## **Housing Commission**



#### **REGULAR MEETING AGENDA**

Date: 7/11/2018 Time: 6:30 p.m.

City Hall - "Downtown" Conference Room, 1st Floor

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. Regular Business

- D1. Approve the minutes for the June 13, 2018, Housing Commission meeting (Attachment)
- D2. Review and provide feedback on potential amendments to the El Camino Real/Downtown Specific Plan related to housing (Staff Report #18-013-HC)
- D3. Review and recommend the City Council adopt an ordinance establishing tenant relocation assistance (Staff Report #18-014-HC)
- D4. Review and approve 2018-19 Housing Commission subcommittee list and subcommittee assignments (Attachment)

#### E. Reports and Announcements

- E1. Subcommittee reports
- E2. Commissioner reports
- E3. Staff updates and announcements

#### F. Adjournment

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

#### Agenda Page 2

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.

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## **Housing Commission**



#### **REGULAR MEETING MINUTES - DRAFT**

Date: 6/13/2018 Time: 6:30 p.m.

City Hall – "Downtown" Conference Room 701 Laurel St., Menlo Park, CA 94025

**A.** Chair McGraw-Scherer called the meeting to order at 6:30 p.m.

#### B. Roll Call

Present: Karen Grove, Rachel Horst, Meg McGraw-Scherer, Wendy McPherson, Michele Tate,

Julianna Dodick

Absent: Nevada Merriman

Staff: Interim Housing and Economic Development Manager Clay Curtin,

Management Analyst II Mike Noce

#### C. Public Comment

 Brian Parent spoke about fair housing practices and his challenges acquiring rental housing in Menlo Park while having a service dog.

- Pamela Jones shared concern for the amount of property being purchased by property management companies in the Belle Haven neighborhood.
- Cecilia Taylor spoke about increasing outreach of BMR rental programs.

#### D. Regular Business

D1. Update and quarterly report from Hello Housing (Attachment)

Sarah Shimmin, Senior Program Manager from Hello Housing, provided the guarterly report.

This informational item required no action.

D2. Approve minutes for the Housing Commission meeting of May 9, 2018 (Attachment)

Staff Curtin shared an amendment to section E4 of the May 9, 2018, minutes, which occurred after the agenda was published. Merriman received three votes (Merriman, McGraw-Scherer and McPherson) and Grove received two votes (Tate, Grove) for the Vice Chair position, with Commissioner Horst abstaining. During that meeting, it was believed that an affirmative vote of members present was needed to select the Vice Chair. But upon review with the City Attorney following the meeting, it was clarified that a majority of members voting was all that was required. With Merriman receiving a majority of votes cast, and a quorum of members having voted, the Commission selected Nevada Merriman as the 2018-19 Housing Commission Vice Chair. This update was provided in amended minutes distributed to the commissioners.

Pamela Jones spoke about possible redevelopment of the 1300 block of Willow Road.

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**ACTION:** Motion and second (Horst/McPherson) to approve the May 9, 2018, Housing Commission meeting minutes as amended, passed (5-1-1; Tate dissents, Merriman absent).

D3. Selection of the 2018-19 Housing Commission vice chair (Staff Report #18-011-HC)

Based on the discussion contained in D2 and the amended minutes that were distributed, no action was necessary on this item.

D4. Review and consider changes to the Below Market Rate (BMR) Housing Guidelines (Staff Report #18-012-HC)

Staff Curtin introduced the item and provided an update from the Planning Commission meeting of June 11, 2018.

• Pamela Jones spoke about the need for an inclusionary statement highlighting the goals of the program in the BMR Guidelines.

**ACTION:** Motion and second (Dodick/Grove) to approve changes to the BMR Housing Guidelines including the following amendments. Strike, "unless otherwise approved by the City Council for a project in which special circumstances demonstrates a clear public benefit to grouping the BMR units together and upon a finding that the applicant is providing more than 15% of the total number of units as affordable" from section 5.1. Insert "or after" to bullet 5 of section 7.1, which will now read as "A person residing in Menlo Park in or after 2008 who was subsequently displaced from such housing…". The motion passed (5-1-1; McPherson dissents; Merriman absent).

D5. Review and discuss changes to the City's 12-month lease ordinance.

Staff Curtin introduced the item and outlined components of the ordinance. The Commissioners discussed the outcomes of the ordinance and potential tenant protections that could supplement the goals of the 12-month lease ordinance.

**ACTION:** Motion and second (McGraw-Scherer/Horst) to agendize for discussion at the next Housing Commission meeting a draft tenant relocation ordinance. The motion passed (6-0-1; Merriman absent).

D6. Review and discuss subcommittee assignments (Attachment)

Staff Curtin introduced the item and requested Commission feedback. The Commission discussed potential changes to the subcommittees and commissioner assignments.

No action was taken. By acclamation, the Housing Commission requested staff agendize this item for Commission review and approval at the July 11, 2018, commission meeting and include a draft of the subcommittee list and potential commissioner assignments.

D7. Review and consider changes to the Housing Commission's 2018-19 meeting calendar (Attachment)

After review, no action was taken and the Housing Commission meeting calendar remains unchanged.

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#### E. Reports and Announcements

#### E1. Subcommittee reports (10 minutes):

Notice of Funding Availability (NOFA) Subcommittee: Staff Curtin reported the City Attorney and staff will begin their review prior to this item returning to the Housing Commission.

Nexus Fee Study Subcommittee: No report

BMR Guideline: No report

Housing Policy Committee: No report

#### E2. Commissioner reports

Grove announced the June 18, 2018, Planning Commission study session for the proposed multifamily residential development at 111 Independence Drive.

Horst reported she has been contacted by members of the public with housing-related questions and requested clarification on how to proceed. Staff Curtin asked commissioners to be responsive and to refer the individual to staff for further review and resolution of cases.

#### E3. Staff updates and announcements

Staff Curtin reported on several recent questions and cases that had been referred to staff. They included landlord tenant disputes, a question about applicability of the Fair Housing Act and the 12-month lease ordinance. He reported that staff will always follow-up with individuals to try to understand their individual case and work with them to resolve the issue, or connect them to outside resources for further assistance.

#### F. Adjournment

Chair McGraw-Scherer adjourned the meeting at 9:11 p.m.

## **Community Development**



#### **STAFF REPORT**

Housing Commission Meeting Date:

Meeting Date: 7/11/2018 Staff Report Number: 18-013-HC

Regular Business: Review and provide feedback on potential

amendments to the El Camino Real/Downtown

Specific Plan related to housing

#### Recommendation

Staff recommends that the Housing Commission review the potential housing-related amendments to the El Camino Real/Downtown Specific Plan, including possible increases to the maximum allowable residential development as well as options to incentivize residential development.

#### **Policy Issues**

The Specific Plan's ongoing review requirement was established to ensure that it is functioning as intended, as well as to consider the policy-related implications of various Specific Plan aspects. During the current review of the Specific Plan, the City Council, the Planning Commission and many residents, including individual members of the Housing Commission, have expressed a desire to potentially increase the residential housing supply in the Specific Plan.

