



REGULAR MEETING AGENDA

Date: 5/4/2016
Time: 5:30 p.m.
City Hall/Administration Building
City Council Conference Room
701 Laurel St., Menlo Park, CA 94025

A. Call To Order

B. Roll Call

C. Public Comment

Under "Public Comment," the public may address the Commission on any subject not listed on the agenda. Each speaker may address the Commission 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 Commission cannot act on items not listed on the agenda and, therefore, the Commission cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

D. Consent Calendar

D1. Approve minutes for the Housing Commission meeting of November 4, 2015 ([Attachment](#))

D2. Approve minutes for the Housing Commission meeting of March 2, 2016 ([Attachment](#))

E. Regular Business

E1. Recommendation of a Below Market Rate Housing Agreement Term Sheet with Menlo Business Park, LLC for 1530 O'Brien Drive ([Staff Report# 16-005-CC](#))

F. Informational Items

G. 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 www.menlopark.org and can receive e-mail notification of agenda and staff report postings by subscribing to the "Notify Me" service at menlopark.org/notifyme. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 4/28/2016)

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

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

Any writing that is distributed to a majority of the Commission 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 City Clerk's

Office, 701 Laurel St., Menlo Park, CA 94025 during regular business hours.

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



REGULAR MEETING MINUTES – DRAFT

Date: 11/4/2015
Time: 5:30 p.m.
Administration Building
701 Laurel St., Menlo Park, CA 94025

Chair Clarke called the meeting to order at 5:33 p.m.

Roll Call

Present: Clarke (Chair), Cadigan, Calder, Dodick, Tate

Absent: None

Staff: Cogan, Curtin, Lin

A. Public Comment - None

B. Regular Business

B1. Selection of Chair and Vice Chair

ACTION: Motion by Clarke, Second by Cadigan, to approve Tate as Housing Commission Chair; Motion passes; 5-0.

ACTION: Motion by Cadigan, Second by Calder, to approve Clarke as Housing Commission Vice Chair; Motion passes; 5-0.

B2. Approve the Below Market Rate In Lieu Fee Agreement Term Sheet with Pollock Realty Corporation for 1400 El Camino Real (Staff Report 15-002-HC).

Associate Planner Jean Lin provided the staff presentation. Ross Edwards from Pollock Realty Corporation presented on the project and the Below Market Rate Housing proposal.

ACTION: Motion by Cadigan, Second by Calder, to approve the Below Market Rate Housing In Lieu Fee Term Sheet with Pollock Realty Corporation for 1400 El Camino Real. Motion passes; 5-0.

B3. Approve the minutes of the January 28, 2015, Housing Commission Special Meeting.

ACTION: Motion by Cadigan, Second by Dodick, to approve the minutes of January 28, 2015, Housing Commission Special Meeting. Motion passes; 4-0-1 (Clarke abstain).

B4. Approve the minutes of the May 28, 2015, Housing Commission Special Meeting.

ACTION: Motion by Cadigan, Second by Dodick, to approve the minutes of the May 28, 2015, Housing Commission Regular Meeting. Motion passes; 4-0-1 (Calder abstain).

- B5. Approve the minutes of the August 5, 2015, Housing Commission Regular Meeting.

ACTION: Motion by Cadigan, Second by Clarke, to approve the minutes of the May 28, 2015, Housing Commission Regular Meeting. Motion passes; 3-0-2 (Dodick and Tate abstain).

C. Reports and Announcements

- C1. Commissioner Reports.

Cadigan remarked on information for comparison re: Redwood City Housing impact fee.

Tate reported on attending the San Mateo County Housing Leadership Day.

Curtin introduced Jim Cogan, assuming Housing Commission liaison.

Cogan announced the City received three responses to the Notice of Funding Availability (NOFA) released on July 27, 2015.

D. Informational Items – None

E. Adjournment

Chair Clarke adjourned the meeting at 6:09 p.m.



SPECIAL MEETING MINUTES– DRAFT

Date: 3/2/2016
Time: 5:30 p.m.
Administration Building
701 Laurel St., Menlo Park, CA 94025

A. Call to Order

B. Roll Call

Present: Cadigan, Calder, Clarke (Late Arrival), Dodick
Absent: Tate (Chair)

C. Public Comment - None

D. Regular Business

- D1. Recommendation of a Below Market Rate Housing Agreement Term Sheet with Menlo Business Park, LLC for 1430 O'Brien Drive (Staff report # 16-001-HC)

ACTION: Motion by Cadigan, Second by Calder, to approve Below Market Rate Housing Agreement Term Sheet with Menlo Business Park, LLC for 1430 O'Brien Drive with a promise that staff work with applicant at the time of filing building permit/certificate of occupancy; Motion passes; 4-0.

