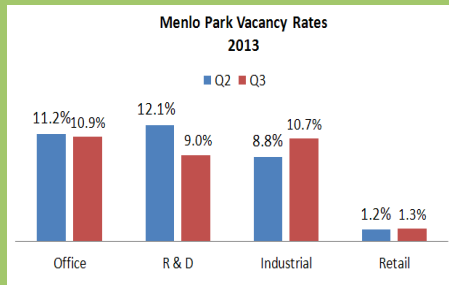
This year, when Vice Mayor Ray Mueller proposed a holiday celebration as a way to support our downtown merchants and celebrate community through the holiday season, the entire City Council was excited about the idea and really wanted to rekindle the lost tradition. Brian saw an opportunity to follow in his grandfather's footsteps and agreed to help. "I was thrilled when Brian and the Chamber wanted to partner with us" said Vice Mayor Mueller. "Brian and Fran have done such a great job with the summer block party and, I know they will repeat that success with The Holiday Tree Lighting. Our partnership with the Chamber works, because of people like Brian Flegel and Fran Dehn!"



Holiday Celebration Committee from left to right: Brian Flegel (Flegel's Interior Design & Furnishings), Council Member Kirsten Keith, Fran Dehn (President / CEO of the Chamber of Commerce), Dexter Chow (Owner Cheeky Monkey), Matt Milde (Community Services Department)

The Holiday Tree Lighting will take place December 6th, 5-7:30 pm. All are welcome to come and enjoy holiday treats, music & caroling, a holiday movie sing-along, a visit from Santa and, of course, a spectacular tree lighting. Brian hopes it will inspire all of the shops downtown to decorate for the holidays and add to the community legacy that enticed him to make Menlo Park his home

future high quality, mixed use developments that retailers prefer.



Vacancy Date Source: Terranomics and Cassidy / Turley

Retail is not the only space in high demand in Menlo Park. Research and Development (R&D) vacancies dropped from 12.1% in Q2 to 9% in Q3. Although Menlo Park's 2.3% quarter over quarter decrease in R&D vacancy is only slightly larger than San Mateo County's 2% decrease, Cassidy/Turley's Q3 market report names Menlo Park as the largest of the County's R&D submarkets. Key R&D lease transactions during Q3 include Boston Scientific's 28,589 sq ft expansion in Bohannon Industrial Park, and BioPharmX's 10,800 sq ft relocation/expansion at 1098 Hamilton Ct.

The office market in San Mateo County is also strong and growing rapidly. This quarter's performance reflects the highest single quarter gains in sq. ft. occupancy growth in two years. Q3 Office vacancy in Menlo Park stands at 10.9% compared to the County average of 13.9%. Demand for creative space from tech users, especially near public transportation amenities, is driving most projects going forward in the County.

Industrial vacancy rates in Menlo Park and San Mateo County remain relatively flat in Q3. While on the surface it appears Menlo Park's industrial vacancy rates increased 2.1%, Cassidy Turley characterizes this increase as relatively flat due to building conversions/demolitions and minor space givebacks.

Sales Tax Report

Sales tax revenue for Q2 2013 continues to provide evidence for cautious optimism, while highlighting growing markets in Menlo Park. Numbers for Q2 2013 show Menlo Park's sales tax revenue is up 2.4% compared to Q2 2012, with Restaurants and Electronic Equipment seeing the largest gains. Our increased sales tax revenue tracks with San Mateo's County's 2.3%, and the State of California's 2.7% increase. The Annualized Change in Sales Tax Cash Receipts Chart below shows Menlo Park's economy is continuing its upward climb, slightly surpassing California and San Mateo County. The increasing success of Menlo Park restaurants is reflective of the overall strength of the restaurant market. According to the Bureau of Economic analysis, U.S. Retail and Food Service Sales were up 5.4% from Q2 2012 to Q3 2013.



Looking ahead to the holiday season, ShopperTrak, a leading provider of shopper insight and analytics, forecasts National Retail Revenue in November and December to rise 2.4% over 2012. Menlo Park's strengthening restaurant market, coupled with low retail vacancy, indicates the local economy is prepared to meet the retail and restaurant demands of the upcoming holiday season.