Staff is seeking direction from the Housing Commission on various options, including increasing density limits, reducing or removing parking requirements, increasing height limits, providing additional affordable housing incentives, as well as allowing a certain level of residential density through an administrative, rather than a discretionary review process. Additionally, consideration of the use of City-owned property for residential development.

#### **Background**

#### Vision Plan and Specific Plan development

Between 2007 and 2012, the City conducted an extensive long-range planning project for the El Camino Real corridor and the downtown area. The project started with a visioning project (Phase I: 2007-2008) to identify the core values and goals of the community and to define the structure of the second phase of planning. The Specific Plan process (Phase II: 2009-2012) was a planning process informed by review of an environmental impact report (EIR) and fiscal impact analysis (FIA). A key Specific Plan goal was the establishment of a comprehensive, action-oriented set of rules, which would establish much greater clarity and specificity with regard to development, both with respect to rights as well as requirements.

In June 2012, the City Council unanimously approved the El Camino Real/Downtown Specific Plan and related actions, following a unanimous recommendation for approval from the Planning Commission. The Specific Plan contains extensive standards, guidelines and illustrations for development. Full information

on the Vision and Specific Plan projects (including staff reports, meeting video, environmental and fiscal review documents, analysis memos, and workshop presentations and summaries) is available on the City's website at menlopark.org/specificplan.

#### Initial review (2013)

The initial implementation of the Ongoing Review requirement occurred in 2013, one year after the Specific Plan's adoption, at which point the Planning Commission and City Council received public input, discussed a wide range of options and directed that staff prepare formal amendments for the following topics:

- Revise text to clarify that implementation of the "Burgess Park Linkage/Open Space Plaza" public space improvement is not dependent on the High Speed Rail project;
- Eliminate "Platinum LEED Certified Buildings" as a suggested Public Benefit Bonus element; and
- For new medical/dental office uses on El Camino Real, establish an absolute maximum of 33,333 square feet per development project.

Following that direction in late 2013, the formal revisions were presented and approved in October 2014, and are currently in effect.

The second biennial review occurred in 2015, as discussed later in this report.

#### **Analysis**

#### Maximum allowable development and recent/current development proposals

The Specific Plan establishes a maximum allowable net new development cap, which was intended to reflect likely development over the Specific Plan's intended 20–30-year timeframe. Development in excess of these thresholds requires amending the Specific Plan and conducting additional environmental review.

Specifically, the approved Specific Plan states the following as part of Chapter G ("Implementation"):

Maximum Allowable Development

The Specific Plan establishes the maximum allowable net new development as follows:

- Residential uses: 680 units; and
- Nonresidential uses, including retail, office and hotel: 474,000 square feet

The Specific Plan divides the maximum allowable development between residential and nonresidential uses as shown, recognizing the particular impacts from residential development (e.g., on schools and parks) while otherwise allowing market forces to determine the final combination of development types over time.

The Planning Division shall at all times maintain a publicly available record of:

- The total amount of allowable residential units and nonresidential square footage under the Specific Plan, as provided above;
- The total number of residential units and nonresidential square footage for which entitlements and building permits have been granted;
- The total number of residential units and nonresidential square footage removed due to building demolition; and

The total allowable number of residential units and nonresidential square footage remaining available

The Planning Division shall provide the Planning Commission and City Council with yearly informational updates of this record. After the granting of entitlements or building permits for 80 percent or more of either the maximum residential units or maximum nonresidential square footage, the Community Development Director will report to the City Council. The City Council would then consider whether it wished to consider amending the Plan and completing the required environmental review, or the City Council could choose to make no changes in the Specific Plan. Any development proposal that would result in either more residences or more commercial development than permitted by the Specific Plan would be required to apply for an amendment to the Specific Plan and complete the necessary environmental review.

The project summary table included as Attachment A represents a summary of applications with square footage implications that have been submitted since the Specific Plan became effective. The table does not include applications that only affect the exterior aesthetics of an existing structure. Staff is aware of other potential in-fill development proposals throughout the Specific Plan area but has not received project applications for these proposals so they are not included in the table.

The Specific Plan area has also benefited from the redevelopment of existing structures. The Marriott Residence Inn (555 Glenwood Ave.), the Hotel Lucent (727 El Camino Real), renovation and small expansion of a commercial building at 889 Santa Cruz Ave., and renovation of an existing commercial development at 1149 Chestnut St. have all completed construction. Construction is in progress for the following approved projects:

- 612 College Ave. (four new residential units)
- 1295 El Camino Real (new mixed-use residential and commercial development)
- 1020 Alma St. (new office building)
- 1400 El Camino Real (new 61-room boutique hotel)
- 650 Live Oak Ave. (new office-residential development)
- 133 Encinal Ave. (new townhome style development)
- Station 1300 (new mixed-use office, residential and retail development)
- 1275 El Camino Real (new mixed-use development)

Additionally, the following projects have obtained discretionary approvals but have not yet started construction:

- Middle Plaza at 500 El Camino Real (new mixed-use office, residential and retail development)
- 1540 El Camino Real (new mixed-use office and residential development)
- 1125 Merrill St. (new mixed-use office and residential development)
- 506 Santa Cruz Ave. (new mixed-use retail, office and residential development)
- 556 Santa Cruz Ave. (new mixed-use retail, office and residential development)
- 949 El Camino Real (Guild Theater renovation and expansion) [project includes Specific Plan amendments and EIR addendum]

Four applications are pending for new mixed-use developments. A proposal for a new mixed-use commercial and residential development at 201 El Camino Real is proposed at the public benefit bonus level. The remaining three pending projects are proposed at the Base density level:

840 Menlo Ave. (new mixed-use office and residential development) was approved by Planning

Commission but appealed to the City Council, and is pending resolution likely in August or September

- 706 Santa Cruz Ave. (new mixed-use retail, office and residential development)
- 115 El Camino Real (new mixed-use commercial and residential development)

The only other pending applications that include the addition of square footage are for a proposed Hampton Inn at 1704 El Camino Real, which is proposed at the public benefit bonus level, and for a renovation and small expansion of a commercial building at 725 Oak Grove Ave., which is proposed at the Base density level. At the March 12, 2018, study session for the proposed Hampton Inn, the Planning Commission generally indicated transient occupancy tax (TOT) revenue is sufficient for the public benefit and provided design comments.

The following chart shows the total net new residential units and nonresidential square footages that have either approved or pending entitlements and/or issued building permit:

Table 1  Development totals as of June 2018				
	Net new residential units	Net new nonresidential sq.ft.		
Total entitlements approved *	486	389,400		
Percentage of Specific Plan maximum allowable development	71%	82%		
Total entitlements proposed	26	49,858		
Percentage of Specific Plan maximum allowable development	4%	11%		
Total Entitlements Approved and Proposed	512	439,258		
Percentage of Specific Plan maximum allowable development	75%	93%		
Specific Plan maximum allowable development	680	474,000		

<sup>\*</sup> Of the total entitlements approved, 434 new net residential units (64 percent of the maximum allowed development) and 359,064 square feet of net new nonresidential square footage (74 percent of the maximum allowed development) either has issued building permits, or in the case of 500 El Camino Real, an approved development agreement.