- D2. Recommendation of a Below Market Rate Housing Agreement Term Sheet with 650 Live Oak LLC for 650-660 Live Oak Avenue (Staff report # 16-002-HC)

ACTION: Motion by Cadigan, Second by Clarke, to approve the Below Market Rate Housing Agreement Term Sheet with 650 Live Oak LLC for 650-660 Live Oak Avenue. Motion passes; 4-0.

- D3. Approve the Below Market Rate Housing Agreement Term Sheet with Green Heart Land Co. for 1300 El Camino Real (Staff report # 16-003-HC)

ACTION: Motion by Calder, Second by Cadigan, to approve the Below Market Rate Housing Agreement Term Sheet with Green Heart Land Co. for 1300 El Camino Real. Motion passes; 4-0.

- D4. Housing Element Annual report/City of Menlo Park: Opportunity to consider and provide comments and/or recommendation to the City Council on the 2015 Annual Report on the status and progress in implementing the City's Housing Element (2015-2023). Staff report #16-003-HC)

ACTION: Motion by Clarke, Second by Calder, to accept report. Motion passes; 4-0.

E. Reports and Announcements

- E1. Commissioner Updates

- A. Report from Chair on status of General Plan Update (ConnectMenlo) (attachment)

ACTION: Deferred

E2. Staff Updates

- A. Oral report from Hello Housing regarding Below Market Rate Program activities

ACTION: Heard

F. Informational Items

- F1. City Council Work Plan Transmittal and Capital Improvement Program (CIP) process update (attachment)

ACTION: None

G. Adjournment

[Click here to enter text.](#)



STAFF REPORT

Housing Commission

Meeting Date:

5/4/2016

Staff Report Number:

16-005-HC

Regular Business:

Recommendation of a Below Market Rate Housing Agreement Term Sheet with Menlo Business Park, LLC for 1530 O'Brien Drive

Recommendation

Staff recommends that the Housing Commission recommend approval of the draft Below Market Rate (BMR) Housing Agreement Term Sheet (Attachment A) to the Planning Commission for the proposed remodel and expansion of an existing office and research and development (R&D) building at 1530 O'Brien Drive. The project would create additional office space within the existing building.

Policy Issues

Each BMR Agreement is considered individually. The Housing Commission should consider whether the proposal would be in compliance with the BMR Housing Program requirements.

Background

Site location

The subject site is 2.11 acres in size and located at 1530 O'Brien Drive, just southwest of the intersection of O'Brien Drive and University Avenue in the Menlo Business Park. Properties to the north and west are also part of the M-2 (General Industrial) zoning district and contain a mix of office, research and development (R&D), and warehouse uses, while properties to the east and south are zoned for single-family residential uses and located in East Palo Alto. A location map is included as Attachment B.

Analysis

Project description

The existing building is approximately 35,426 square feet, including a partial second floor, and was constructed in 1986. Most recently, the building was used as a multi-tenant space for a variety of life science R&D companies. The applicant, Menlo Business Park, LLC, is requesting a use permit and architectural control to expand the mezzanine level of the existing building and make minor changes to the eastern façade, including new glazing and an exit door. The existing partial second floor would be expanded by approximately 1,144 square feet into areas of the building which are currently open to the first story below. Select sheets from the project plans are included for reference as Attachment C. The Housing Commission should note that the proposal is still under staff review, and aspects of the design are subject to change before final project actions. Regardless, the draft BMR Housing Agreement Term Sheet and the Housing Commission's recommendation would remain applicable to the project.

BMR housing program requirement

The applicant is required to comply with Chapter 16.96 of City's Municipal Code, ("BMR Ordinance"), and with the BMR Housing Program Guidelines adopted by the City Council to implement the BMR Ordinance ("Guidelines"). At this time, the Housing Commission should review the draft BMR In Lieu Fee Agreement Term Sheet and provide guidance to staff, the applicant, and the Planning Commission. The draft Term Sheet would be used to inform the BMR In Lieu Fee Agreement, which would subsequently be reviewed by the Planning Commission.