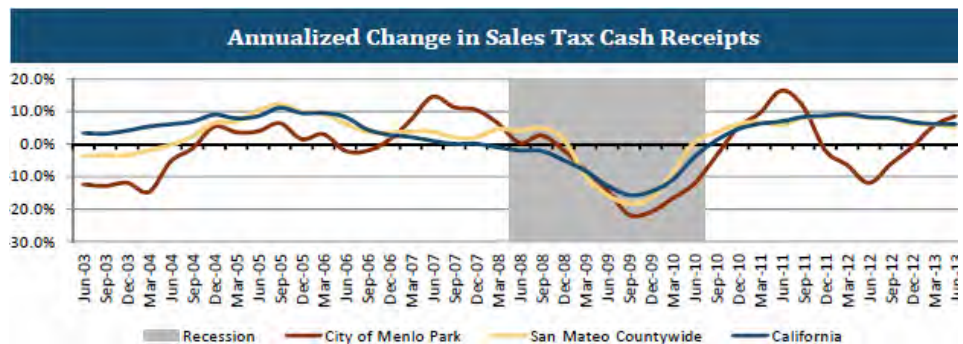


Chart Courtesy of MuniServices

Specific Plan Review

Bad traffic is a good thing. Eric Dumbaugh, an associate professor at the School of Urban and Regional Planning at Florida Atlantic University, published findings last year that state, "as per capita delay went up, so did GDP per capita. Every 10 percent increase in traffic delay per person was associated with a 3.4 percent increase in per capita GDP."

Dunbaugh's findings capture the intuitive inverse relationship between increased traffic and low unemployment. Here in Menlo Park we are seeing that first hand. According to Inrix, an organization that monitors and reports on traffic congestion nationwide, San Francisco-Oakland and San Jose rank 3rd and 5th respectively as the most congested areas in the Country. Our vacancy rates, as detailed elsewhere in this update, are declining and our 4.3% unemployment rate is the lowest it has been since 2006. By comparison, San Mateo County's rate is 5.3% and the National rate is 7.3%.

Bottom line, more people working is good for the economy, but bad for traffic congestion. And the situation is only going to get worse, hopefully. So, what can be done? There are really 2 options, economic decline or better land use planning. In Menlo Park, we can stymie economic growth and start to decline. After all, traffic in

Detroit isn't bad, but the scars of the recession are all too fresh for most of us to embrace economic decline.

Fortunately for us, we do have an opportunity to support better land use planning in Menlo Park that locates jobs and new homes near public transit. The Menlo Park El Camino Real/Downtown Specific Plan does just that. It streamlines development that will accommodate over 1,300 new jobs and 680 homes near public transit in our downtown. This is important for Menlo Park as we seek to address the potential for worse traffic, while also planning for increased economic growth. The next generation of jobs and workers is coming, but interestingly enough they are different.



They don't like or at least rely on the automobile. I know, it sounds weird to me too. I own 2 cars, 2 trucks and a motorcycle. I am firmly a part of the problem, but as Dumbaugh also states in his findings:

[U]rban environments are precisely what is sought by the millennial generation. 88 percent of millennials report that they would prefer to live in urban environments, and they are already driving less and riding transit more than their Gen X and boomer counterparts. Indeed, many millennials view driving as a vice, with 55 percent indicating that they have made a deliberate effort to reduce the amount of driving that they do. They are also leading a surge in cycling in cities like Seattle, Minneapolis, Denver, and Washington, D.C., all of which have seen their share of bike commuting double over the last decade.

According to what I am hearing from potential employers, Dumbaugh is correct. I recently met with a Menlo Park property owner who was lamenting the loss of a tech tenant, because their property didn't feel "tech" enough. "The company wanted to be closer to public transit and a downtown."



The City of Menlo Park is currently engaged in a review of the El Camino Real/Downtown Specific Plan. The Plan is a product of 5 years of public input and deliberation. It was

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approved in July of 2012 and has positioned Menlo Park perfectly to take advantage of the current upswing in the economy. Unfortunately, the scale of early development proposals, and neighborhood fear of increased traffic congestion has reinvigorated the age old debate between allowing development and limiting growth.

The Planning Commission recently completed 5 public hearings in reviewing the Plan and the City Council will review the results of the Commission's work at the City Council's next meeting on November 19th. At issue is whether the plan should be revised and if so will the revisions trigger a new environmental impact report (EIR). A new EIR would delay development, prolonging the blighted condition of the vacant car lots on El Camino Real.

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