Any increase to the residential or commercial development maximums would require environmental review. Although the type of environmental review would be dependent on how the development caps are modified, the environmental review would likely take at least a year.

#### 2015 biennial review

Staff presented the biennial review for the El Camino Real/Downtown Specific Plan to City Council October 6, 2015. Several members of the public spoke and voiced concerns over downtown parking and housing primarily, as well as the jobs-housing-use balance, and retail and funding mechanisms. The item was continued for further discussion. (The biennial review was also presented to the Planning Commission August 3, 2015.)

At its November 17, 2015, meeting, the City Council continued discussion of the biennial review and gave general direction for staff to pursue the short-term and long-term changes to the Specific Plan outlined in

Attachment B. (The November 17, 2015, staff report provides more detailed descriptions of the proposed changes.)

Due to a large number of individual development projects as well as ongoing staff vacancies, many of the tasks have not been completed. As noted in the table above, a public amenity fund has been created, with a current balance of \$1,236,678 (the bulk of which consists of the first half of the Station 1300 public benefit bonus payment). This fund will be used for infrastructure and public space improvements in the Specific Plan area.

Staff, with help from consultants, has done some work related to updating the development standards for setbacks, sidewalks, signage and parking rates. The short-term items that have not been started are text edits that may not require intensive work. In addition, citywide planning has started on formalizing requirements for transportation demand management programs, including potentially establishing a Transportation Management Association, and updating the requirements for electric vehicle charging stations. Staff believes the short-term items should be pursued, especially since many require text changes that would most efficiently be done as part of one update.

The Housing and Economic Development Division, now a part of the Community Development Department, has continued working on a possible downtown parking structure(s), which was a long-term task but has been removed from this list as it is now on the 2018 City Council Work Plan project priority list. Staff will work with the City Council's Downtown Parking Structure Subcommittee (Carlton and Mueller) on recommendations to the City Council for this proposed structure and if it will contain other land uses in addition to parking, which would necessitate a Specific Plan amendment, will work on the amendment. However, the other long-term tasks that are not part of citywide efforts, including general hotel incentives, the infrastructure project list, encouraging affordable housing, and preserving small businesses and retail uses, need more definition, and if the City Council and advisory commissions would like staff to pursue these, more specific direction would be needed.

On December 5, 2017, staff presented an information item to the City Council on the Specific Plan maximum allowable development. The City Council discussed the next steps to be addressed by staff in the biennial update and provided additional feedback on possible amendments to the Specific Plan. These included additional entertainment uses, possibly combined with a mixed-use parking structure, possible increases to height limits, and possible increases to the number of residential units in the Specific Plan area, especially in the vicinity of the train station and other transit.

#### 2018 biennial review

On April 17, 2018, staff presented the biennial review for the El Camino Real/Downtown Specific Plan to City Council. Several members of the public spoke and expressed an interest in applying the sustainability standards that are applied to the new zoning districts as part of the General Plan update, increasing residential unit density, and increasing electric vehicle charging requirements in the Specific Plan. Additionally, community members expressed concerns regarding public benefits, especially those related to improvements to bicycle and pedestrian infrastructure.

The City Council directed staff to bring the possible amendments to the Planning Commission, Environmental Quality Commission, Complete Streets Commission and Housing Commission for their

review before returning to the City Council for discussion on larger policy issues such as the development caps. Staff provided verbal updates to the Environmental Quality Commission at their meeting May 16, 2018, and to the Complete Streets Commission at their meeting June 13, 2018, encouraging these commissioners to provide individual input at the Planning Commission meeting, if desired. The City Council also directed staff to include the local school districts and the Fire District in discussions on the possible amendments. Several Council members also noted that the Transportation Master Plan (TMP) should be completed before making decisions on the Specific Plan. Additional comments were made by councilmembers on the following topics:

#### Entertainment use and parking structures

Several councilmembers expressed a continuing desire for a dedicated entertainment use in the Specific Plan area, possibly combined with a mixed-use parking structure. In response to inquiries about the ownership of the public parking plazas, the Contract City Attorney has indicated that the City owns the parking plazas and can develop them with parking structures, but other non-parking uses, including an entertainment use, would not be permitted under the current Specific Plan. (Due to a conflict of interest with the City Attorney, who leases property within the Plan area, the City has contracted with a Contract City Attorney). It should be noted that the Specific Plan currently allows for up to two parking structures, which would not require an amendment to the Plan. Combining a parking structure with other uses would require Specific Plan amendments, and the Contract City Attorney is in the process of further researching this option. However, construction of a parking structure may not occur for some time, as funding would need to be determined and parking related studies would likely be needed.

#### Heights and floor area ratio in the Specific Plan area

Several councilmembers expressed a desire to increase height limits, especially along Santa Cruz Avenue, to encourage development. One councilmember also noted the calculation of gross floor area for the purpose of determining a parcel's floor area ratio (FAR) should be reviewed.

#### Housing

The City Council stated an interest in increasing the number of residential units in the Specific Plan area, including Below Market Rate (BMR) units. One councilmember also noted a need for additional senior housing.

#### Sustainability standards

Several councilmembers noted sustainability standards should be increased in the Specific Plan, with the possible adoption and modification of the General Plan sustainability standards for the M-2 area, and an increase in the required number of electric vehicle chargers.

#### Retail

Two councilmembers expressed a desire to foster additional retail development, possibly with help from City funds.

#### Planning Commission study session

On June 18, 2018, the Planning Commission held a Study Session to consider potential amendments to the Specific Plan, including possible increases to the maximum allowable development. Several members of the public spoke and expressed a desire to increase housing in the plan area, including affordable

housing. Several members of the public also discussed the need to increase sustainability measures, including a better jobs to housing balance to decrease the need for long commutes. Suggestions from members of the public on ways to increase housing included the construction of residential units on City owned land and less strict development standards, such as height limits, in the Specific Plan.

Planning Commissioners provided comments on the following topics:

#### Housing

Planning Commissioners stated an interest in increasing the number of residential units in the Specific Plan Area, including affordable housing. One Commissioner suggested increasing the housing cap but requiring affordable housing beyond what is required by the City's BMR ordinance for any housing beyond the current cap. Commissioners also discussed changes in housing needs since the adoption of the Specific Plan and options to increase residential developments such as reducing or removing parking requirements and possibly amending some Specific Plan standards including height limits, and requirements for modulations and building profiles.

#### Commercial uses

While the Planning Commission did not support allowing large office buildings beyond the commercial caps, several Commissioners voiced a desire to foster retail development and possibly allow small retail or other commercial development, which increases the vibrancy of the plan area, beyond the commercial cap. The benefit of commercial development that may pay in-lieu fees for the parking structures and BMR units was also noted.