Residential use of the property is not allowed in the M-2 (General Industrial) zoning district and consequently would not be consistent with the Limited Industry General Plan Land Use Designation. The subject site is located within the Menlo Business Park, which is also zoned M-2 (General Industrial), and adjacent buildings are occupied by a combination of manufacturing, R&D, warehousing, and office uses. For this specific project, the residential unit equivalent is .06 units. Based on these facts, staff has found that development of such units on-site or off-site in accordance with the requirements of the BMR Ordinance and Guidelines is not feasible.

The developer shall pay the applicable in lieu fee as provided in the BMR Ordinance and Guidelines. To streamline the review process for applicants, the draft Term Sheet is being reviewed at this time; however, the formal BMR In Lieu Fee Agreement would be reviewed by the Planning Commission as part of the final actions on the project. The in lieu fee will be calculated as set forth in the table below. The applicable fee for the project will be based upon the per square foot fee in effect at the time of payment and the proposed square footages within Group A and Group B at the time of payment.

Table 1: BMR Requirements and Applicant Proposal			
	Fee per square foot	Square feet	Component fees
Existing Building - Office	\$15.57	35,426	(\$551,582.82)
Existing Building - Non-Office	\$8.45	0	\$0.00
Proposed Building - Office	\$15.57	36,570	\$569,394.90
Proposed Building - Non-Office	\$8.45	0	\$0.00
BMR In-Lieu Fee Option			\$17,812.08

Correspondence

Staff has not received any correspondence regarding the BMR proposal.

Conclusion

Given that the residential unit equivalent for the project is .06 units, and residential use of M-2-zoned properties is not permitted under current zoning regulations, staff recommends that the Housing Commission recommend to the Planning Commission approval of an in lieu fee as identified in the draft BMR Agreement Term Sheet.

Impact on City Resources

The project sponsor is required to pay Planning, Building and Public Works permit fees, based on the City's Master Fee Schedule, to fully cover the cost of staff time spent on the review of the project.

Environmental Review

The proposed project is being evaluated with respect to compliance with the California Environmental Quality Act (CEQA) as part of the Planning Commission action. BMR direction is not an action under CEQA, so environmental review is not required by the Housing Commission.

Public Notice

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

Attachments

- A. Draft BMR In Lieu Fee Agreement Term Sheet
- B. Location Map
- C. Project Plans (Select Sheets)

Report prepared by:

Tom Smith, Associate Planner

Report reviewed by:

Kyle Perata, Senior Planner

THIS PAGE INTENTIONALLY LEFT BLANK

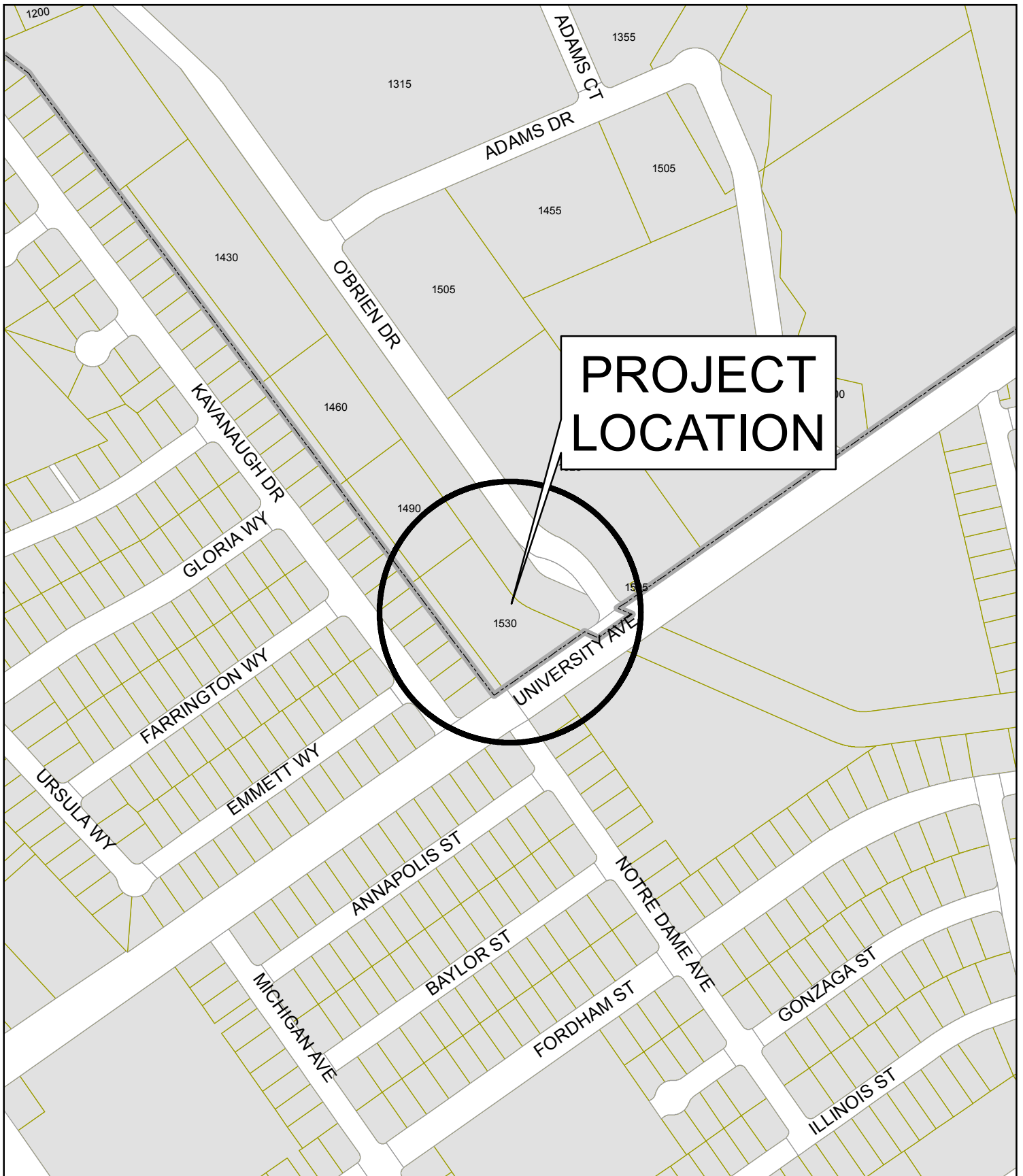
1530 O'Brien Drive

Draft Below Market Housing (BMR) Agreement Term Sheet

1. Applicant owns property known as Assessor's Parcel Number 055-473-140 ("Property"), more commonly known as 1530 O'Brien Drive, Menlo Park.
2. Applicant is requesting a use permit and architectural control to renovate and expand the mezzanine level of an existing office and research and development (R&D) building to create additional office space. The subject building is greater than 10,000 square feet in gross floor area and therefore, Applicant is required to comply with Chapter 16.96 of City's Municipal Code ("BMR Ordinance") and with the Below Market Rate Housing Program Guidelines ("Guidelines") adopted by the City Council to implement the BMR Ordinance;
3. Property is located within the M-2 (General Industrial) zoning district and the Limited Industry land use designation in the City of Menlo Park;
 - a. Property's General Plan land use and zoning designations do not permit residential uses;
4. Applicant does not own any other sites within the City that are zoned for residential land uses;
5. Consistent with other recent BMR Agreements, Applicant is permitted to satisfy the BMR requirement for the proposed project by payment of an in lieu fee;
 - a. The BMR in lieu fee is estimated at \$17,812.08;
 - b. The equivalent unit requirement is 0.06 units;
 - c. Therefore, the Applicant is proposing to pay the in lieu fee, which would be adjusted based on the existing and proposed square footages at the time of building permit issuance. The applicable fee per square foot is adjusted annually on July 1.

6. The table below provides the estimated in lieu fee:

Table 1: BMR Requirements and Applicant Proposal			
	Fee per square foot	Square feet	Component fees
Existing Building - Office	\$15.57	35,426	(\$551,582.82)
Existing Building - Non-Office	\$8.45	0	\$0.00
Proposed Building - Office	\$15.57	36,570	\$569,394.90
Proposed Building - Non-Office	\$8.45	0	\$0.00
BMR In-Lieu Fee Option			\$17,812.08



THIS PAGE INTENTIONALLY LEFT BLANK

PROJECT DATA**1 SITE AND ZONING REQUIREMENTS**

a. PROJECT SITE AREA:	2.11 ACRES = 91,912	SQ. FT.
b. ZONING DESIGNATION:	M-2	
c. BUILDING HEIGHT LIMIT:	35'-0" MAX	
d. BUILDING SETBACKS REQUIRED:		
- FRONT YARD	20'-0" MIN.	
- REAR YARD	20'-0" MIN.	
- SIDE YARDS	10'-0" MIN.	