#### Residential housing supply

As noted in the above, the City Council, the Planning Commission and many residents, including individual members of the Housing Commission, have expressed a desire to increase the residential housing supply in the Specific Plan.

Staff is seeking direction from the Housing Commission on options to increase the residential housing supply in the plan area. Options could include increasing density limits, reducing or removing parking requirements, increasing height limits, providing additional affordable housing incentives, as well as allowing a certain level of residential density through an administrative, rather than a discretionary review process. Additionally, a proposal could be put forward to set aside City-owned property for residential development.

Although the need for residential development has increased since the adoption of the Specific Plan, it should be noted that the height limits currently in the Plan resulted from public input throughout the process of creating the Plan. Regarding Downtown and Santa Cruz Avenue, the first goal of the Vision Plan was to retain village character, especially in the downtown area. Additionally, the Plan states on page C16, "The concept for downtown emphasizes the existing small-town character, ensuring...smaller-scale buildings complementary to the existing character of the area." It should also be noted, several projects have recently been approved in the downtown area, including 706 Santa Cruz Avenue, 506 Santa Cruz Avenue, 556 Santa Cruz Avenue, and 1125 Merrill Street, all with proposals that conform to the current height limitations.

#### Next steps

As noted in the City Council's goal setting and priorities, implementing the Specific Plan review and amendments is a priority. As discussed further under the environmental review and impact to city resources sections of this report, potential changes to the Specific Plan would require consideration under CEQA, and staff believes the work required for the Specific Plan modifications, including the environmental review required for an increase in the development caps, would require additional contract services that have been approved in the fiscal year 2018-19 budget and affect the Planning Division's ability to process other discretionary projects and plans.

If the Specific Plan was not amended and the development maximums were reached, possibly within the next few years, then future development proposals would need to apply for individual increases to the development caps. However, it should be noted that the Specific Plan recognized the strong redevelopment potential for the 500 El Camino Real site, which took up a large percentage of the development maximums, in addition to the 1300 El Camino project. Future projects will likely be smaller in scale.

The Housing Commission should discuss and include in its comments, any recommendations for housingrelated amendments.

#### **Environmental Review**

#### Specific Plan Program EIR

The Specific Plan process included detailed review of projected environmental impacts through a program Environmental Impact Report (EIR), as required by the California Environmental Quality Act (CEQA). The Final EIR was certified along with the final Plan approvals in June 2012.

#### Project-level review under the Specific Plan

As specified in the Specific Plan EIR and the CEQA Guidelines, program EIRs provide the initial framework for review of discrete projects. Aside from smaller projects that are categorically exempt from CEQA and require no further analysis, most new proposals are required to be analyzed with regard to whether they would have impacts not examined in the program EIR. This typically takes the form of a checklist that analyzes the project in relation to each environmental category in appropriate detail. Depending on the results of such analysis, the City could determine that the program EIR adequately considered the project, or the City could determine that additional environmental review is required.

Regardless of the CEQA review process, all projects must incorporate feasible mitigation measures included in the Specific Plan EIR's Mitigation Monitoring Program.

#### CEQA requirements for potential changes to the Specific Plan

As noted earlier, potential changes to the Specific Plan would require consideration under CEQA, although this may vary based on the nature and extent of the changes. Based on the experience with the 2014 changes, Staff believes that the currently-recommended short-term and text revisions, not the changes to the development caps or other larger policy issues, could potentially be considered under a Negative Declaration process, as a result of their nature as enhancements to existing Plan objectives. However, this

is not certain until the required Initial Study is conducted. More substantive changes to the Specific Plan, including increases to the development caps, could require a more extensive review process, with the likely need for an EIR, which typically requires approximately a year to prepare.

#### **Impact on City Resources**

As part of the Specific Plan adoption, an El Camino Real/Downtown Specific Plan preparation fee was approved. This fee is charged to projects adding square footage, to recover the costs associated with the preparation of the Specific Plan. The current fee is established at \$1.13/square foot for all net new development, and \$484,778 has been collected to date.

Staff believes the work required for the Specific Plan modifications, including the environmental review required for an increase in the development caps, would require additional contract services that have been approved in the fiscal year 2018-19 budget.

The preparation of the Specific Plan in 2012 required staff resources, consultant and contract attorney services, and operating costs (meeting materials, mailing costs, etc.). The total breakdown of project costs is as follows:

Table 3 Specific Plan project costs	
Consultant	\$1,191,390
Contract attorney	\$100,000
Operating costs	\$25,000
Staffing	\$374,850
Total	\$1,691,240

Considering that an increase in the development caps, as well as the proposed changes to the plan, are a smaller project, the cost could potentially be estimated at about a fourth of the Specific Plan cost, or approximately \$425,000. However, this represents a rough estimate for the purposes of discussion, and staff would need to prepare a more formal cost projection once the overall scope of work is determined. This would also not include potential costs related to plan amendments for a mixed-use parking structure.

#### **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. Project summary table
- B. Short- and long-term changes to Specific Plan
- C. Project area map

Staff Report #: 18-013-HC

Report prepared by:

Corinna Sandmeier, Senior Planner

Report reviewed by:

Mark Muenzer, Community Development Director

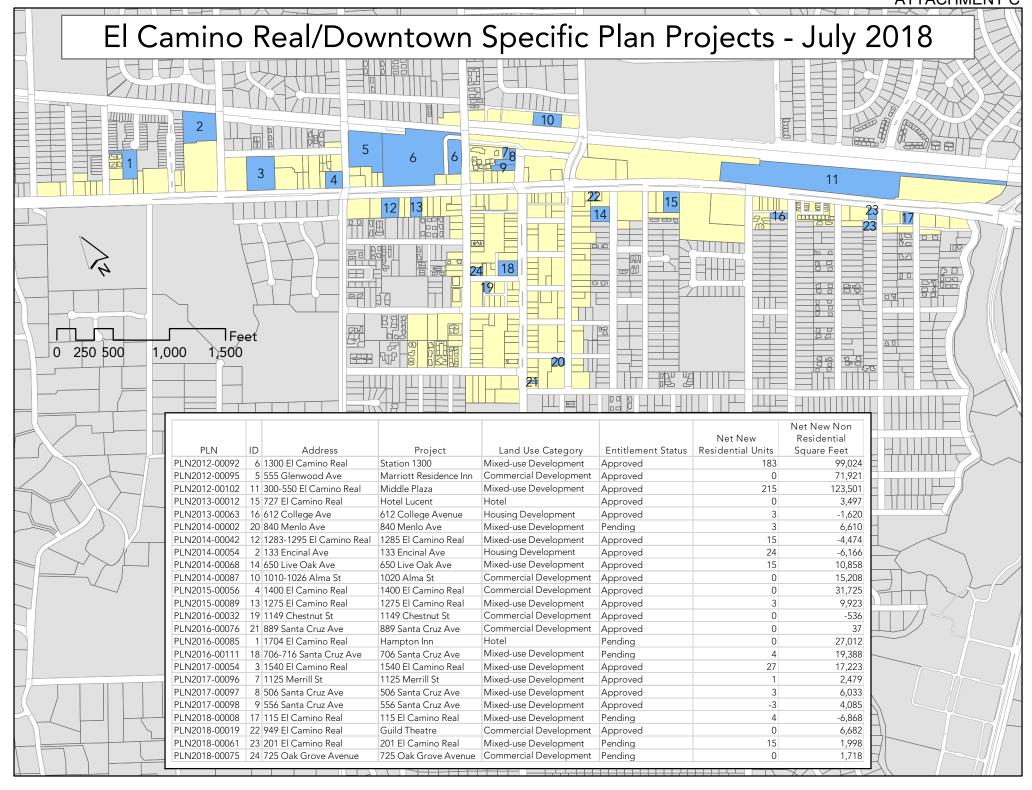
#### ATTACHMENT A

<u>Project</u>	<u>Address</u>	<u>Description</u>	Development Level	Entitlement Status	Building Permit Status	Net New Res. Units	Net New Non-Res. SF	<u>Notes</u>
Marriott Residence Inn	555 Glenwood Avenue	Conversion of a senior citizens retirement living center to a 138-room limited-service, business-oriented hotel	Public Benefit Bonus	Approved	Issued 11/12/13; Completed 4/30/15	0		No new square footage was constructed, but the net new vehicle trips associated with the conversion are considered equivalent to the listed square footage
Hotel Lucent	727 El Camino Real	Comprehensive renovation of an existing hotel, including an eight-room expansion	Base	Approved	Issued 5/14/14; Completed 4/10/17	0	3,497	
889 Santa Cruz Ave	889 Santa Cruz Ave	Renovation of an existing commercial building, with small expansion  Demolition of a residence and a commercial	Base	Approved	Issued on 2/2/17; Completed 10/26/17 Issued 9/29/15; Construction in	0	37	
612 College	612 College Avenue	warehouse building, and construction of four new residential units	Base	Approved	progress Issued 12/22/2016;	3	-1,620	
1295 El Camino Real	1283-1295 El Camino Real	Demolition of two commercial buildings and construction of a new mixed-use residential and commercial development	Base	Approved	Construction in progress	15	-4,474	
1020 Alma St	1010-1026 Alma St	Demolition of existing commercial buildings and construction of new office development	Public Benefit Bonus	Approved	Issued 11/21/16; (Phase 2 issued 10/23/17) Construction in progress Issued 11/16/16;	0	15,208	
1400 El Camino Real	1400 El Camino Real 1149 Chestnut	Construction of new 61-room hotel	Public Benefit Bonus	Approved	(Phase 2 issued 6/15/17) Construction in progress Issued 10/4/16;	0	31,725	
1149 Chestnut Street	Street	Renovation of an existing commercial building	Base	Approved	Completed 2/22/18	0	-536	
1300 El Camino Real	1258-1300 El Camino Real, 550- 580 Oak Grove Avenue, and 540- 570 Derry Lane	Construction of a new mixed-use office, residential, and retail development	Public Benefit Bonus	Approved	Issued 9/6/17; Construction in progress	183	99,024	The approved1300 El Camino Real project is credited like an existing building, since it received full CEOA clearance; active square footage also credited
650 Live Oak Ave	650 Live Oak Ave	Demolition of commercial building and construction of new office-residential development	Public Benefit Bonus	Approved	Issued 11/14/17; Construction in progress	15	10,858	Linked with 660 Live Oak Ave proposal, although that parcel is not in the Specific Plan area and as such is not included in this table.
1275 El Camino Real	1275 El Camino Real	Construction of new mixed-use development on a vacant site	Base	Approved	Issued 4/19/18; Construction in progress	3	9,923	
		Demolition of existing commercial buildings and construction of a new townhome-style						
133 Encinal Ave	133 Encinal Ave 300-550 El Camino	development Construction of a new mixed-use office,	Base	Approved	Under review	24	-6,166	
500 El Camino Real	Real	residential, and retail development  Demolition of a retail building and construction of	Base	Approved	Under review	215	123,501	
1540 El Camino Real (former Beltramo's)	1540 El Camino Real	a new mixed-use office and residential development  Demolition of the existing building and	Base	Approved	n/a	27	17,223	
1125 Merrill St	1125 Merrill St	construction of a new mixed-use office and residential development	Base	Approved	n/a	1	2,479	Linked with 506 and 556 Santa Cruz Ave projects, but tallied individually
506 Santa Cruz Ave	502-540 Santa Cruz Ave	Demolition of the existing building and construction of a new mixed-use retail/office/residential development Demolition of the existing building and	Base	Approved	n/a	3	6,033	Linked with 1125 Merrill St and 556 Santa Cruz Ave projects, but tallied individually
	556-558 Santa Cruz Ave	construction of a new mixed-use retail/office/residential development	Base	Approved	n/a	-3	4,085	Linked with 1125 Merrill St and 506 Santa Cruz Ave projects, but tallied individually
949 El Camino Real	949 El Camino Real	Renovation of existing Guild Theatre cinema facility into a live entertainment venue	Public Benefit Bonus	Approved	n/a	0	6,682	
Hampton Inn	1704 El Camino Real	Demolition of existing hotel and construction of a new hotel.	Public Benefit Bonus	Pending	n/a	0	27,012	goal final action is third quarter 2018
840 Menlo Avenue	840 Menlo Avenue	Construction of a new mixed-use office and residential development on a vacant parcel	Base	Pending	n/a	3	6,610	August or September CC (Draegers Loading Zone & Appeal)
706-716 Santa Cruz Avenue	706-716 Santa Cruz Avenue	Demolition of existing commercial building and onstruction of a new mixed-use retail, office, and residential development	Base	Pending	n/a	4	19,388	goal final action is fourth quarter 2018
115 El Camino Real	115 El Camino Real	Demolition of existing building and construction of a new mixed-use development consisting of commercial space on the first floor, and residential units on the second and third floors	Base	Pending	n/a	4	-6,868	
201 El Camino Real	201 El Camino Real	Demolition of an existing 6,000 sq ft commercial building, demolition of existing 4-unit residential building and elimination of existing surface parking lots. New mixed-use building proposed with 15 residential units and 7,948 sq ft of office and retail, including 6,300 square feet of medical office	Public Benefit Bonus	Pending	n/a	15	1,998	
725 Oak Grove Avenue	725 Oak Grove Avenue	Renovation of an existing commercial building, with small expansion	Base	Pending	n/a	0	1,718	
	-	Percen	tage of Specific F		ntitlements Approved Allowable Development	<b>486</b> 71%	389,400 82%	
	Total Entitlements Proposec Percentage of Specific Plan Maximum Allowable Development					26 4%	<b>49,858</b> 11%	
	Total Entitlements Approved and Proposed Percentage of Specific Plan Maximum Allowable Developmen					75%	<b>439,258</b> 93%	
	Total Building Permits Issuec Percentage of Specific Plan Maximum Allowable Development					<b>219</b> 32%	<b>235,563</b> 50%	
	Specific Plan Maximum Allowable Development					<u>680</u>	<u>474,000</u>	

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		ATTACHIVIENT B
	Specific Plan Changes and Next Steps	
SHORT-TERM changes by CITY		Status
Public Amenity Fund	Create a Public Amenity Fund for public benefit bonus financial contributions. Monies would go towards Specific Plan transportation-related projects.	Fund Creation Completed: Additional contributions and use considered on an on-going basis
SHORT-TERM changes needing to	ext/graphic edits only	Status
Rear Setback	Clarify that rear setbacks apply to Specific Plan area boundary.	Preliminary Work Started
Maximum Setbacks	Allow variances to exceed 50% for districts with maximum front and side setbacks.	Work not Started
Sidewalks	Provide sidewalk standards for streets where no such standards exist.	Preliminary Work Started
Affordable Housing Overlay	Add Affordable Housing Overlay citation in Specific Plan text to reflect existing ordinance that already applies. Allows additional density for affordable housing projects up to public benefit bonus level without the need to prepare an economic analysis and Public Benefit Bonus (PBB) study session.	Work not Started
Hotel Incentives (Allow at Public Benefit Bonus FAR)	Allow hotel uses at the Public Benefit Bonus level without the need to prepare an economic analysis and PBB study session.	Work not Started
Transportation Demand Management (TDM) Programs	Formalize the City's TDM program criteria.	City-Wide Planning Started
Electric Vehicle Recharging Stations	Incorporate EV charging station requirements in commercial developments.	City-Wide Update in Progress
Hotel Parking Rate	Clarify that hotel parking rate would be a range (likely between 0.8 to 1.25 spaces per room) determined through case-by-case review.	Preliminary Work Started
Maximum Sign Area for Larger Parcels	Allow more sign area for larger developments.	Preliminary Work Started
SHORT-TERM changes needing to CONSULTANT	ext/graphic edits and potentially research/analysis by	
Personal Improvement Services Parking Rate	Establish a parking rate for personal improvement service uses, and eliminate the need for case-by-case review.	Preliminary Work Started
Parking Rate Changes in Station Area and Station Area Sphere of Influence	Reduce parking rate based on proximity to Caltrain station.	Preliminary Work Started
LONG-TERM changes needing po CONSULTANT	licy decisions by CITY and research/analysis by	Status
Hotel Incentives (General)	Explore potential incentives for hotel uses.	Work not Started
Infrastructure Project List, Outreach	Compile a list of public benefit infrastructure projects, including fiscal modeling, costs, and funding mechanisms.	Work not Started

Encourage Housing (esp. Affordable Housing)	Explore incentives for creating more affordable housing.	Work not Started (but part of Housing Commission Policy Recommendations)
Parking In Lieu Fees, Parking Reduction	Explore parking in lieu fees to reduce parking requirements, including potentially establishing a Transportation Management Association (TMA).	City-Wide Planning Started
Preserve Small Businesses and Retail Uses	Explore protections and incentives for retaining small businesses and retail uses.	Work not Started



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## City Manager's Office



#### STAFF REPORT

**Housing Commission** 

Meeting Date: 7/11/2018 Staff Report Number: 18-014-HC

Regular Business: Review and recommend the City Council adopt an

ordinance establishing tenant relocation

assistance

#### Recommendation

Staff recommends the Housing Commission review the draft relocation assistance ordinance and recommend the City Council adopt the ordinance.

#### **Policy Issues**

This action is consistent with the August 22, 2017, City Council direction regarding prioritized housing policies, with tenant relocation assistance being part of the priority one recommended policies.

#### **Background**

On January 10, 2017, the City Council held a study session on addressing the concerns regarding residential displacement in Menlo Park. The study session included Housing Commissioners Tate and Dodick as well as a panel of four housing experts. Staff presented 10 policies that have been commonly used or considered in other cities. The City Council referred eight of the recommended policies, along with seven others introduced by the expert panel, to the Housing Commission for prioritization.

The Housing Commission reviewed the policy table over the course of three consecutive monthly meetings, received input from stakeholders and experts and developed a recommended prioritization list.

Staff presented this recommended prioritization list at the August 22, 2017, City Council meeting where the City Council approved the Commission's recommendations without any changes.

#### **Analysis**

The Housing Commission and City Council ranked tenant relocation assistance as a #1 priority and asked for staff to return with an example ordinance. The draft ordinance (Attachment A) includes the following provisions based on previous Housing Commission and City Council discussions.

#### Household eligibility

A household is eligible for relocation assistance if:

- The household income does not exceed eighty (80) percent of the area median household income for San Mateo County as adjusted for household size according to the United States Department of Housing and Urban Development, as may be adjusted from time to time; and
- The household has a valid lease or rental agreement with the landlord
- The household is not delinquent on rental payments

#### Type and amount of assistance

Tenant relocation assistance is provided as a cash payment to eligible tenants on a per unit basis and includes the following:

- The cash equivalent of three (3) times the most current applicable Menlo Park market rate rent, published by the Community Development Director and updated from time to time, or three (3) times the monthly rent that the tenant(s) is paying at the time the notice of the landlord-caused termination is delivered, whichever amount is greater.
- (OPTIONAL) An additional \$1,000 for special-circumstances tenants, defined as households having at least one person that is either over 62 years of age, or at least one person who is qualified as disabled or who has a qualified handicap, or at least one person who is a legally dependent minor child (under 18 years of age).

#### Procedures for tenant relocation assistance payment.

The landlord shall pay relocation assistance as follows:

- The entire relocation assistance amount shall be paid to the tenant or tenants who executed the rental agreement. If the residential property is occupied by two (2) or more individuals, then relocation assistance shall be paid to the individual entitled to occupy the residential property under the rental agreement.
- The landlord shall pay one-half of the relocation assistance no later than five (5) business days following receipt of written notice that the tenant intends to vacate the residential property and one-half of the relocation assistance no later than five (5) days after the tenant has vacated the residential property.
- Nothing in the draft ordinance prohibits a landlord and a tenant from agreeing to relocation assistance
  different from that provided in the ordinance. A landlord shall not attempt to influence a tenant to agree
  to relocation assistance different from as provided for in the ordinance, in bad faith by means of fraud,
  intimidation or coercion (including, but not limited to, threats based on immigration status).

#### Notice of entitlement for relocation assistance

Once the ordinance is triggered, the landlord is required to provide notice to the tenant in accordance with the ordinance's notice provision:

- The landlord shall provide a written notice of tenant's entitlement to relocation assistance at the same time that the landlord provides notice of the rent increase.
- The notice of entitlement of relocation assistance shall be posted on the door to the residential property and sent certified mail or first class mail, or personally served upon the tenant
- The notice shall be provided in both English and Spanish language (similar to the 12-month lease ordinance).