2 EXISTING PROJECT

a. TOTAL BUILDING AREA:		
FIRST FLOOR	24,805	SQ. FT.
SECOND FLOOR	10,621	SQ. FT.
	35,426	SQ. FT.
b. FLOOR AREA RATIO (F.A.R.):	38.5 %	
c. EXISTING SITE COVERAGE:	27 %	
d. EXISTING LANDSCAPE AREA COVERAGE:	18.5 %	
e. EXISTING PAVING AREA COVERAGE:	47.5 %	
f. EXISTING BUILDING HEIGHT: (TO TOP OF PARAPET)	30'-0"	
g. PARKING PROVISION:	102 CARS	

3 PROPOSED PROJECT**a. NEW INTERIOR S.F.**

FIRST FLOOR	0	SQ. FT.
SECOND FLOOR	1,144	SQ. FT.
TOTAL NEW ADDITION AREA	1,144	SQ. FT.

b. EXISTING BUILDING TO REMAIN

FIRST FLOOR	24,805	SQ. FT.
SECOND FLOOR	10,621	SQ. FT.
EXISTING BUILDING AREA TO REMAIN	35,426	SQ. FT.

c. TOTAL BUILDING AREA

NEW BUILDING ADDITION	1,144	SQ. FT.
EXISTING BUILDING AREA	35,426	SQ. FT.
TOTAL NEW BUILDING AREA	36,570	SQ. FT.

d. PROPOSED FLOOR AREA RATIO

SITE AREA	91,912	SQ. FT.
NEW BUILDING AREA	36,570	SQ. FT.
F.A.R.	39.8 %	

PROJECT DATA**h. BUILDING SETBACKS:**

- FRONT YARD TO BUILDING	128'-4" (Existing)
- REAR YARD	50'-0" (Existing)
- SIDE YARD	51'-0" (Existing - LEFT)
- SIDE YARD	53'-0" (Existing - RIGHT)

i. PARKING:

NEW PARKING REQUIRED @ 1/300 FOR R&D	4 CARS
--------------------------------------	--------

PARKING PROVIDED

- PROJECT SITE	102 CARS
- NEW PARKING	4 CARS
- TOTAL	106 CARS

NOTES ON CODE COMPLIANCE

1. THE PROJECT CONFORMS TO THE CITY FIRE REGULATIONS - EXISTING FIRE HYDRANTS ARE PROVIDED TO COVER THE ENTIRE SITE.
2. EXISTING DRIVEWAYS 25'-0" WIDE AT FRONT, ARE PROVIDED FOR THE MOVEMENT OF FIRE TRUCKS THROUGH THE SITE.
3. THE PROJECT WILL HAVE FIRE SPRINKLERS AND FIRE EXTINGUISHERS AS REQUIRED BY THE MENLO PARK FIRE DEPARTMENT.

SHEET INDEX

COVER SHEET

1. PROJECT DATA, SHEET INDEX AND CONTACT
2. AERIAL VICINITY MAP
3. ALTA SURVEY
4. EXISTING FIRST FLOOR PLAN
5. EXISTING SECOND FLOOR PLAN
6. EXISTING ROOF PLAN
7. EXISTING GFA DIAGRAMS & BUILDING USE
8. SITE PLAN & BLDG. SET BACKS
9. PROPOSED SITE PLAN - PARKING
10. PROPOSED TENANT IMPROVEMENT FIRST FLOOR PLAN
11. PROPOSED TENANT IMPROVEMENT SECOND FLOOR PLAN
12. PROPOSED ROOF PLAN
13. PROPOSED BUILDING USE AND GFA DIAGRAMS
- 14A. EXISTING BUILDING ELEVATIONS
- 14B. EXISTING BUILDING ELEVATIONS
15. BUILDING SECTION

L1. EXISTING LANDSCAPE PLAN

C1. FIRE TRUCK TURNING AND FIRE HYDRANT COVERAGE

CONTACTCLIENT/OWNER

TARLTON PROPERTIES, INC.
1530 O'BRIEN DRIVE, SUITE C
MENLO PARK, CALIFORNIA 94025
PHONE: (850) 330-3800
FAX: (850) 330-3636
WEBSITE: WWW.TARLTON.COM
CONTACT: RON KRIETEMEYER