#### Annual review

Staff shall annually prepare a report to the City Council assessing the effectiveness of the tenant relocation assistance program established under this Chapter and recommending changes as may be appropriate.

#### For Commissioner discussion and next steps

In the attached ordinance, several variables previously discussed by the Commission are indicated in red underline. These include the applicable residential property size (four or more unites), triggering percent of a "significant rent increase" (12 percent), the number of months of relocation assistance (three) and inclusion of a provision for a "special-circumstance household." Based on the Commission's direction, the final draft ordinance can be modified to adjust any of these variables.

In addition, once the Commission agrees on the draft ordinance language, it should consider how best to

Staff Report #: 18-014-HC

gather public feedback on the proposed ordinance. Staff suggests holding at least one public meeting that would be widely advertised to landlords and tenants and also consideration of a mailing similar to what was done for the 12-month lease ordinance.

#### **Impact on City Resources**

There is no immediate impact to City resources by adopting this ordinance. Any tenant relocation assistance payments would be made by the landlord to the tenant directly.

#### **Environmental Review**

This action is not a project under the California Environmental Quality Act ("CEQA") and therefore not subject to the provisions of the CEQA Guidelines under Sections 15378 and 15061(b)(3).

#### **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 tenant relocation assistance ordinance

Report prepared by:

Clay J. Curtin, Interim Housing and Economic Development Manager

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<b>ORDINANCE</b>	NO.
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ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MENLO PARK AMENDING TITLE 8 [PEACE, SAFETY AND MORALS] OF THE MENLO PARK MUNICPAL CODE TO ADD A NEW CHAPTER 8.55 [TENANT RELOCATION ASSISTANCE]

The City Council of the City of Menlo Park does hereby ordain as follows:

#### <u>SECTION 1</u>. <u>FINDINGS AND DETERMINATIONS</u>.

- A. An inadequate supply of rental housing exists in the city and an increasing demand continues to grow for such housing based on the significant number of renters in the city and the projected new jobs
- B. The increasing rents combined with a housing shortage places substantial pressure on the existing city residents who rent housing.
- C. In particular rising rents can lead to tenant displacement of longstanding residents.
- D. To mitigate displacement issues, the City Council of the City of Menlo Park finds and declares the addition of Chapter 8.55 [Tenant Relocation Assistance] is necessary.

<u>SECTION 2</u>. <u>ADDITION OF CODE</u>. Chapter 8.55 [Tenant Relocation Assistance] of Title 8 [Peace, Safety and Morals] is hereby added as follows:

## Chapter 8.55 TENANT RELOCATION ASSISTANCE

Sections:	
8.55.010	Purpose.
8.55.020	Definitions.
8.55.030	Requirement to provide relocation assistance.
8.55.040	Relocation assistance.
8.55.050	Procedures for relocation assistance payment.
8.55.060	Notice of termination and notice of entitlement to relocation assistance
8.55.070	Text of notice.
8.55.080	Retaliation prohibited.
8.55.090	Failure to comply.
8.55.100	Annual review

#### 8.55.010 Purpose.

In enacting these regulations the City Council recognizes the need to protect long-term tenants and tenant households in need from the adverse health, safety and economic impacts of displacement. It is the purpose and intent of the City Council to mitigate such impacts on these residents with this Chapter.

#### 8.55.020 Definitions.

For the purpose of this Chapter, unless otherwise apparent from the context, certain words and phrases used in this Chapter are defined as follows:

- (a) **BASE RENT** means the rent for residential property required to be paid by the tenant to the landlord in the month immediately preceding the effective date of the rent increase. Base rent shall not include ancillary services including, but not limited, to pet deposits, storage, additional parking or utility pass-throughs.
  - (b) **LANDLORD** shall have the same meaning as defined in Chapter 8.53.
- (c) **RENT** shall have the same meaning as defined in Chapter 8.53. Rent shall not include ancillary services including, but not limited to, pet deposits, storage, additional parking or utility pass-throughs.
- (d) **RENT INCREASE** means any upward adjustment of the rent from the base rent amount.
- (e) **RENTAL AGREEMENT** means the legal written agreement, including all changes and addenda governing occupancy of the residential property, between landlord and tenant.
- (f) **RESIDENTIAL PROPERTY** means any housing unit offered for rent or lease in the City of Menlo Park, provided that such housing unit is in a parcel that contains <u>four or more housing units</u>. Residential property shall exclude any housing unit that is subject to a recorded affordable housing regulatory agreement that requires that the housing unit be rented at restricted rents to income-qualified tenants as defined by the regulatory agreement.
- (g) **SIGNIFICANT RENT INCREASE** means a proposed rent increase that raises the rent, or proposed multiple rent increases that cumulatively raise the rent, to an amount more than twelve (12) percent greater than the base rent that was in place at any time during a twelve (12) month period, and the tenant elects to not remain in the residential property. This excludes circumstances where the proposed rent increase is rescinded by the landlord and excludes residential properties where landlords may establish the initial and all subsequent rental rates for a residential property pursuant to California Civil Code Section 1954.52.
- (h) <u>SPECIAL-CIRCUMSTANCES HOUSEHOLD</u> means a tenant or anyone else authorized by the landlord to occupy residential property with any of the following characteristics at the time of notice of a landlord-caused termination:
- (1) At least one (1) resident of the residential property is sixty-two (62) years of age or older;
- (2) At least one (1) resident of the residential property qualifies as disabled as defined by Title 42, United States Code, No. 423 or has a handicap as defined by California Health and Safety Code Section 50072; or
- (3) One (1) or more minor children (under eighteen (18) years of age) who are legally dependent (as determined for federal income tax purposes) reside in the residential property.
  - (i) **TENANT** shall have the same meaning as defined in Chapter 8.53.
- (j) **ELIGIBLE TENANT** means a displaced residential household whose annual household income does not exceed eighty (80) percent of the area median household income for San Mateo County as adjusted for household size according to the United States Department of Housing and Urban Development, as may be adjusted from time to time, and tenant who has a valid lease or rental agreement with the landlord, and whose rental payments to the landlord remain current through the date of displacement.

#### 8.55.030 Requirement to provide relocation assistance.

No landlord shall effectuate a significant rent increase without paying relocation assistance in accordance with this Chapter.

#### 8.55.040 Relocation assistance.

The landlord shall provide relocation assistance where required by section 8.55.030 an eligible tenant in the following amounts:

- (a) Three (3) times the most current applicable Menlo Park market rate rent, published by the Community Development Director and updated from time to time, or three (3) times the monthly rent that the tenant(s) is paying at the time the notice of the landlord-caused termination is delivered, whichever amount is greater.
- (b) \$1,000 for special-circumstances households. A tenant is only entitled to claim a special-circumstances household payment of \$1,000 per residential property.

#### 8.55.050 Procedures for relocation assistance payment.

The landlord shall pay relocation assistance as follows:

- (a) The entire relocation assistance amount shall be paid to the tenant or tenants who executed the rental agreement. If the residential property is occupied by two (2) or more individuals, then relocation assistance shall be paid to the individual entitled to occupy the residential property under the rental agreement. Landlord may deduct from the relocation assistance payable any and all past due rent owed by tenant during the twelve months before termination of tenancy and may deduct from the relocation assistance any amounts paid by the landlord for any damage, cleaning, key replacement, or other purposes served by a security deposit as defined by the rental agreement, to the extent the security deposit is insufficient to provide the amounts due for such costs.
- (b) The landlord shall pay one-half of the relocation assistance no later than five (5) business days following receipt of written notice that the tenant intends to vacate the residential property and one-half of the relocation assistance no later than five (5) days after the tenant has vacated the residential property. If the tenant ultimately fails to vacate the residential property where a landlord provides a proposed rent increase that raises the rent, or proposed multiple rent increases that cumulatively raise the rent, to an amount more than twelve (12) percent greater than the base rent at any time during a twelve (12) month period, the tenant shall reimburse relocation assistance to the landlord.
- (c) Nothing provided herein prohibits a landlord and a tenant from agreeing to relocation assistance different from as provided in this section. A landlord shall not attempt to influence a tenant to agree to relocation assistance different from as provided in this section in bad faith by means of fraud, intimidation or coercion (including, but not limited to, threats based on immigration status).

#### 8.55.060 Notice of termination and notice of entitlement to relocation assistance.

Where a landlord provides a significant rent increase that raises the rent, or proposed multiple rent increases that cumulatively raise the rent, to an amount more than twelve (12) percent greater than the base rent at any time during a twelve (12) month period and the tenant elects to not remain in the residential property, the landlord shall provide a written notice of tenant's entitlement to relocation assistance at the same time that the landlord provides notice of a rent increase. Such notice of entitlement to relocation assistance shall be posted on the door to the residential property and sent certified mail or first class mail, or personally served upon tenant, and shall be provided in both English and Spanish language.

#### 8.55.070 Text of notice.

The notice of entitlement to relocation assistance where a landlord provides a proposed significant rent increase, or proposed significant rent increases that raise the rent to an amount more than twelve percent (12%) greater than the base rent during a twelve (12) month period and the tenant elects to not remain in the residential property shall state:

NOTICE: Under Civil Code Section 827(b) a landlord must provide a tenant with thirty (30) days' notice before a rent increase of ten percent (10%) or less and sixty (60) days' notice of a rent increase of greater than ten percent (10%). Under Title 8, Chapter 8.55 of the Menlo Park Municipal Code, a landlord must at the same time as a notice under Civil Code Section 827(b), provide this notice of the tenant's entitlement to relocation assistance. Qualifying tenants are entitled to the following forms of relocation assistance: (a) A relocation fee which shall be the cash equivalent of three (3) times the most current applicable Menlo Park market rate rent, published by the Community Development Director and updated from time to time, or three (3) times the monthly rent that the tenant(s) is paying at the time the notice of the landlord-caused termination is delivered, whichever amount is greater; and (b) \$1,000 for special-circumstances households. Special-circumstances households include the following: (1) At least one (1) resident of the residential property is sixty-two (62) years of age or older; (2) At least one (1) resident of the residential property qualifies as disabled as defined by Title 42, United States Code, No. 423 or has a handicap as defined by California Health and Safety Code Section 50072; or (3) One (1) or more minor children (under eighteen (18) years of age) who are legally dependent (as determined for federal income tax purposes) reside in the residential property. Under Civil Code Section 1942.5, it is illegal for a landlord to retaliate against a tenant for lawfully and peaceably exercising his or her legal rights.

#### 8.55.080 Retaliation prohibited.

Commencement of eviction proceedings against a tenant for exercising his or her rights under this Chapter shall be considered a retaliatory eviction. Under Civil Code Section 1942.5, it is illegal for a landlord to retaliate against a tenant for lawfully and peaceably exercising his or her legal rights.

#### 8.55.090 Failure to comply.

A landlord's failure to comply with any requirement of this Chapter may be asserted as an affirmative defense in an action brought by the landlord to recover possession of the residential property. Additionally, any attempt to recover possession of a residential property in violation of this Chapter shall render the landlord liable to the tenant for actual and punitive damages, including damages for emotional distress, in a civil action for wrongful eviction. The tenant may also seek injunctive relief and money damages for wrongful eviction and/or failure to pay relocation assistance. A landlord may seek money damages for a tenant's failure to reimburse relocation assistance if the tenant ultimately fails to vacate the residential property where a landlord provides a proposed rent increase that raises the rent, or proposed multiple rent increases that cumulatively raise the rent, to an amount more than twelve percent (12%) greater than the base rent at any time during a twelve (12) month period. The prevailing party in an action for wrongful eviction and/or failure to pay relocation assistance or reimburse relocation assistance shall recover costs and reasonable attorneys' fees.

#### 8.55.100 Annual Review.

The Community Development Director shall annually prepare a report to the City Council assessing the effectiveness of the relocation assistance program established under this Chapter and recommending changes as may be appropriate.

<u>SECTION 3</u>. <u>SEVERABILITY</u>. If any section of this ordinance, or part hereof, is held by a court of competent jurisdiction in a final judicial action to be void, voidable or unenforceable, such section, or part hereof, shall be deemed severable from the remaining sections of this ordinance and shall in no way affect the validity of the remaining sections hereof.

<u>SECTION 4</u>. <u>CALIFORNIA ENVIRONMENTAL QUALITY ACT DETERMINATION</u>. The City Council hereby finds that this ordinance is not subject to the provisions of the California

Environmental Quality Act ("CEQA") under Sections 15378 and 15061(b)(3) of the of the CEQA Guidelines.

SECTION 5. EFFECTIVE DATE AND PUBLISHING. This ordinance shall take effect 30 days after adoption. The City Clerk shall cause publication of the ordinance within 15 days after passage in a newspaper of general circulation published and circulated in the city or, if none, the posted in at least three public places in the city. Within 15 days after the adoption of the ordinance amendment, a summary of the amendment shall be published with the names of the council members voting for and against the amendment.

INTRODUCED o	n the day of	, 2018.
		e of the City of Menlo Park at a regular , 2018, by the following vote:
AYES:	Councilmembers:	
NOES:	Councilmembers:	
ABSENT:	Councilmembers:	
ABSTAIN:	Councilmembers:	
		APPROVED:
ATTEST:		Mayor
Judi A. Herren, City Cler	<u></u> k	

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# 2018-19 HOUSING COMMISSION SUBCOMMITTEE ASSIGNMENTS

	2018-19 S	Subcommittee		
HOUSING COMMISSION SUBCOMMITTEES				Notes
Notice of Funding Availability Subcommittee	McGraw-Scherer			
Anti-Displacement Subcommittee	Grove	Horst		
Below Market Rate Housing Guidelines Subcommittee	Dodick	Grove		
Marketing Subcommittee	McGraw-Scherer	Horst		
Housing Policy Subcommittee	Merriman	Tate	McPherson	