ARCHITECTS

DES ARCHITECTS + ENGINEERS
399 BRADFORD STREET, SUITE 300
REDWOOD CITY, CALIFORNIA 94063
PHONE: (850) 364-8453
FAX: (850) 364-2518
WEBSITE: WWW.DES-AE.COM
CONTACT: SUSAN ESCHWEILER / ELKE MADGREGOR

PROJECT SCOPE

1. ADD NEW SECOND FLOOR MEZZANINE AREA.
2. ADD (1) EXIT STAIR.
3. ADD NEW EXTERIOR DOOR AND RAMP (FOR EXIT STAIR).
4. ADD 3 NEW WINDOWS (TO MATCH EXISTING).



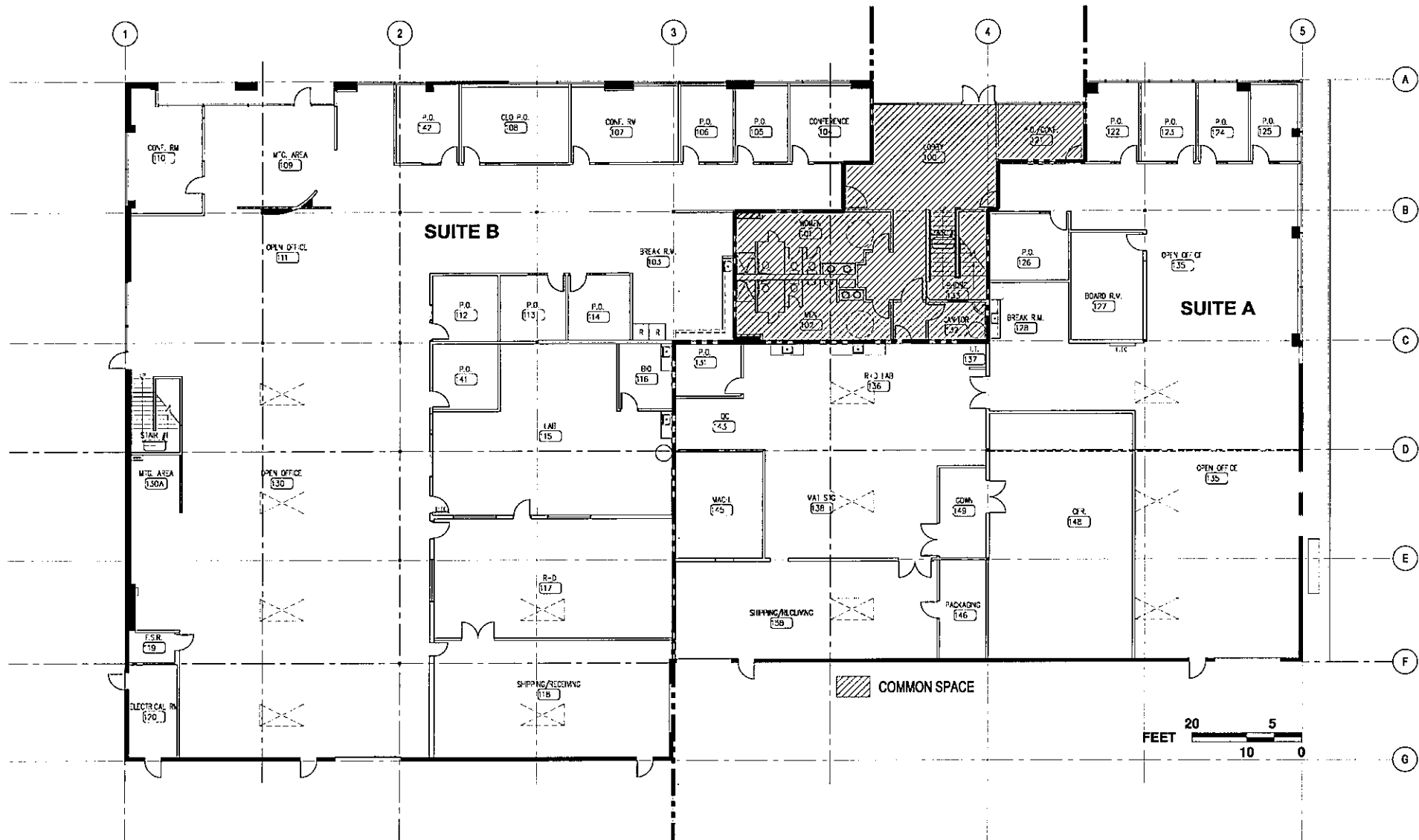
MENLO BUSINESS PARK, BLDG 11
1530 O'BRIEN DRIVE MENLO PARK, CA

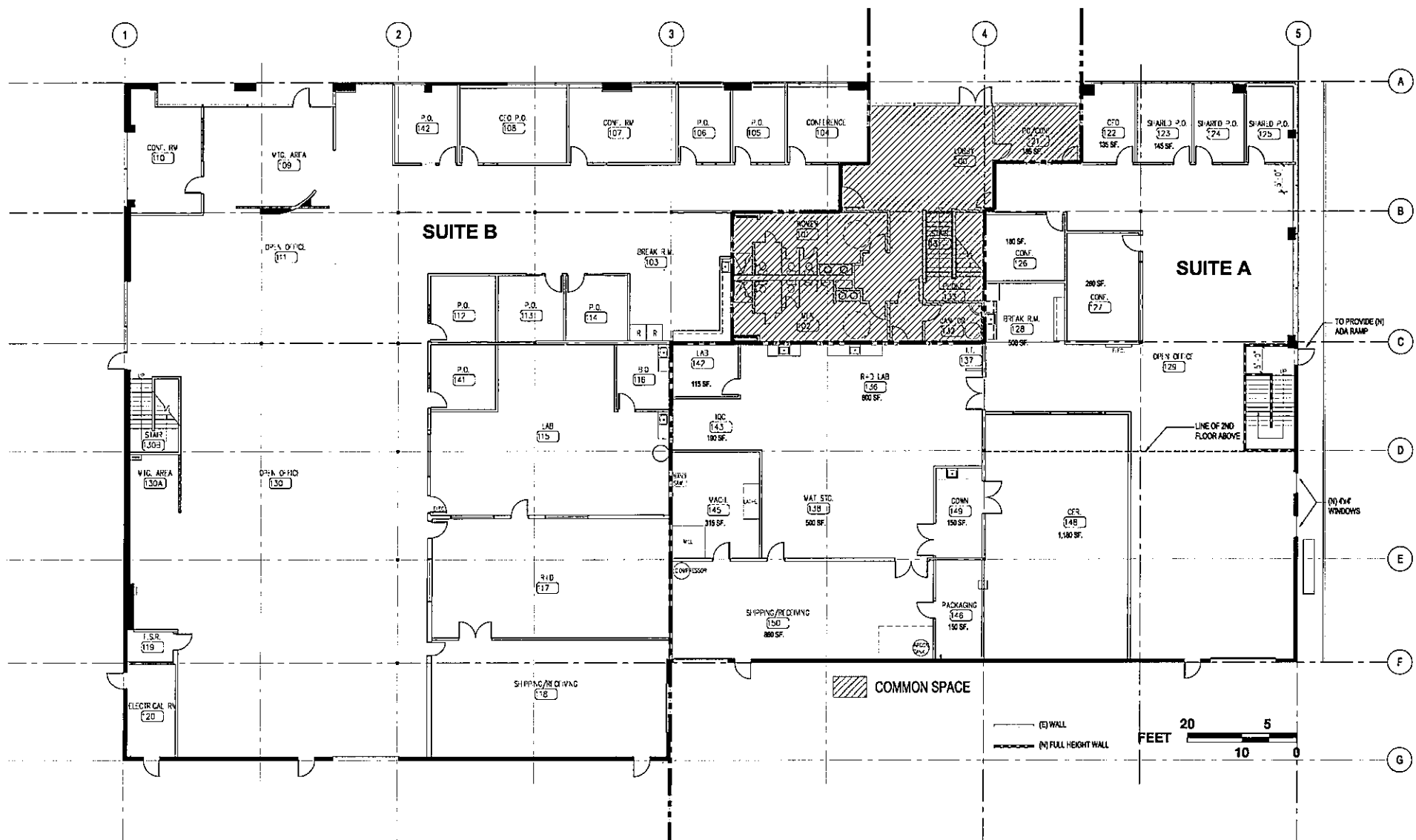
PROJECT DATA, SHEET INDEX & CONTACT

02/22/18

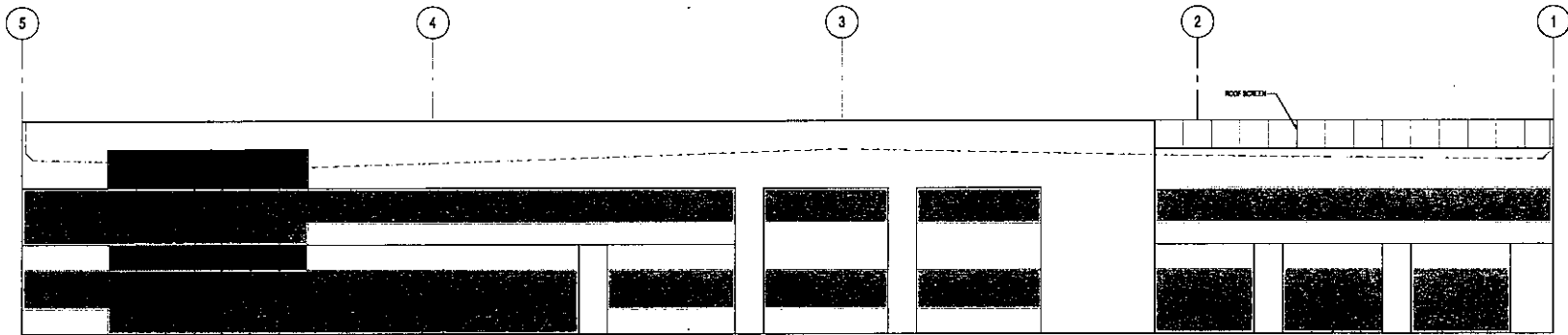
1

DES





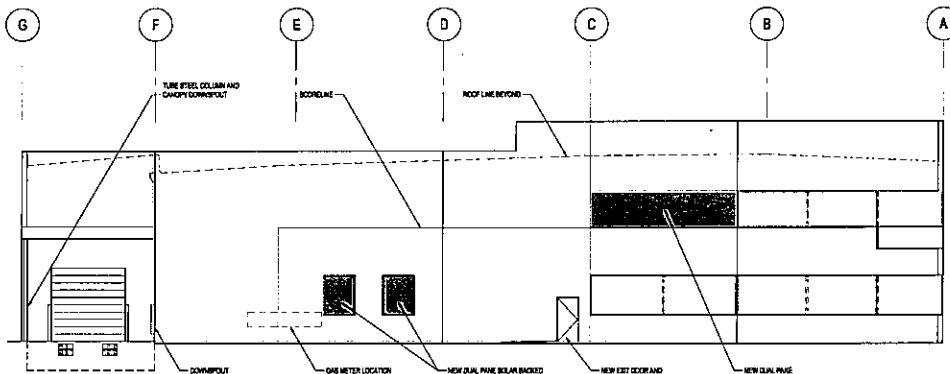
TOP OF PANEL
+30' 0"
TOP OF STOREFRONT
+28' 0"
TOP OF STOREFRONT
+26' 0"
BOTTOM OF STOREFRONT
+24' 0"
MECHANICAL F.P. & BOTTOM OF STOREFRONT
+22' 0"
TOP OF STOREFRONT
+20' 0"
BOTTOM OF STOREFRONT
+18' 0"
FINISH FLOOR
+16' 0"



TOP OF ROOF SKELETON
+30' 0"
TOP OF PANEL
+28' 0"
TOP OF STOREFRONT
+26' 0"
BOTTOM OF STOREFRONT
+24' 0"
TOP OF STOREFRONT
+22' 0"
FINISH FLOOR
+20' 0"

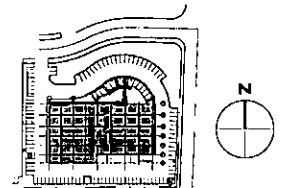
NORTH

TOP OF STOREFRONT
+28' 0"
FINISH FLOOR
+16' 0"



TOP OF ROOF SKELETON
+30' 0"
TOP OF STOREFRONT
+26' 0"
BOTTOM OF STOREFRONT
+24' 0"
BOTTOM OF STOREFRONT
+22' 0"
FINISH FLOOR
+20' 0"

EAST



THIS PAGE INTENTIONALLY LEFT BLANK